



ESG OVERVIEW

2023

Table of Contents

CONTENTS

02.

INTRODUCTION

03.

METHODOLOGY

04.

PRINCIPLES OF GOVERNANCE

09.

PEOPLE

12.

PROSPERITY

13.

UNREPORTED METRICS

INTRODUCTION

ESG refers to the **environmental, social, and governance** information about a firm. It is used as an approach to assess the extent to which a corporation works on behalf of objectives outside the scope of a corporation's role to maximize profits on behalf of its shareholders.

With sustainability challenges and rising economic uncertainties worldwide, there has been a growing emphasis on standardizing responsible corporate behaviors and practices. Increasingly, institutions and investors are looking towards companies that actively track and report on ESG metrics as an added layer of due diligence. More companies are evaluating their own business performance and impact through an "ESG lens."

Today, reliable risk-and-opportunity assessments often incorporate these non-financial considerations into traditional investments. Environmental criteria include efforts around combating climate change, energy efficiency, resource circularity, and more. Social concerns include stakeholder relations, community engagement, human rights, and diversity, equity, and inclusion (DE&I). Governance refers to matters such as the diversity and skill set of company leadership and ethical behavior. In all, ESG's growth stems from a belief that long-term, sustainable wealth can only be generated through corporate accountability in tandem with positive social impact.

Launch Alaska's ESG report is a framework to communicate progress on sustainability issues and a tool to qualify and quantify environmental, social, and governance impact. This is our first attempt at communicating our ESG metrics, and we will continue to expand on this report over time.

Baseline

The report will use the World Economic Forum (WEF)'s "Stakeholder Capitalism Metrics" as identified in the white paper "[Measuring Stakeholder Capitalism: Towards Common Metrics and Consistent Reporting of Sustainable Value Creation](#)" (September 2020).

Developed in collaboration with the WEF's International Business Council (IBC), the Big Four accounting firms, and hundreds of business leaders worldwide, the paper summarizes 55 key disclosures intended to enhance transparency and coordinate impact efforts among corporations in alignment with the UN's 17 Sustainable Development Goals (SDGs).

Metrics & Standards

The metrics are organized under four broad pillars, per the SDGs and core ESG domains: principles of governance, planet, people, and prosperity. They consist of both existing, industry-agnostic standards and more advanced, wide-scope measures with the aim of amplifying (not replacing) any present or already disclosed metrics.

Governance Purpose

Setting Purpose

Launch Alaska values people of all backgrounds and strives to invite diverse perspectives, practice inclusion towards traditionally excluded groups, and foster a safe environment for all voices to be heard. We support and promote diversity, equity, and inclusion in every aspect of our work and the Launch Alaska ecosystem.

In addition to implementing a DE&I Plan, we have also become involved in advocating for the development, implementation, and enforcement of climate-friendly laws, regulations, and policies.

Purpose-Led Management

We have implemented a DE&I Plan to build out our policies and procedures in ways that directly support diverse groups in our network, both internally and externally. From recruiting diverse talents to infusing diversity in our marketing practices to working with diverse vendors, we have identified how we can continuously hold ourselves accountable to remain diverse, equitable, and inclusive. Our DE&I Plan has been approved by our Board of Directors and is upheld by all department executives.

Quality of Governing Body

Governance Body Composition

There are seven members on Launch Alaska’s Board of Directors. See the matrices below to learn more about what skills and demographics are represented across those seven people. We use these matrices to understand what skills are missing from our Board of Directors and look to fill those gaps when appointing new board members.

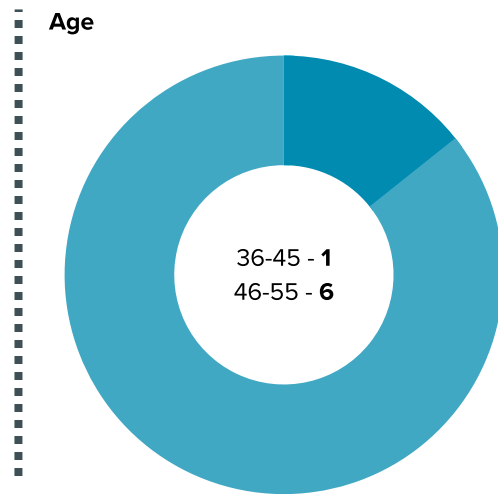
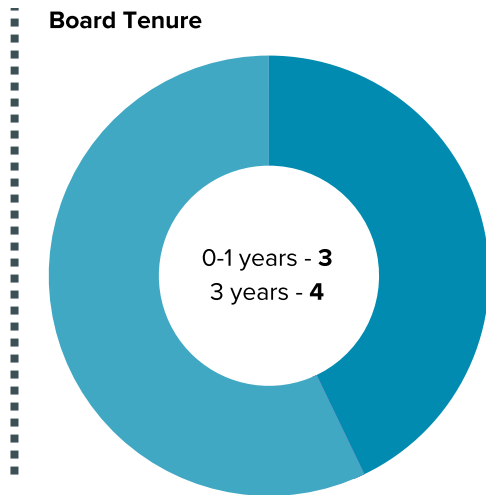
Knowledge, Skills and Experience	Total Board Members
Recent Board Experience	6
Investment Markets	5
Company Executive Experience	5
Financial Expertise/Literacy	5
Business Operations	4
International	3
Accounting/Auditing	2
Corporate Governance Leadership	2
Climate Technology Industry	2
Industry Expertise (Launch Alaska Focus Area)	2
Energy Expertise (Launch Alaska Focus Area)	1
Transportation Expertise (Launch Alaska Focus Area)	1
Regulatory/Risk Management	1
Workforce Dev / Education	1
Ethics/Social Responsibility Oversight	1
HR/Compensation	0

