

SOUTHERN ENERGY
MANAGEMENT



2023

BENEFIT REPORT



Certified



Corporation

**Sustainability,
Impact, and
Transparency**



Contents



Intro

- 04 Letter from the Founders
- 05 Leading the Change Since 2001
- 06 Using Business as a Force for Good



Governance

- 07 Overview & How We Did in 2023



Workers

- 09 Overview & How We Did in 2023



Community

- 11 Overview & How We Did in 2023



Environment

- 13 Overview & How We Did in 2023



Customers

- 15 Overview & How We Did in 2023



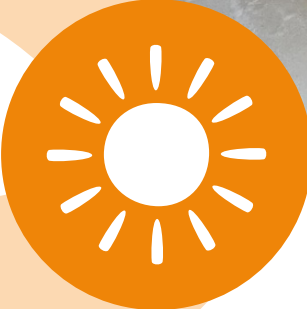
Community Partnerships

- 17 Meet our Partners!



Index

- 20 Transparencies
- 21 A Call to Action





A Word From Our Founders

Welcome to Southern Energy Management’s 2023 Impact and Sustainability report. We are proud that in our 22nd year in business, we continued to live powerfully into our company’s purpose to *Lead the Change*.

Overall, 2023 was a year of growth; we added 23 new team members and grew our revenue by 13%. Our building performance teams continued to expand in both service offerings and geographically, while our solar teams faced both challenges and opportunities. Negative changes to net metering rules in NC affected financial returns for new solar customers, so we saw significantly less demand in the second half of the year than the first. Looking forward, we see opportunities from the new utility incentive for solar + batteries (Duke Energy’s PowerPair program), as well as climate focused funding in the Inflation Reduction Act.

We have always been committed to sustainable business practices, although in the early years, we didn’t fully realize it—we were simply running the business in the way that felt most authentic to our people and our values. And while that hasn’t changed, we are now much more intentional about how we create and measure impact. What follows is an overview of where we have chosen to invest our resources to create impact beyond our financial bottom line, and the results of those investments.

In September, we received our 5th B Corp recertification, and are proud that, even as the standards have become more challenging, we have successfully maintained our Certified B Corp status since 2009. 2023 was a year of growth for our internal B Corp team, known as the B Squad, as we focused on ensuring representation

from all of our teams, and creating specific roles and accountabilities to ensure we are doing impactful work, both in our communities and inside our company. We invested in creating stronger ties to our B Local community as well as our community partnerships with Habitat for Humanity, the NC League of Conservation Voters, and Hope Renovations. We also continue to work to empower team members in all of our locations to create opportunities to volunteer their time to the communities we work in every day.

Another significant investment we made in 2023 was in our internal training program, known as SEM YOUiversity. We created a core curriculum for all team members that includes courses on how our business operates so everyone can fully participate in our company’s success as well as develop critical skills to improve their lives inside and outside of work. Our goal is that every team member learns and grows along with the company, regardless of their roles and accountabilities.

As we look forward to more growth opportunities in the years to come, we are committed to continuing to improve our impact beyond our financial bottom line and we thank each of our team members, our customers, our partners, and our communities for their continuing support.

With Love and Gratitude – Maria and Bob Kingery



Leading the Change Since 2001



Southern Energy Management (SEM) is the Southeast's rooftop solar and building performance expert based in Raleigh, North Carolina. We're a team of over 150+ building scientists, solar professionals, and entrepreneurs dedicated to improving the way the world makes and uses energy.

Since 2001, SEM has offered energy efficiency, green building, sustainability consulting, and turn-key solar services for homeowners, builders, developers, nonprofits, and companies across the country.

We're passionate about continuously innovating and leading the energy market while maintaining our core values. We're also firm believers that businesses can change the world for the better, and we're committed to working toward that goal each and every day. We believe what you do is important, and how you do it matters just as much. Because of that, we're proud to be a Certified B Corporation!

