

Capsule

# Impact Report

2023







**Refreshingly**  
human.

**Positively**  
helpful.



**Reassuringly**  
expert.

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# Hey, Hi, Hello



— **Allow us to introduce ourselves.** We're Capsule - next-level thinkers that support next-level thinking. What does that mean, exactly?

It's simple: **we're on a mission to change insurance for the better** so that innovative businesses can do more of the good stuff. **And we're not stopping there.**

We want to make our contribution count. It's why, as soon as Capsule was founded back in 2021, we set out to achieve B Corp status. **Yep, born to be a B Corp.**

As a B Corp, we're committed to sustainability, corporate responsibility, and 100% transparency in all we do. We also complete an annual report to track what we're doing well and what we can do better across five key areas: **environment, workers, community, customers, and governance.**





# Meet the founders.



**We're Liam and Tom. Or Tom and Liam.  
It's entirely up to you.**

*We were the first brains behind Capsule (although there are lots more of us now!). For the sake of terminology, we define ourselves as insurance specialists.*

*In reality, we're much more than that.*

*Capsule was designed to be a different kind of broker. Previously having worked together for a micro-SME insurance firm, we saw a number of companies experience spectacular growth - and then find that their policies hadn't kept pace with them.*

*Surely there had to be another way.*

*Not only does Capsule understand high-growth startups and VC-backed scale-ups better than any other broker, but we also recognise the connection between strong environmental, social, and governance (ESG) values and reduced risk. We believe this is something that should be recognised by insurers too.*



# Meet the Capsulites



—  
**What do you call an army of disruptors striving to revolutionise the insurance market?  
Capsulites, of course.**

Every single member of our team joined Capsule because they believe it's possible to effect real change. We're proud to be building the next generation of brokers and business champions - a team that breaks the rules for all the right reasons - and creating a fresh approach to insurance.

Think about it - starting and scaling a business is a marathon journey involving hard work, dedication, and endurance. We've carefully curated a team that matches this energy. In this way, we don't just support brands on their growth journey - we inspire them. What's more, not only do they share our ESG values, but for some this was a major factor in choosing to work for us.



“Combining an innovative and fresh approach to insurance, along with an environmental awareness and a drive to do better, I was drawn to the ethos and culture that Capsule had set out to create.”

