



The Bee Corp

2020
ANNUAL BENEFIT REPORT



TABLE OF CONTENTS

A LETTER FROM OUR CEO.....	3
BENEFIT DIRECTOR STATEMENT.....	4
OUR BENEFIT.....	5
<i>Safeguarding Food Security.....</i>	5
2020 Initiatives.....	5
2021 Initiatives.....	5
<i>Supporting Beekeepers.....</i>	6
2020 Initiatives.....	6
2021 Initiatives.....	6
THIRD-PARTY CERTIFICATION.....	7
<i>B Lab Assessment.....</i>	7
<i>Governance.....</i>	8
<i>Workers.....</i>	8
<i>Community.....</i>	8
<i>Environment.....</i>	8
<i>Customers.....</i>	8



A LETTER FROM OUR CEO

Welcome to our fifth annual Benefit Report! Earlier this year, we celebrated our fifth anniversary since starting The Bee Corp, a major milestone for our team. It's a product of the blood, sweat, tears and raw passion we've invested in The Bee Corp since day one. It's a result of significant personal growth while facing the constant pressure of adversity. It's a nod to the countless folks who generously lent their time to advise, mentor and support us along the way.

If you had told me back in 2016 that in five years, we'd have 13 employees, a well-functioning product with a loyal customer base and strong prospects for continued growth, it would've been difficult to hide my skepticism. I'm deeply proud of our team and I'm immensely grateful for each and every person who helped The Bee Corp reach its fifth birthday.

Our fifth year in business was far from normal. Like the rest of the world, we faced an abundance of new challenges due to the COVID-19 pandemic. Thankfully, our company was mostly spared from the adverse economic impacts that devastated other industries. We were fortunate not to face the dreaded decision to cut staff or roll back investments in other key areas. In fact, we continued to grow our staff in 2020, adding three new full-time hires along with a cadre of talented student interns.

We made excellent progress on our goals for improving the Verifli customer experience last year. Our software team spent months building performance enhancements to allow the Verifli dashboard to load hive strength data much faster and handle far greater capacity. Thanks to these improvements, the dashboard was able to host more than 50,000 hive grades for this season.

While the software team focused on optimizing the dashboard, our R&D team made some key breakthroughs on maximizing the accuracy of Verifli's hive strength measurements. In addition to selecting a more reliable infrared camera, we overhauled our data collection process to include more objective methods to determine colony population.

As we enter our sixth year, I see exciting opportunities for growth on the horizon for The Bee Corp. One major initiative in store this year is introducing Verifli to growers of new crops that rely on honeybee pollination. After three almond pollination seasons gaining expertise and honing our technology, we're ready to expand our scope and bring Verifli to more growers who need a method to determine the value of the hives rented for pollination.

SIGNED,



ELLIE SYMES, CEO



BENEFIT DIRECTOR STATEMENT

In my first full year as The Bee Corp's Benefit Director, I am pleased with the company's efforts towards achieving its mission as well as its continued commitment to beneficial practices that positively impact the community. In response to the emerging COVID-19 pandemic, Bee Corp leaders acted swiftly and decisively, instituting a work-from-home policy and suspending all in-person activities in an effort to protect its staff from the virus. I am proud to report that no employee contracted COVID-19 while acting in the scope of their role.

I am encouraged by the ambitious goals for growth The Bee Corp has set for this year. Achieving these targets will put the company in a strong position to broaden its impact on food security and expand its reach to more beekeepers. As The Bee Corp takes aim at scaling the product and growing the team, I will continue to press them to adopt new initiatives that positively impact the community.

I look forward to seeing The Bee Corp maintain its commitment to beneficial practices in 2021 as the team shifts focus towards introducing Verifli into new markets.

SIGNED,

Geng Wang

GENG WANG

OUR BENEFIT



SAFEGUARDING FOOD SECURITY: We protect food security by helping growers understand how to manage a critical input: pollination. We strive to improve yields by collecting and analyzing pollination data to educate growers about optimizing pollination.

Safeguarding food security is a lofty goal that implies a broad, industry-wide impact. This year, we aim to broaden our reach by introducing Verifli into new crops that rely on bee pollination. We also seek to develop new tools to improve how growers plan for pollination and understand the factors that affect pollination outcomes.

REVIEW OF 2020 INITIATIVES:

- **Expand access to Verifli for additional crops and pollination events.** We arranged pilot tests with growers of berries and vegetable seeds to grade hives with Verifli during their 2021 pollination season.
- **Improve pollination by collecting more granular hive data from our growers.** We collected data that will allow us to build a new metric to evaluate pollination performance based on hive strength and real-time weather conditions.
- **Improve yields by educating growers on best practices for optimizing pollination.** We published two educational white papers to teach growers about the process of planning for pollination and creating leverage through pollination contracts. We also discussed these topics in a speaking appearance at the 2021 World Ag Expo.

2021 INITIATIVES:

- **Adapt Verifli to meet the needs of new crop growers.** As we take our first steps towards expanding our scope by introducing Verifli into new crop pollination events, we're focused on maintaining a strict standard of excellence. Most importantly, we must ensure that Verifli delivers accurate results in a wider range of environmental conditions.
- **Create metrics using real-time weather to add nuance to evaluating pollination.** Securing strong hives is only half of the formula for effective pollination. In order to complete their job, the bees need decent weather. We plan to develop a new metric to determine the bees' daily pollination capacity based on a site's average hive strength and how much pollination activity is expected to occur given local weather conditions.