Governance Body Composition (continued)

Demographics: Gender	Total Board Members
Cis woman	1
Cis man	6
Genderqueer/ Gender-fluid/ Non-binary	0
Trans woman	0
Trans man	0
Questioning	0
Undisclosed	0

Demographics: Race/Ethnicity	Total Board Members
Asian/Asian American	1
Black or African American	0
Eastern Euro or European / Eastern Euro or European American	0
Hawaiian/ Pacific Islander/ Pacific Islander American	0
Latinx/Latin American	0
Mexican/Mexican American	0
Middle Eastern/Middle Eastern American	0
Native American/ American Indian/ Alaska Native/ Indigenous	1
White / Caucasian (not specified)	5
Multiracial/Multiethnic	0
Undisclosed	0

Governance Body Composition (continued)



Other Diversity Factors	Total Board Members
Living in a rural area	1
Living in a low-income community	1
Has been affected by low socioeconomic status	0
Diverse sexual orientation	0
Veteran/Active duty military	0
Visible disability (Examples: Autism, Tourette Syndrome, Amputation, or Multiple Sclerosis)	0
Invisible disability (Examples: ADHD, Anxiety, Hearing Loss, Diabetes, or other chronic illnesses)	0

Progress Against Strategic Milestones

From our 5-year Strategic Plan and separate DE&I Plan, we have developed annual milestones to keep our progress towards our mission and purpose on track. Objectives and key results are reviewed on a quarterly basis. Each year, we compile an [Impact Report](#) which we share publicly.

We developed a 10-year target in 2020 to support the development of \$1 billion in climate tech projects in Alaska by 2030. In order to reach this goal by 2030, we set a strategic milestone for 2023 to reach **\$400 million** in impact from climate projects deployed in Alaska with our portfolio companies or through our innovation projects.

\$1 BILLION in climate tech projects in Alaska by 2030 — the Launch Alaska goal.

Remuneration

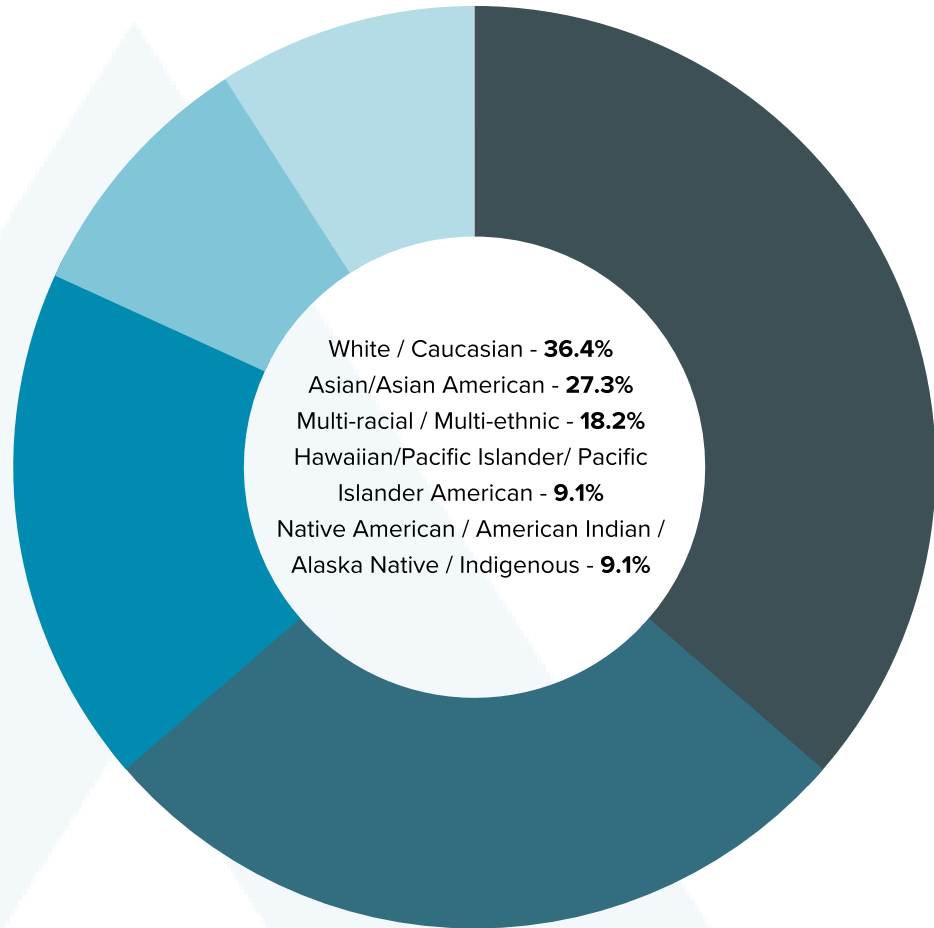
Launch Alaska has developed a compensation structure for all staff, which is reviewed annually. This financial structure is used to determine starting base wages and acts as a guide through professional development. Position pay ranges are based on non-profit industry rates, if available; or national market rates otherwise. We are working to hold ourselves accountable and address any discrepancies in pay equity across the team.