**Emma | Business Operations Manager**



# Next-level thinking.

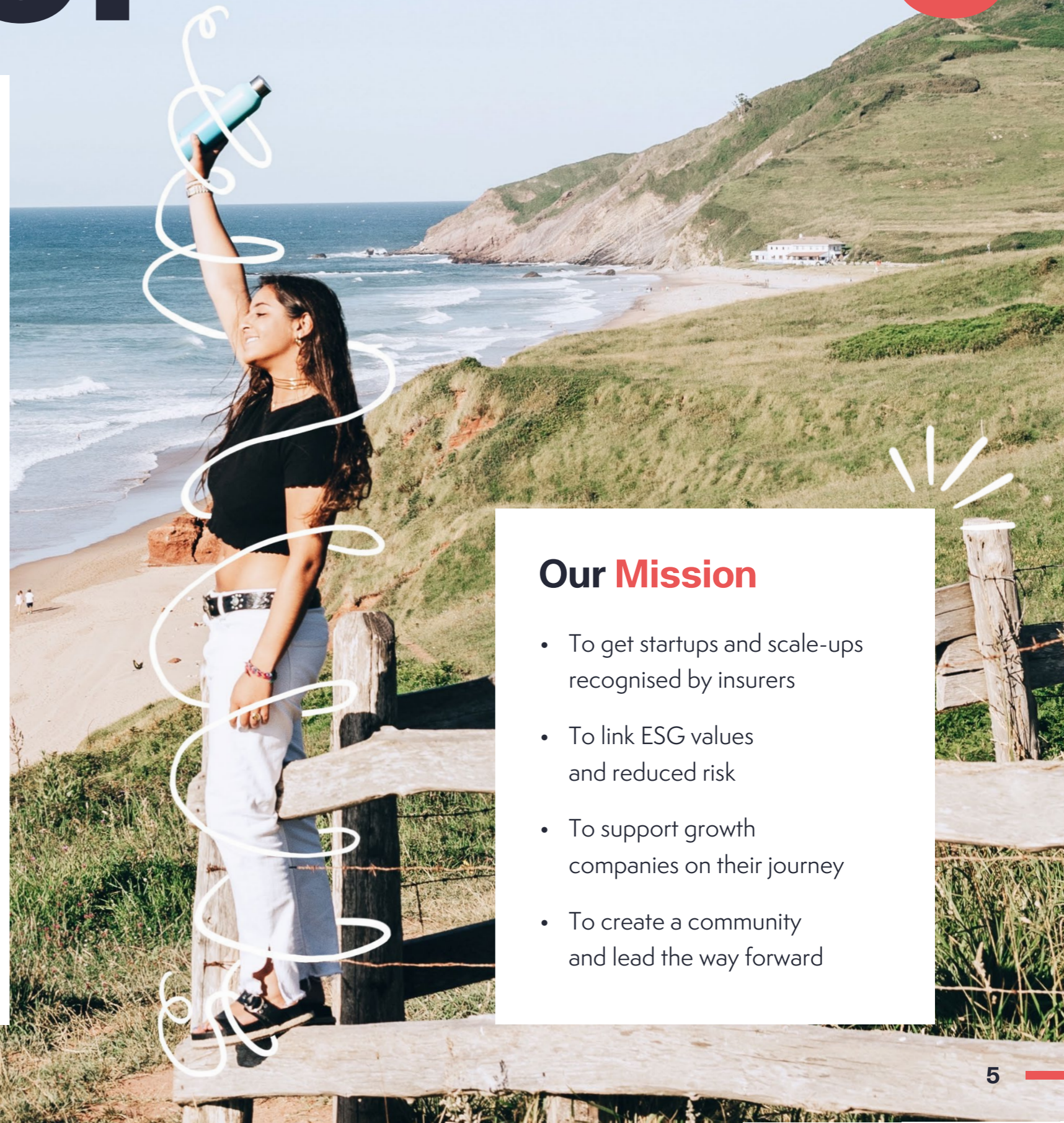
—  
When it comes to traditional models in any industry, the phrase **‘if it ain’t broke, don’t fix it’** gets thrown around a lot. **But what if it is broken?** For high-growth startups and scale-ups, the insurance process can be long-winded, expensive, and unfair.

## Fostering a culture of innovation.

Insurance policies are often based on what has come before - the more conventional growth trajectories and risks faced along the business journey. High-growth startups and scale-ups, on the other hand, are outside the historical ‘knowledge-zone’ of insurers. They’re defined by ambition and innovation, and their pathway to success isn’t always straightforward.

Typically, a traditional insurance broker will get a startup established with their policies, and their cover won’t be reviewed until the annual renewal rolls around. Since startups are fast-growing by nature, by the time it gets to this point, their policies may already be well past their sell-by date in terms of cover levels and limits. Traditional brokers might also be unaware that B Corps and other more ESG-conscious SMEs have better risk factors - and should therefore be rewarded.

Capsule works hard to get the ESG commitments of purpose-led businesses recognised by insurers to bring down their premiums and provide the width of cover that they need on their journey.



## Our Mission

- To get startups and scale-ups recognised by insurers
- To link ESG values and reduced risk
- To support growth companies on their journey
- To create a community and lead the way forward



# Our impact

— Capsule's business model was designed to do good. It's in our DNA. Becoming a B Corp was our way of doing good by our stakeholders - in fact, our articles of association now state our purpose is to benefit them.

*But it's so much more than that.*

Our mission statement includes an environmental and social commitment. We have a verified Impact Business Model providing support to under-served and growing businesses. And we want to create a community of sustainability and innovation - partnering with like-minded, purpose-led, and growing companies.



*"This has been our target from day one - a real business with real purpose. We are using B Corp principles not only to make sure that we as a business fulfil our own ESG objectives, but also to support our clients to achieve the best terms with our insurance partners."*

Tom | Co-Founder and CEO



# The journey to becoming B Corp certified

A B Corp certification isn't just a box-ticking exercise or a 'nice to have'. To gain the B Corp stamp of approval, companies must undergo a rigorous assessment which measures their environmental and social performance. Once a company has signed the B Corp agreement and the aptly titled 'Declaration of Interdependence', their score will be publicly listed on the B Lab Directory, with recertification required every three years.