It's our mission to help others achieve their sustainability goals. Now in our twelfth year as a B Corp, and with over two decades of experience behind us, this report is just one step in sharing the measures we are taking to meet our own sustainability goals by improving the way our company interacts with our team, community, environment, and customers.

Hoping you will learn a bit about us and what being a B Corp is all about. And as we like to say at SEM, SHINE ON.

Residential Solar

Helping homeowners take control of their energy by harvesting the sun

Commercial Solar

Guiding businesses in saving money and investing in their operations

Builder Services

Working with builders to create more efficient homes and capture more value

Mixed-Use Services

Simplifying green building to help project teams create sustainable value

Zero-Energy

Pushing energy efficient homes to the next level with solar power

Consulting

Supporting builders and communities in telling their sustain-ability stories

Core Values



Seek Solutions



Have To Get To



Invest in the Greater Good



Never Settle



Enjoy the Journey

Using Business as a Force for Good

B Corporations are purpose-driven businesses that are dedicated to balancing a triple bottom line (people + planet + profit). Certified B Corps are assessed every three years to meet rigorous standards of social and environmental performance, accountability, and transparency. These standards are continually improving, pushing B Corps to re-evaluate their practices to find ways to become even stronger change makers and global community leaders.

The first 82 B Corps were certified in 2007. Southern Energy Management followed soon after, officially becoming a Certified B Corp in 2009.

To qualify as a B Corporation, companies must complete the B Impact Assessment (BIA). The assessment has a total of 200 questions with a max of 200 possible points. B Corps must achieve a minimum of 80 points to become certified. Within the BIA, there are five categories that assess the full scope of a company's practices from the fine details of day-to-day operations to the overarching big-picture impact of their business model.

We're proud to be part of this global alliance of companies innovating for impact and building a B Economy that helps solve social and environmental problems for the long term.

97.3	7.4	22.9	16.2	47.0	3.6
Overall	Governance	Workers	Community	Environment	Customers
Median Scores*	6.2	18.3	10.5	24.1	1.9

**Median scores based on other companies' performance in same size range*



Declaration of Interdependence

We envision a global economy that uses business as a force for good.

This economy is comprised of a new type of corporation – the B Corporation – which is purpose-driven and creates benefit for all stakeholders, not just shareholders.

As B Corporations and leaders of this emerging economy, we believe:

- That we must be the change we seek in the world.
- That all business ought to be conducted as if people & place mattered.
- That, through their products, practices, and profits, businesses should aspire to do no harm and benefit all.
- To do so requires that we act with the understanding that we are each dependent upon another and thus responsible for each other and future generations.





Governance

- Worker access to financial information
- Customers' opportunities to give feedback
- Diversity of the company's governing bodies
- Whether the company has adopted a social or environmental mission
- How the company engages its workers, board members, and the community to achieve that mission





Governance

Measure of the company's overall mission, ethics, accountability, and transparency

76% Quarterly Rock Completion Rate

Each quarter, team members define 90-day priorities (or "rocks") that will contribute to achieving our company's vision. This is one way we organize our long lists of "to-dos." In 2023, our team just missed our 80% rock completion target, finishing at 76% with over 135 rocks started.

12 B Corp Improvement Team Members

In 2023, our internal B Corp improvement team (known around the block as *B Squad*) focused on strengthening internal accountabilities, ensuring team representation, and establishing a dedicated budget, while achieving our most recent recertification. This year, B Squad is continuing to develop our relationship with the B Local Triangle community, preparing an action plan for next iteration of the B Impact Assessment (BIA), and facilitating cross-team volunteer opportunities for all of our team!

2 Owners

Since founding the company in 2001 out of their home, Bob and Maria have led SEM to grow and be what it is today as SEM's owners and visionaries.

16 Emerging Leaders

As our team continues to grow, we're working hard to continue leading the change both internally and externally. Beginning in 2021, Southern Energy's Emerging Leaders program was established to provide more training and support to up-and-coming leaders across our company.

