2025 - Annual Benefit

Minnesota Public Benefit Corporation Annual Benefit Report
File Number: 1593851000032
Corporate Name: Innovate MN General Benefit Corporation
Reporting Period: January 1, 2025 - December 31, 2025

SECTION 4: Annual Benefit Report Content

Management Team Certification

The Management Team of Innovate MN General Benefit Corporation certifies that it has:

1. Chosen the B Impact Assessment developed by B Lab as the third-party standard for measuring our general public benefit
2. Determined that B Lab, the organization that promulgated the B Impact Assessment, is independent from Innovate MN General Benefit Corporation
3. Reviewed and approved this report

Third-Party Standard Selection

Third-Party Standard: B Impact Assessment, developed by B Lab

Selection Rationale: The management team selected the B Impact Assessment as our third-party standard because it provides a comprehensive, credible framework for measuring our impact across all stakeholder groups—governance, workers, community, environment, and customers. As a General Benefit Corporation committed to creating material positive impact on society and the environment, we require a holistic measurement tool that aligns with our mission to foster collaborative innovation and strengthen Minnesota's entrepreneurial ecosystem.

The B Impact Assessment is particularly well-suited to our organization because:

- It is the most widely recognized standard for benefit corporations in the United States
- It provides clear, actionable metrics for companies at our stage of development
- It emphasizes community impact and stakeholder engagement, which are central to our public benefit purpose
- It allows us to benchmark our progress year-over-year as we grow

- It is freely accessible and designed specifically for organizations pursuing a general public benefit

B Lab is independent from Innovate MN General Benefit Corporation, with no financial, governance, or operational relationships.

How Innovate MN Pursued General Public Benefit

During the 2025 calendar year, Innovate MN pursued general public benefit through the following strategic activities:

1. Collaborative Innovation Platform

We facilitated 8 monthly public Idea Jams throughout 2025, bringing together 400+ diverse professionals from across industries, sectors, and backgrounds to collaborate on real business and community challenges. These structured brainstorming sessions utilized design thinking methodologies to generate actionable ideas for Minnesota businesses and nonprofits. Each session averaged 150-250 ideas, producing approximately 1,200-2,000 whole ideas across all events.

2. Strengthening Minnesota's Entrepreneurial Ecosystem

We connected entrepreneurs, corporate teams, students, small business owners, and nonprofit leaders through our programming, creating cross-pollination opportunities that would not otherwise exist. We established new partnerships with educational institutions, including the University of St. Thomas Schulze School of Entrepreneurship and Concordia University, expanding access to entrepreneurial thinking and problem-solving frameworks for students and faculty.

3. Accessible Innovation & Knowledge Sharing

We provided strategic thinking and innovation support to 8 local businesses and 2 nonprofit organizations through public and private Idea Jam sessions, democratizing access to high-quality business consultation and creative problem-solving that were previously available only to well-resourced organizations. Our community-first approach ensured that organizations of all sizes could benefit from collective intelligence and diverse perspectives.

4. Community Connection & Professional Development

We created spaces for meaningful professional development and networking that prioritize authentic collaboration over transactional relationships, building social capital within Minnesota's business community. Our programming emphasized inclusivity, bringing together professionals across demographic backgrounds, experience levels, and organizational types.

5. Formal Commitment to Stakeholder Capitalism

We transitioned from a traditional LLC structure to General Benefit Corporation status, formalizing our commitment to consider all stakeholders, shareholders, employees, community, environment, and customers in our decision-making. This structural change reinforced our mission to create lasting positive impact beyond financial returns.

Extent to Which General Public Benefit Was Created

Quantitative Outcomes:

- **8 Public Idea Jam Sessions** facilitated in 2025, maintaining consistent monthly programming
- **400+ Total Participants** engaged across all public sessions, representing diverse industries and professional backgrounds
- **1,200-2,000 Actionable Ideas Generated** (averaging 150-250 ideas per session) for spotlight businesses and organizations
- **10 Organizations Directly Served:** 8 local businesses and 2 nonprofit organizations through public and private Idea Jam programming
- **2 Educational Partnerships Established:** University of St. Thomas Schulze School of Entrepreneurship (continued) and Concordia University (new)
- **B Impact Assessment Completed:** Baseline score of 14.4, with the strongest performance in Community (9.5 points), reflecting our mission-driven impact

Qualitative Impact:

Community Impact (Primary Focus Area)

Our strongest measured impact is in community engagement and economic development, as reflected in our Community score of 9.5 points on the B Impact Assessment. We created a general public benefit by:

- **Cross-Industry Collaboration:** Successfully connected professionals who would not typically interact, creating new networks and knowledge-sharing pathways that extend beyond our events. Participants reported forming ongoing professional relationships and collaborative partnerships.