6000

B Corps across  
the world

160+  
industries

90+  
countries

53K+  
workers

## What is the B Corp movement?

A B Corp is a business that meets the highest standards in social and environmental performance, accountability, and transparency. Ultimately, it's a community of organisations and individuals who have unanimously agreed to harness the power of business as a force for good - balancing people and profit.



# This year's highlights

— Here are just a few of the ways we're making responsible decisions that nurture our team and the wider community.

## Planting trees

As part of our plan to reduce our carbon footprint, and long before we even started the B Corp assessment, we signed up to climate action platform [Ecologi](#). So far, we've planted more than 1,400 trees through them and contributed to almost 30 climate-positive projects all over the world - including a wind farm in Thailand, rainforest preservation in Brazil, and a solar power plant in Egypt. We even rolled up our own sleeves and [planted over 1,500 trees](#) in two team sessions a little closer to home.

## Paying a fair wage

We've also become a [Living Wage employer](#) via the Living Wage Foundation, a group campaigning to introduce a wage that meets the 'real cost of living'. This is calculated according to what families and individuals need to live - rather than the existing minimum wage, which is calculated based on a target to reach 66% of median earnings by 2024.



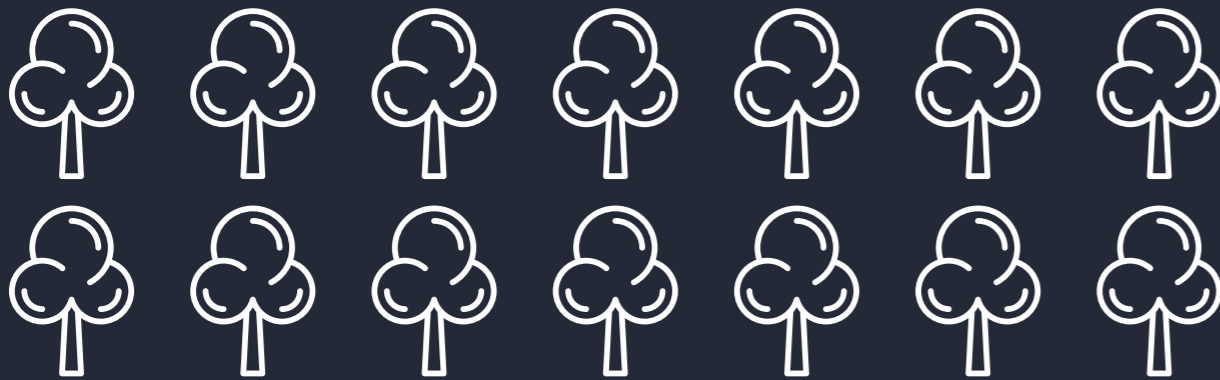
*"With the current cost of living challenges, it is very important that employers - such as Capsule - continue to support employees financially where we can."*

**Dorian | Non-Executive Director**



# The year in numbers

1,400+ trees planted through Ecologi



# 138

hours spent  
planting  
trees  
in our  
Capsule forest



# 132.5

hours of  
employee  
training  
conducted



# 2555.5

of volunteering team days given

# 100+

tonnes of carbon reduced  
through Ecologi



27+ projects funded through Ecologi





# Proud to be a certified B Corp

Based on the B Impact assessment, Capsule earned an **overall score of 87.5**.

The median score for **ordinary businesses** who complete the assessment is **currently 50.9**.





Pillar 1

Capsule's commitment to the

# Environment

8.1

3.2

Environmental Management

1.9

Air & Climate

0.0

Water

2.5

Land & Life

Total scores for each pillar include an allocated general score not individually classified

Sustainable values may start with reducing the amount of resources you use as a business, but they aren't limited to just that. By building environmental stewardship into all areas of the company, we're developing a powerful sense of purpose that encourages our team members to consider both their individual footprint and the broader implications of our actions.



### Compliance

Our environmental policy outlines our values and how we manage the environmental effects of our operations. It includes big commitments (such as using our ESG Index to encourage better business practices) and smaller ones (like encouraging the use of virtual meeting technology to limit travel).