11 Guidance Team Leaders

Alongside our co-founders, Bob and Maria, our guidance team are the visionaries that guide SEM. Benoit and Chuck were new additions to the guidance team in 2023. The guidance team also introduced several benefits including Sabbatical and a PTO holiday to the team and SEM's 'Grand Life' vision.



Workers

- How the company treats its workers through compensation, benefits, training, and ownership opportunities
- Management/worker communication
- Job flexibility
- Corporate culture
- Worker health and safety practices





Workers

Measure of the company's relationship with its workforce and the overall work environment

51 SEM YOUiversity Courses in Leadership, Social, & Environmental Training Offered

SEM YOUiversity is our internal professional development and life-skills training program, offered to all SEM team members. New to 2023, team members are now required to complete 5 core classes within a 2 year span. This equips our team with a shared toolkit to seek solutions as we work to lead the change!

By the end of 2023, our team clocked in at 846 hours of internal training and participated in a total of 150 hours of JEDI conversations.

11.5% Team Members Internally Promoted

This is an improvement since we reported an 8.5% promotion rate in our last report! We strive to be open, honest, and cultivate a level of trust where all team members can share ideas and goals to achieve growth. Each new job opportunity at SEM is open for current team members to apply for without retribution.

180 Team Members

We ended 2022 with 157 team members, then grew again throughout 2023 to a grand total of 180 team members by year-end. That's 23 new local jobs created at SEM! We also celebrated 1 retirement – a happy bon voyage to Debi on our builder services team!

4 Year Average Team Member Tenure

Our industry's tenure average is 4.8 years. At Southern Energy, our tenure has been steady around 4 years with 16 team members tenured over 10 years! We are regularly tracking team member happiness and when hiring, we are guided by our mantra of "right people, right seats" which has proven successful for finding team members who embody our core values.





Community

- Practices and policies around community service and charitable giving
- Whether a company's product or service is designed to solve a social issue
- Inclusive hiring practices and work environments
- Local purchasing and hiring policies
- Social and environmental screening of suppliers and code of conduct





Community

Measure of the company's supplier relations, diversity, and involvement in the local community



60+ Educational Community Events

In 2023, we were part of 60+ educational events on solar power and building performance. We plan to host and participate in over 80 events this year!

104 Paid Volunteer Hours

Team members at SEM receive 4 hours of paid volunteer time. In 2023, around 17% of our team used their paid volunteer time supporting organizations like Carolina Tiger Rescue, Food Bank of Central & Eastern North Carolina, and Foster Pantry. Looking ahead at 2024, we're working behind the scenes to increase volunteer participation and improve our internal tracking mechanism.



3,309 Affordable Housing Units Impacted

Homes and apartments built to above-code efficiency standards make affordable housing even more affordable. In 2023, we helped 43 affordable housing developments create healthier living spaces and lower utility bills for residents.

\$10.5k+ Donated to Charitable Organizations

We are proud to support various charitable organizations, both local and national. Check out page 13 for a full list of our donations in 2023.

18 NC Organizations Went Solar

Our commercial solar division helped 7 churches, 5 multifamily buildings, 2 nonprofits, 2 businesses, 1 museum, and 1 school go solar in 2023.





Environment

- Transportation/distribution channels
- Environmental impact of supply chain
- Whether a company's products or services are designed to solve an environmental issue
- Facility's energy and water use, green building standards, building improvements
- Waste reduction and resource conservation practices





Environment

Measure of the company's environmental impact through its facilities, materials, emissions, and resource use

18,852 Equivalent Cars Taken Off the Road

In 2023, the energy saved through our efficiency and solar power services removed an equivalent 18,852 cars off the road! That's 1,797 more cars removed than in 2022. In 2024, we are hoping to make an even bigger impact with an equivalent 20,750 cars removed.

1 LEED Silver Certification Achieved for our Facility!

We are proud to report our building achieved LEED Silver Certification status in 2023! Reaching our certification goal involved lots of hard work from our team to measure and model our energy use, several facility upgrades to improve our building's efficiency, and determination to lead the change — starting with how we make and use energy at our HQ.