Launch Alaska believes in mission-driven performance and, therefore, does not associate performance with any determination or adjustment to compensation. Any change to an individual's compensation is based solely on change to their position or responsibilities. Bonuses, if distributed, are organization-wide and at equal rates across all staff. Termination payments, aside from final hours worked, include only unused vacation time, which is capped according to tenure and/or paid out based on state law.

PEOPLE

Dignity & Equality

Diversity and Inclusion (%)



Eastern Euro or European / Eastern Euro or European American	0%
Latinx / Latin American / Hispanic	0%
Mexican / Mexican American	0%
Black / African / African American	0%
Other	0%
I prefer not to disclose	0%

Pay Equality (%)

- Women earn **76%** of what men earn
- Non-white employees earn **110%** of what white employees earn

Wage Level (%)

- Both men and women earn more than **300%** of local minimum wage
- CEO earns **17%** more than median staff compensation

Pay Gap (%)

- Men earn **31%** more than women
- Non-white employees earn **9%** more than white employees
- Executives earn **42%** more than non-executive staff

Discrimination and Harassment Incidents (#) and the Total Amount of Monetary Losses (\$)

- We have had **0** discrimination and harassment incidents and **0** monetary losses.

Living Wage (%)

- Based on the [MIT Living Wage Calculator](#), our employees earn on average **95%** of the highest living wage category in Anchorage (one working adult with three kids and no other adult in the household) and **472%** of the lowest living wage category in Anchorage (two working adults and no kids).

Skills For the Future

Number of Unfilled Skilled Positions (#, %)

Launch Alaska has had **0 unfilled skilled positions** (a skilled position is unfilled if it is vacant for 90 days), but has hired many people for roles on the team with little or no climate experience. We've hired one employee from Alaska's oil and gas sector and helped them transition to a climate career. For these positions, we have provided readings, workshops, conferences and certifications to train the employee.

Launch Alaska partners with internship programs to fill open entry-level positions. On average, we have **two entry-level positions** that become available each year, **100% of which we hire diverse college students or recent graduates for.**

Training Provided (#, %)

Each full-time employee is eligible for a professional development expense allowance of up to \$1,500 per fiscal year. Expense allowances can be used on items such as: Conferences devoted to or supportive of professional development, fees for certifications/licenses/fellowships relevant to their role, educational courses, workshops/seminars, paid coaching or mentorship, certifications, new projects/responsibilities/special projects, workshops/seminars, volunteer opportunities, mentorship/coaching opportunities, local networking groups, board service.

Health and Well-Being

Employee well-being (#, %)

Valuing good health and well-being, Launch Alaska offers a Wellness Benefit (stipend) to cover the costs of self-care and wellness. This benefit is provided to regular employees working at least 30 hours per week.

This stipend may be used to access non-occupational medical and healthcare services. Employees are free to utilize the benefit in any way needed to care for their (and/or their family's) overall well-being.

Wellness Benefit amounts are reviewed annually and may change at the discretion of Launch Alaska. Launch Alaska also provides six Mental Health and Wellness days per year to its full-time employees. We encourage employees to take time off as needed for recovery from any stressful or traumatic events or situations that affect their wellness.

Additionally, Launch Alaska provides Sick Leave to all its employees, which can be used for medical/dental appointments, illness, or injury for themselves or family members.