### Waste

We have a list of environmentally preferred vendors for office supplies, from stationery to laptops. Our recycling policy also outlines how we limit our waste - for instance, refurbishing existing equipment. If a device becomes too old or damaged to reuse, we'll source a responsible recycler. In addition, we have a system in place for the safe disposal of e-waste at home offices.



### Efficiency

Excluding remote staff (who get resources on environmental responsibility and greener practices at home), all our operations are conducted from our co-working space. We chose [Clockwise](#) based on its sustainable values, green spaces, and accessible recycling points for paper, cardboard, plastic, and glass. The Capsule team also helped to implement compost bins in Clockwise's kitchens.



### Energy

Clockwise has also been thoughtfully designed for maximum natural light and combines this with energy-efficient LED lighting. The building Clockwise is based in also has one of the largest solar electricity panel installations in the area. Any other energy is from 100% renewable sources like solar, wind and hydro-power.

### Looking ahead

Of course, we ultimately want to become a net zero organisation. During 2023, we'll be linking our accountancy systems into a carbon reduction tool so we know exactly the impact we're making.



Capsule's commitment to our

# Capsulites

36.5

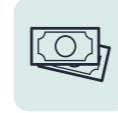
12.4  
Financial Security

8.0  
Health, Wellness & Safety

5.1  
Career Development

8.1  
Engagement & Satisfaction

Company culture has become something of a buzzword in recent years, but we want it to have real meaning for our Capsulites. This involves finding out what they want, and delivering on it. We've found that they need a workplace that aligns with their beliefs - a place where they feel supported, heard, and valued.



### Stability

In addition to introducing a Living Wage, we've adjusted pay and provided a one-off allowance (to cover things like travel, wellbeing and takeaways) to reflect the increased cost of living. All employees are also included in our bonus or commission scheme. For senior managers, this includes a factor relating to our ESG targets. Together with our employee share option scheme, this means they can benefit from the success that they help create.



### Prosperity

Each new starter is formally on-boarded to help them better understand our mission, vision, and values. Our employee handbook outlines our policies too. Once they're settled in, we allocate a budget of 3% of salaries for their training and development, and we first look internally when hiring for advanced positions.

Appreciation is an integral part of our workplace, with reward systems in place to give employees the recognition they deserve. We also provide time to unwind at regular team social events, and have an appointed mental health first aider for support and guidance.



### Flexibility

Our hybrid working model allows Capsulites to choose to work from home, the office, or a mixture of both. Everyone is entitled to 36 holidays a year - including bank holidays and a day off for their birthday.



### Responsibility

This year, we've introduced a 'B Corp Committee', where a few Capsulites get together each month to discuss what it means to be an impact-led business. It's a crucial way we ensure that we act with inclusivity, encourage learning and development, and constantly find innovative and interesting things to do to support our B Corp activity.

### Looking ahead

Of course, there's always room for improvement. That's why we issue an biannual survey to hear their thoughts on things like compensation, appraisals, benefits, policies, and more. Every year, we want to ensure they're more satisfied than the year before.



Capsule's commitment to the

# Community

14.6

3.6 Diversity, Equity, & Inclusion    6.4 Economic Impact    1.6 Civic Engagement & Giving    1.0 Supply Chain Management

Diversity, inclusion, and giving back has never been more important - and not just on a moral level. We're increasing our creativity, making our brand more accessible to all kinds of talent, and ultimately creating a sense of belonging for our Capsulites.



### Celebrating diversity

Building a diverse and inclusive workforce begins at recruitment, which is why all our job postings include a diversity, equity, and inclusion statement. We then educate employees on the importance of creating an environment where people feel safe expressing their unique views and perspectives - starting at the leadership level.



### Giving back

Whether it's increasing the number of trees in our Capsule forest or lending our expertise to underserved groups, we're passionate about giving back. We give our employees 10 days of paid volunteering each year (this year saw 255.5 days given!), which they've spent at animal sanctuaries, craft fairs, local community enterprises, nature reserves, and more.



### Prioritising sustainability

Our sustainable practices include limiting our energy use and pollution output by working across our co-working space and remote home offices, adopting more environmentally friendly modes of travel such as walking or cycling, and using eco-conscious materials and equipment while sticking to our strict recycling programme. We also partner with local businesses to reduce our carbon footprint while promoting togetherness.