3,675 kW Solar Power Installed in 2023

Our teams helped 330 homes and 18 businesses/non-profits go solar in 2023! Battery storage was also popular, with 270 Tesla Powerwalls installed by SEM across North Carolina.

586 lbs Waste Diverted from the Landfill

We are proud to partner with CompostNow to give new life to our food waste. We also up-cycle our snack bar wrappers through Terracycle, and have a bottle filling station which has averted 35,472+ bottles from the landfill since 2019!

89% Facility Energy Use Offset by Solar

In 2023, our 55.5 kW solar system on our 16,000 sq ft facility produced 60.3 MWh of homemade solar energy!





Customers

- Products/services targeted toward serving under-served populations
- Direct focus on improving impact of organizations
- Product accreditations and certifications
- Quality assurance, and customer feedback and complaint channels
- Data usage, privacy, and security





Customers

Measures whether a company sells products or services is designed to solve an environmental or social issue



58% Solar Customers Came from Referrals

Our SHINE Tribe of solar customers and advocates help our business grow and SHINE. We are so thankful for all of our customers, partners, and builders who refer their friends and family to us!

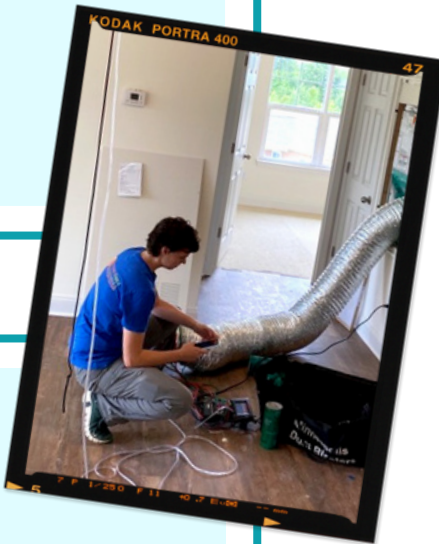
29,582 Families Impacted by Our Services in 2023

Our solar services touched 350 families, solar case team supported 1,092 families, builder services 15,549 families, and multifamily services 12,591 families. A huge thank you to our community for the continued support!



\$15.2 MIL Saved from Energy Efficiency Services

The homes we've certified for energy efficiency have helped families across the Carolinas and beyond save real dollars on their utility bills. That's equivalent to everyone in Durham getting 10 free pints of Ben & Jerry's (valued at \$5 ea).



\$563,700 Saved from Solar Power

The first year savings of all the solar we installed in 2023 could purchase 80,530 beers from Gizmo, the brewery across the street from our office (valued at \$7 each)!

\$534 Approximate Avg Saved Per Family / Year

Between all the families we reach from our home solar and building performance services, the energy savings add up. With all that extra dough, each family would be able to have an extra 13 pizza nights a year (valued at \$40 each)!



Community Partnerships

- Eden Village
- Habitat for Humanity & Rotary Club
- Hope Renovations





Community Partnerships



Hope Renovations

Hope Renovations is a nonprofit on a mission to empower women and gender expansive folks to pursue living-wage careers in the construction trades through their pre-apprenticeship training program. We are proud to support Hope Renovations' mission as their Vision Partner.

[Learn More](#)



Habitat for Humanity & Rotary Club

We are excited to work with the Rotary Club of East Chapel Hill and SolarEquity to help Habitat for Humanity homes go solar! To date, through this partnership we've installed 18 solar systems on Habitat homes in Orange County, helping these families save money on each electric bill.

[Learn More](#)



Eden Village

Eden Village is a 32-unit tiny home community specially designed to provide permanent homes and support services for chronically homeless individuals in the Wilmington, NC area. We are proud to have installed solar on 19 of the homes, as well as the community center as Eden Village's solar partner.

[Learn More](#)



Index

- Transparencies
- A Call to Action





Transparencies



Human Rights & Child Labor Policy

As a Certified B Corporation, we recognize that all people are interdependent and work to encourage diversity, equity, and inclusion. We do not allow the use of any child labor or have tolerance for any forced labor, and work to make sure all team members have a voice in our company.