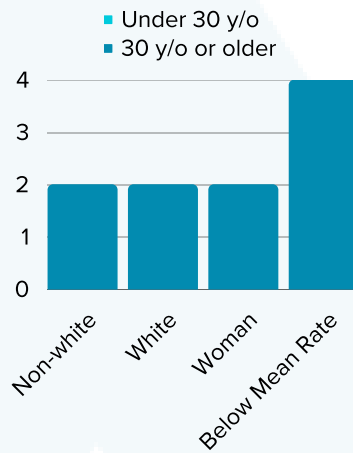
As of 1/1/2023, 100% of Launch Alaska employees are full-time.

Employment and Wealth Generation

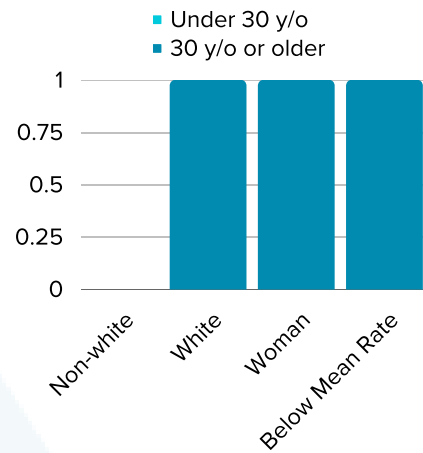
As a small but growing non-profit, Launch Alaska offers job opportunities as funding becomes available. We believe in cultivating a diverse, equitable, and inclusive work environment, and therefore, are committed to recruiting and retaining diverse talent.

Absolute Number & Rate of Employment (new hires)

New Hires 2021



New Hires 2022



Economic Contribution

Direct economic value generated and distributed (EVG&D) on an accruals basis:

- Operating costs: **\$2,293,418**
- Employee Wages and benefits: **\$1,327,615**
- Revenue: **\$2,700,779**

Community & Social Vitality

Total tax paid in 2022

\$95,702

UNREPORTED METRICS

The World Economic Forum’s “Stakeholder Capitalism Metrics” that we used for this ESG report includes several metrics that are either not applicable to Launch Alaska or that Launch Alaska does not yet have the data for. The metrics that we did not report on are listed below.

Principles of Governance		
Stakeholder Engagement <ul style="list-style-type: none"> • Material issues impacting stakeholders 	Ethical Behavior <ul style="list-style-type: none"> • Anti-corruption • Protected ethics advice and reporting mechanisms • Alignment of strategy and policies to lobbying • Monetary losses from unethical behavior 	Risk and Opportunity Oversight <ul style="list-style-type: none"> • Integrating risk and opportunity into business process • Economic, environmental and social topics in capital allocation framework

Planet		
Climate Change <ul style="list-style-type: none"> • Greenhouse gas (GHG) emissions • TCFD implementation • Paris-aligned GHG emissions targets • Impact of GHG emissions 	Nature Loss <ul style="list-style-type: none"> • Land use and ecological sensitivity • Impact of land use and conversion 	Freshwater Availability <ul style="list-style-type: none"> • Water consumption and withdrawal in water-stressed areas • Impact of freshwater consumption and withdrawal
Air Pollution <ul style="list-style-type: none"> • Air pollution • Impact of air pollution 	Water Pollution <ul style="list-style-type: none"> • Nutrients • Impact of water pollution • Solid Waste • Single-use plastics • Impact of solid waste disposal 	Resource Availability <ul style="list-style-type: none"> • Resource circularity

People		
<p>Dignity and Equality</p> <ul style="list-style-type: none"> • Risk for incidents of child, forced or compulsory labor • Freedom of association and collective bargaining at risk (%) • Human rights review, grievance impact & modern slavery (#, %) 	<p>Skills For the Future</p> <ul style="list-style-type: none"> • Monetized impacts of training – Increased earning capacity as a result of training intervention (%, \$) 	<p>Health & Well-Being</p> <ul style="list-style-type: none"> • Health and Safety (%) • Monetized impacts of work-related incidents on organization (#, \$)

Prosperity		
<p>Employment & Wealth Generation</p> <ul style="list-style-type: none"> • Financial investment contribution • Infrastructure investments and services supported • Significant indirect economic impacts 	<p>Innovation of Better Products and Services</p> <ul style="list-style-type: none"> • Total R&D expenses (\$) • Social value generated (%) • Vitality Index 	<p>Community and Social Vitality</p> <ul style="list-style-type: none"> • Total Social Investment (\$) • Additional tax remitted • Total tax paid by country for significant location

CONTACT

Frances Ball, Launch Alaska Chief Operating Officer

721 Depot Dr.
Anchorage, AK
99501

www.launchalaska.com
frances.ball@launchalaska.com
[@launchalaska](https://www.instagram.com/launchalaska)

(907) 308-7211