We additionally keep a record of all our suppliers and track them across multiple data points - including size, location, and ESG credentials. We reassess this 'supplier index' twice a year to see if they've made improvements or where we need to switch service providers.



### Championing innovation

Our team continues to advise top startups and scale-ups on their insurance requirements, so when they continue to expand their products and services, enter new markets, or welcome new employees aboard, we're always on hand to keep things moving forward.

### Looking ahead

Selecting a registered charity or local group to support is on our radar. By giving a regular portion of our profits, services, or time to a good cause, we'll strengthening the connection to our community.



Capsule's commitment to our

# Customers

# 8.6

5.0  
Customer Stewardship

3.6  
+ Support for Underserved/Purpose Driven Enterprises

We're firm believers that success should never be motivated by profit alone. In fact, we believe the most successful businesses are the ones that look beyond their bottom line by building strong ESG policies. And they're the ones we're focused on supporting.

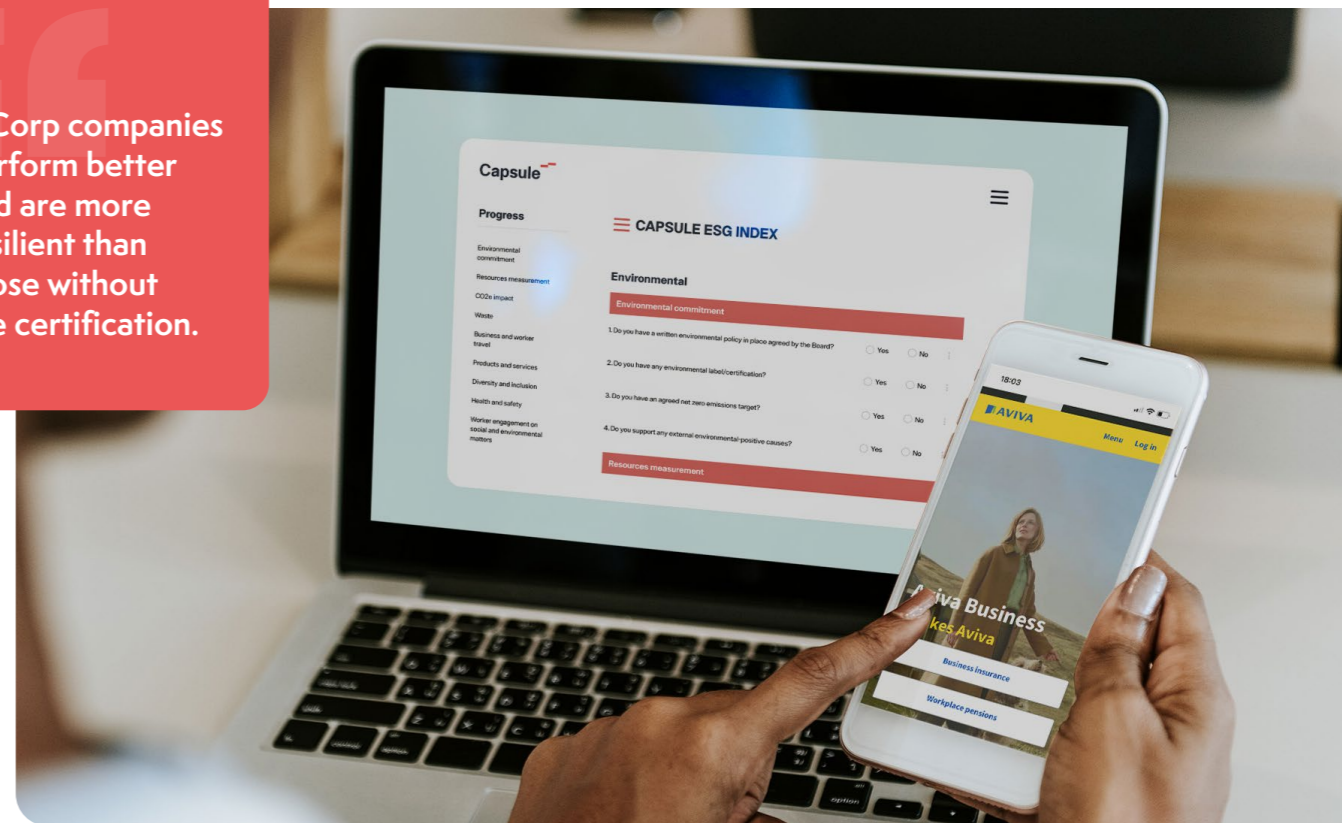


### Measuring ESG-ness

ESG refers to a framework that measures how a company's practices affect society and the environment, and how transparent and accountable it is overall. In the early days of Capsule, we predicted that those that prioritise ESG criteria within their business model would be able to demonstrate better management and, in turn, a lower level of risk.

To support this theory, we conducted a joint study with Aviva which found that [B Corp companies perform better](#) and are more resilient than those without the certification - and the idea for the Capsule ESG Index was born. We encourage the businesses we work with to answer our set of 80 questions, and then we provide a report that evaluates their 'ESG-ness' and areas for improvement.

B Corp companies perform better and are more resilient than those without the certification.



### Looking ahead

By recognising ESG commitments, we've managed to unlock new insurance products at highly attractive rates for our clients. In addition to supporting their growth, it also motivates businesses to take a more proactive ESG stance. To make sure we're consistently doing a good job, we have a number of systems in place to monitor client satisfaction and enable the continuous improvement of our services.



# The company we keep



*“Achieving B Corp certification is by no means an easy feat or just a marketing stunt; it takes dedication. By encouraging others to commit to creating real environmental and social change, we hope to foster the development of a wider ESG community.”*

Jason Chambers | Aviva  
Head Of Underwriting Transformation

## Brands we're proud to support

Here are just a few of the ways we're making responsible decisions that nurture our team and the wider community.