Public Disclosure of Donations

In 2023, SEM donated a total of \$10,500 to the organizations listed below. The intent of SEM’s charitable contributions is to deliver public (rather than private) benefit by supporting other organizations that align with our mission, vision, and core values, to enable the betterment of people and the planet.

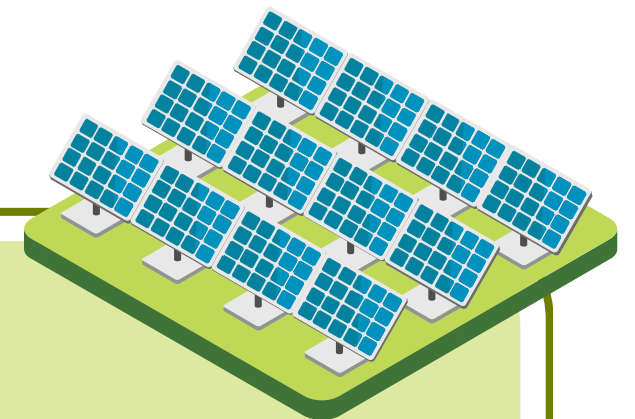
- American Forests
- Hillsboro Kiwanis Club
- NC League of Conservation Voters
- Lexington Area Habitat for Humanity
- WakeUP Wake County

We also donated time and/or materials to these community partners in 2023:

- Habitat for Humanity of Orange County
- Greensboro Solar CARES Project
- Hope Renovations
- Eden Village

Board & Advisory Council Representation

- Board Chair, Amicus Solar Co-Operative – Maria Kingery
- STBE Advisory Council, Appalachian State – Laurie Colwander
- Green Advisory Group, National Green Building Standard – Laurie Colwander
- Treasurer, NC League of Conservation Voters – Bob Kingery
- Board Member, B Local Triangle – Katherine Koonce
- Member, High Performance Home Tour Committee – Katherine Koonce



Guidance on Sustainable Practices

As a business that is built on love for people and the world, we rely on our team members to embody our core values as they make day-to-day decisions in working to lead the change.

In absence of supplier codes of conduct and other way-finding documents centered on sustainability, we defer to the tenants of the B Corp Declaration of Interdependence to guide our team. We look forward to defining and implementing a more robust, set of written principles that our team can refer to as we continue to work together to build a force for good.



A Call to Action

As we turn the page to a new decade, now more than ever, it's pressing that we exercise the collective power we hold as a community of consumers. Fellow B Corp, Nisolo, says it best in their [Impact Report](#).



You as a consumer hold immense power over the future direction of the fashion industry based solely on your purchasing decisions. You are half of the equation, whether you like it or not. By demanding high quality and high ethical standards from your favorite brands, that power is enacted, and when joined by others, it becomes a movement impossible to ignore.

Now more than ever, we believe change in the fashion industry is possible within our lifetime. We've seen how the food industry has shifted toward more sustainable practices and the transportation industry has taken a giant leap forward as well. We encourage you to dig deeper into the production practices of the brands you support. Ask questions, do your research, and utilize your purchasing power. In time, you can determine what you value by where you spend your dollar.

Nisolo
B Corp Since 2017



There's no better time than now to vote with your dollars and lead the change. **Are you in?**

1 Ready to take action to be more sustainable?

Reach out to learn more about how our solar power and building science services can reduce your footprint and improve your positive impact.

✉ shine@southern-energy.com

📍 southern-energy.com

2 Need help sharing your sustainability story?

Our sustainability reporting team is happy to help organize your data and tell your story! Let Jamie Hager know you're ready to get started.

✉ jamie@southern-energy.com

☎ (919) 538-8700

3 Want to strengthen and future-proof your business?

We're here to help you incorporate sustainability into your business with tools like B Corp, HeartMath, and Kolbe. Share your goals with Maria!

📍 360impact.us





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