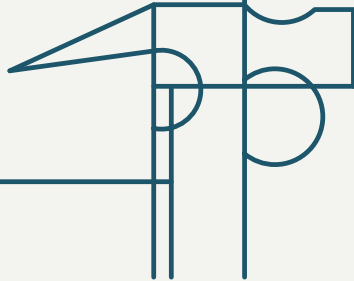


*Sustainably beautiful homes
for future generations.*



**BYGG
MEISTER**
DESIGN | BUILD

APPROVED OPERATING POLICY

June 2023

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Introduction

Byggmeister is incorporated as a worker cooperative, which means that we are owned and governed by our employees. All employees are eligible for ownership, and no one who isn't an employee can become an owner.

Our governing documents consist of Articles of Organization, Bylaws, and Operating Policies — which are collected here. Articles of Organization are our formal corporate charter on file with the Secretary of the Commonwealth of Massachusetts. They define Byggmeister as a worker cooperative. Bylaws specify our governance practices. They include provisions for Ownership, the Board of Directors and Corporate Officers, decision-making at the Board and Ownership level, procedures for Board and Ownership meetings, and similar matters. Operating Policies contain the rules by which we run the company.

These rules are rooted in our commitment to cooperative governance and triple bottom line business practices. They provide a framework that enables us to live up to these commitments and to pursue our mission to serve as an exemplary steward of existing homes. They set direction, influence decision making, and guide day-to-day activities. They are broad and, in many cases, quite flexible. With a few exceptions, they do not stipulate procedures and protocols, which are developed and updated regularly by employees working with management.

Ownership

An Owner is an employee who owns one share in the company. Owners elect the Board of Directors to represent them in matters of governance, except for exceptional decisions that our Bylaws stipulate require Owner consent. Owners also share in the profits (and losses) of the company according to hours worked. Ownership isn't a significant amount of work, but it is a significant responsibility. Owners are expected to:

- uphold the Bylaws and Operating Policies of the company
- understand the company's operations and finances
- commit to the company's long-term success
- represent the company's mission and core values
- prepare for, attend and constructively participate in the annual ownership meeting and in special ownership meetings as needed
- share in the work of governance from time to time by serving on the board and on committees and task forces.

Michael Gimbere, Lead Carpenter

Bill Harper, Project Architect

Brendan Kavanagh, Project Manager

Josh Menard, Production Manager

Cador Pricejones, Estimator

Francis Prunier, Lead Carpenter

Emily Sills, Carpenter

Maria Washington, Business Manager

Rachel White, CEO

CURRENT OWNERS

Eligibility

Employees become eligible for Ownership after they have been employed for 3 years and 3,000 hours. In order to become Owners, employees must:

- Officially apply by submitting their completed Ownership eligibility checklist to the Chair
- Be approved by a super majority vote of the Current Owners
- Sign the membership agreement and pay the membership fee.

The Board Chair will conduct a vote on ownership applications as soon as is practical after receiving the applications. Typically voting on ownership applications will take place on the same day as the next all-company meeting following the application submission, either just before or just after the all-company meeting. Patronage for new owners will be backdated to the date of their application.

We strongly encourage all employees to apply for ownership once they become eligible, and we have developed a process to prepare employees to become Owners. The process begins after one year of employment, at which time the CEO reaches out to the employee to find out if they are interested in becoming an owner and, if so, to introduce the training process.

Over the course of the second and third years of employment the prospective owner is expected to schedule and participate in three meetings:

- A general introduction to ownership with the board chair
- A review of key governance documents including the Bylaws, Operating Policies related to governance, and Membership Agreement with the CEO
- A financial training with the CEO and Business Manager

In addition, the prospective owner is expected to attend at least one ownership meeting as an observer. These expectations are outlined in the Ownership Eligibility Checklist.

Board of Directors

The Board of Directors is elected by the Owners to represent them in matters of governance. The Board can have no fewer than 3 and no more than 5 directors. Directors are elected on an annual basis to staggered, two-year terms. No director may serve more than two consecutive, two-year terms (four years in a row). The President and CEO serves in ex-officio, non-voting capacity on the board.

Byggmeister strives to have a greater number of non-management employees than management employees on the board.

Management employees are defined as those who serve on the management team by virtue of their operational oversight and/or supervisory responsibilities. If the board consistently fails to achieve greater non-management representation on the board, the board will review and assess nomination procedures until it is able to achieve this.

Josh Menard, Secretary

Michael Gimbrere, Treasurer

Cador Pricejones, Board Chair

Rachel White, President

CURRENT 2023 BOARD MEMBERS

Responsibilities

The board of directors is legally and fiscally responsible for all activities of the company. To that end the board:

- Adopts the annual budget and provides fiscal oversight
- Adopts policies for the organization
- Provides guidance to the CEO in establishing operational priorities
- Recruits and develops prospective board members

All members of the board of directors are expected to understand and uphold the company's bylaws and policies; attend and actively participate in board meetings; prepare for meetings by reviewing the agenda and supporting documents beforehand; and actively participate in board initiatives. The board meets 4-6 times a year for 1-1.5 hours. Preparation time and other activities may require approximately 1-4 hours between meetings.

Nomination and Election Procedures

The Board Chair will announce current or anticipated board vacancies at least two months prior to the election, which occurs at the annual ownership meeting. All nominations to fill the vacant slot(s) shall be submitted to the Board Chair in writing at least one month prior to the election.

Only Owners may submit nominations. Owners may nominate themselves, other Owners, or non-Owners (the bylaws allow for non-Owners to serve as directors provided that the number of directors who are Owners is greater than the number of directors who are not Owners). Nominations must be made by the consent of the nominee. All nominations must include a brief statement indicating why the individual wishes to serve on the board. If fewer nominees than open slots have been received prior to three weeks before the election, outgoing board members will be charged with recruiting candidates.