### Insurers we're working with that share our ESG approach and ethics

We want our work to bring about lasting change in the insurance industry, so we're building a network of ethical, responsible insurers.

### Insurers we've influenced around ESG factors.

Integrating ESG into insurance is key to making businesses and the planet more resilient, and we're encouraging insurers to do their bit to power meaningful change.

## 100% of our clients are...

**very satisfied**  
that we fully met their  
**insurance requirements**

**satisfied**  
that we explained  
everything **clearly**  
**to them**

**very satisfied**  
with the overall service  
they received  
**from us**

**likely to recommend**  
**Capsule** to a friend  
or colleague



JUBEL

HEIGHTS



OXWASH

THRIFT+

Wild



DAYS

DA-SH  
WATER

TOTM™



Capsule's commitment to

# Governance

19.5

4.6  
Mission & Engagement

4.8  
Ethics & Transparency

10  
+ Mission Locked

Without good governance, we can't fulfil our other commitments.  
It's as simple as that.



### Checks and balances

Our board is responsible for overseeing our activities as a business, making sure we have a wider purpose beyond just creating value for our stakeholders. To aid this, we have various KPIs in place that serve to examine our success through a social and environmental lens. A formal organisational chart also clearly defines the positions, duties, responsibilities, and decision-making authorities. This eliminates any ambiguity around who does what, further uniting us in our vision and mission.



### Full transparency

Centralised internal financial controls allow us to keep track of all activity and be 100% transparent about our financial performance. On a security level, this informs the orderly and efficient conduct of the business - with regulatory compliance to safeguard against fraud and errors. In terms of our governance, transparency means greater certainty for our investors, and increased empowerment for our employees.



### Our moral compass

To further clarify our vision and mission, a comprehensive code of ethics sets the tone for our company culture - defining our professional standards and equipping all Capsulites with a set of core values to adhere to on a daily basis. It includes issues such as harassment, safety and whistle-blowing so that employees feel trusted and protected.

### Looking ahead

As a B Corp, we now have a solid reason to decline partnerships with businesses whose practices don't align with our values. We'll continue to tell our story in terms of our approach to environmental, social, and governance issues, publicly disclosing quantifiable indicators and outcomes, and making significant changes in how we do business wherever possible.



Here's to another year of putting our

# Best foot forward.



## Impact Report 2023

Book a meeting:



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**Capsule**