- **Accessible Innovation:** Provided businesses and nonprofits—particularly those with limited resources—access to diverse expertise and creative problem-solving approaches they could not otherwise afford. Our model removes financial barriers to strategic consultation.

- **Ecosystem Strengthening:** Built relationships among entrepreneurs, educators, corporate professionals, and community organizations, strengthening Minnesota's collaborative capacity and innovation culture.

- **Knowledge Democratization:** Shared design thinking and collaborative problem-solving methodologies with hundreds of professionals, building Minnesota's collective capacity for innovation.

Governance & Transparency

We formalized our commitment to stakeholder-centered decision-making through our General Benefit Corporation structure, ensuring that our management considers environmental, social, and governance factors in all major decisions. Our governance score of 0.9 points reflects our early-stage, founder-led structure.

Environmental Considerations

We maintained environmentally conscious practices, including partnerships with sustainable venues, and digital-first documentation to minimize paper waste (Environment score: 2.7 points).

Customer & Stakeholder Benefit

We designed all programming to serve the specific needs of participating businesses and nonprofits, ensuring that the generated ideas were actionable and relevant to their real challenges. Our customer-centric approach (Customer score: 1.3 points) prioritized the quality of ideas over the quantity of services.

Foundation for Future Growth

While our overall B Impact Assessment score of 14.4 is below the 80-point threshold for B Corporation certification, this baseline reflects our status as a young, founder-led organization without employees. Our strong Community impact score (9.5) demonstrates clear alignment between our mission and our measurable outcomes. We expect this score to increase significantly as we add team members, formalize additional stakeholder practices, and expand our programming in future years.

Circumstances That Hindered Efforts to Pursue or Create General Public Benefit

Capacity Constraints

As a founder-led organization without additional full-time staff, our ability to scale programming and serve more communities throughout Minnesota was limited by available time and operational bandwidth. While we successfully maintained consistent monthly programming and served 10 organizations, we received requests from additional businesses and nonprofits that we were unable to accommodate in 2025.

Our team is actively working to address this constraint by exploring partnership models and talent-acquisition strategies to expand our impact while maintaining the quality and authenticity of our collaborative innovation approach.

No Other Material Hindrances

Beyond capacity constraints, we did not encounter significant circumstances that hindered our pursuit of the general public benefit. Our community-first approach, authentic relationship-building model, and clear public-benefit purpose enabled us to navigate challenges effectively and maintain strong alignment between our mission and operations.

Assessment of Social and Environmental Performance

Using the B Impact Assessment framework, we measured our performance across five impact areas:

Impact Area	Scoe	Assessment
Governance	0.9	Reflects early-stage, founder-led structure; formalized stakeholder governance through GBC status
Workers	0.0	No employees in 2025; founder-operated model
Community	9.5	**Strongest area:** Direct community engagement, knowledge sharing, and ecosystem development
Environment	2.7	Conscious environmental practices; opportunities for growth as we scale with partnerships
Customers	1.3	Customer-centric programming design; serving real business needs
Overall	**14.4**	Baseline established; strong community impact aligned with mission

Our performance demonstrates clear alignment between our stated public benefit purpose—fostering collaborative innovation and strengthening Minnesota's entrepreneurial ecosystem—and our measurable community impact. The Community score of 9.5 points represents the majority of our overall impact, which is appropriate for an organization whose

primary purpose is knowledge sharing, ecosystem development, and collaborative problem-solving.

Looking Forward

In future reporting periods, we anticipate increased scores in all impact areas as we:

- Add team members and formalize employment practices (Workers)
- Expand stakeholder engagement mechanisms (Governance)
- Scale environmental sustainability initiatives (Environment)
- Broaden customer service offerings (Customers)
- Deepen community impact through expanded programming (Community)

We remain committed to transparent measurement and continuous improvement in pursuit of our general public benefit purpose.

Management Team Approval Date: 1.31.26

Chief Executive Officer Signature: [signature]

Date Signed: 1.31.26

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