SUPPORTING BEEKEEPERS: We develop technology to help beekeepers reduce labor time per hive while maximizing pollination revenue. Though they're adept at building strong hives to pollinate the nation's food supply, today's beekeepers spend more labor time per hive to maintain their inventory due to mounting threats to bee health.

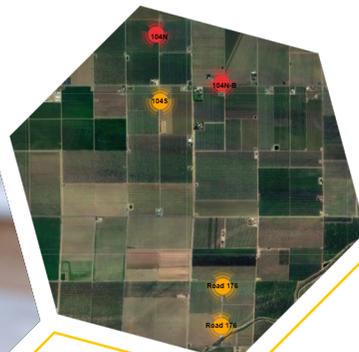
Verifli was designed to benefit growers in the short term, but our longterm goal has always been to improve margins and reduce labor for beekeepers. We aim to make Verifli more accurate and easier for beekeepers to use so they can devote the necessary time to building excellent bees.

REVIEW OF 2020 INITIATIVES:

- **Reduce beekeepers' pollination-prep labor time.** We partnered with a hive broker this season, who used Verifli to grade his clients' hives during almond pollination. Though they graded tens of thousands of hives with Verifli, we didn't save this broker nearly as much time as we had hoped. This partnership led us to identify several components to improve internally which will put us on the right track to reach this goal.
- **Shape Verifli into a more effective tool for beekeepers through pilot testing.** During site visits with seven beekeepers across the country, we gained valuable feedback on how we can adapt Verifli to suit their needs.

2021 INITIATIVES:

- **Simplify image capture process.** Before we're ready to let Verifli users grade hives on their own, we need to make it easier to capture high-quality images. Grading a hive with Verifli isn't as simple as snapping a picture; even with training and a basic understanding of the technology, the process is prone to user error. While that's something we can control when our team is responsible for taking images, we want our customers to enjoy a fool-proof experience with the product.
- **Test accuracy on more types of hive equipment.** Though pine hive boxes are the most common equipment used by beekeepers in US almond pollination, there's more variety in types of hive boxes used in other pollination events. We must determine whether Verifli can accurately measure colony size through plastic and styrofoam hive boxes.



THIRD-PARTY CERTIFICATION

We chose B Lab's B Impact Assessment as the third-party standard we use to evaluate our social and environmental impact. Indiana requires Benefit Corporations to adopt a third-party standard to measure beneficial practices against companies with similar characteristics.

B Lab is a non-profit organization focused on certifying companies around the world that meet a high degree of socially and environmentally beneficial criteria. We selected the B Impact Assessment because B Lab is the global leader in the category.

As a software startup, the B Impact Assessment isn't always able to measure our company against others like us. We miss out on many points simply due to the nature of our business — for example, working with local customers and suppliers and measuring our carbon footprint. Though the B Impact Assessment can't capture all the things startups and software companies do to be socially beneficial, the assessment is a good starting point for companies like us. It serves as a reminder that there's plenty of progress left to achieve.

No connection exists between B Lab or its directors, officers or material owners and The Bee Corp, or its directors, officers or material shareholders.

B LAB ASSESSMENT

We scored 81.3 points on the B Impact Assessment in 2020, an increase of 1.8 points from our previous score. Our most notable improvement, a 3.5-point gain in the Community category, is a result of our effort to be more conscious about selecting our partners and service providers. Last year, more than half of our service expenses were spent with local, women-owned businesses.

	2019 SCORE	2020 SCORE
GOVERNANCE	18.8	18.8
WORKERS	28.8	27.9
COMMUNITY	21.9	25.4
ENVIRONMENT	6.5	5.5
CUSTOMERS	3.3	3.6

GOVERNANCE

- We earned the same number of points as last year. Points in this category are based on company structure, so there isn't much room to earn additional points.
- We can earn 0.53 more points in 2021 by instituting new policies including a Code of Ethics and whistleblower protections.

WORKERS

- We lost 0.9 points in this category because our team spent less time on training this year than in 2019.
- We'll maintain our score in 2021 and build a more desirable place to work by continuing to offer competitive pay and benefits and creating more opportunities for employees to grow their professional skills.

COMMUNITY

- We gained 3.5 points this year because more than half of our spending on suppliers was with women-owned businesses and we brought on new non-accredited investors.
- We'll earn more points in 2021 by creating a new charitable giving initiative, adding more jobs and maintaining a diverse workforce.

ENVIRONMENT

- We lost 1 point because we worked from home so we had limited recycling/energy reduction opportunities in our office.
- As in previous years, it'll be difficult to gain points in this category as a small company that doesn't own any facilities. We can continue to dispose of recyclables and e-waste responsibly, but we can't monitor greenhouse gas emissions, track water and energy usage or purchase energy from renewable sources.

CUSTOMERS

- We gained 0.3 points by exceeding our target for customer satisfaction.
- Although we've earned nearly all the points we can score in this category, we can earn one more point by providing users with control over how their private data is used (we don't sell, share or profit in any way from user data).