If the number of nominees exceeds the number of open seats, each Owner shall be entitled to vote for the number of candidates equal to the number of open seats in a secret ballot. The individuals who receive the greatest number of votes will serve as directors except in the event of a tie, in which case there will be an additional tie-breaker election. If the number of nominees is equal to the number of open seats, this will be considered a slate for which Owners will vote openly.

Relationship between Governance and Management

Byggmeister aims to balance democratic governance and a participatory workplace with a clear operational structure that maintains accountability, empowers individuals to fulfill their job responsibilities, and ensures that the company remains efficient, agile, and able to compete effectively in the marketplace.

Governance

Governance is the responsibility of the board of directors and the worker-owners of the company. The board of directors is elected by the owners and represents the owners in most matters of governance, except for exceptional decisions outlined in the decision-making matrix. The board is responsible for:

- representing the ownership
- ensuring the financial stability of the company
- ensuring that the company remains aligned with its values
- protecting the company from legal liability and risk
- supervising the President and CEO

The President and CEO is a non-voting, advisory member of the board. The President and CEO presents proposals and recommendations to the board, prepares the board to make decisions, implements the decisions of the board, and keeps the board informed about business operations more broadly.



Management

The Board empowers and delegates responsibility to the CEO to lead the organization and oversee operations. The CEO is responsible for

- ensuring that the company has the people and systems in place to fulfil its strategic goals and to flourish in the marketplace
- ensuring that the company has a reliable and steady supply of work that is well aligned with the company's mission, vision, and values
- identifying and pursuing opportunities to advance the company's position in the marketplace
- identifying and managing risks to the company's viability and long-term health
- representing the company and serving as its primary spokesperson

The CEO shares responsibility for overseeing operations with a management team. Members of the management team are employees who supervise other employees and/or oversee clearly defined aspects of business operations. The management team currently includes the business manager, estimator, and production manager.

Over time, the CEO may work with the management team to enlarge or otherwise change the makeup to adapt to changing circumstances. The CEO and management team work together to:

- monitor key business indicators and take corrective action as needed
- develop, implement, and refine—with input from employees—systems and processes that support efficient and effective operations
- ensure that resources are deployed efficiently and effectively
- support and develop employees

The CEO and management team strive for consensus in decision-making, and they may take on various decision-making roles depending on the decision. Ultimately, however, the CEO is accountable for the operations of the company and is the ultimate decider for management level decisions if consensus cannot be achieved.

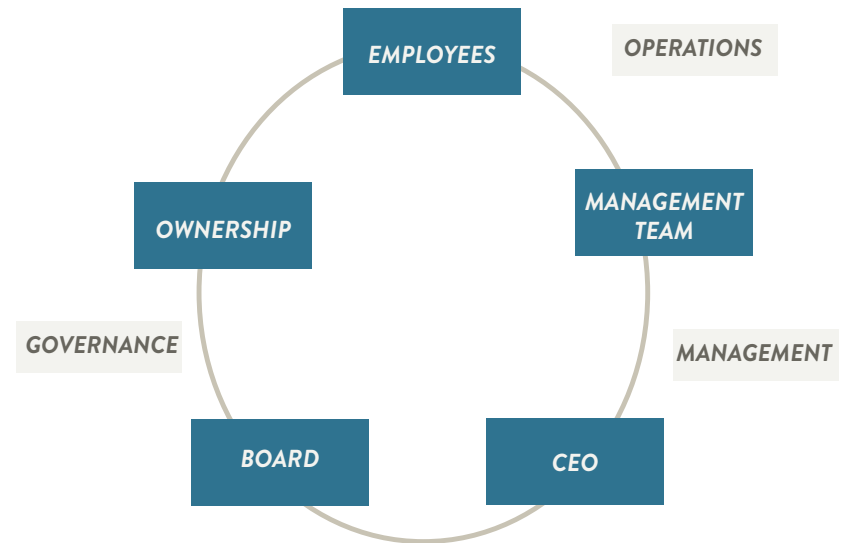
Operations

The CEO and management team empower and support employees (both owners and non-owners) to take ownership of their job responsibilities and to perform their day-to-day tasks with a high level of autonomy. This is the case when an employee is working mostly independently and when employees are working in a project team.

Within the context of a project team, employees on that team are accountable to the project leader (whether the leader is a manager or non-manager) who in turn is accountable to management. To the extent that team leaders follow established operational guidelines and procedures and fulfil their job responsibilities, the CEO and members of the management team, as managers, may have very little involvement in any given project. As employees with responsibilities for core design/build operations, the CEO and management team are, of course, closely involved in project teams, both as leaders and members.

Organizational Charts

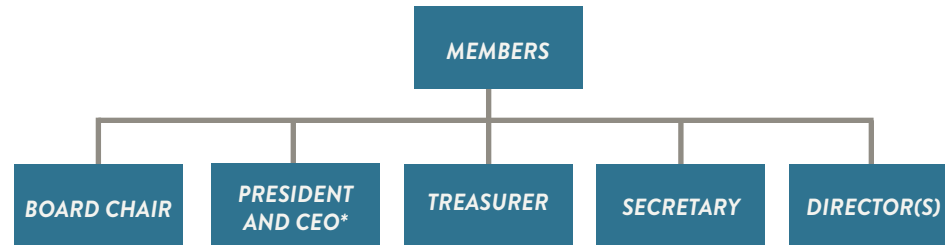
The relationship between governance and management is reciprocal and mutually reinforcing. These realms must work together cohesively, support each other, and maintain open channels of communication and influence to fulfill their discrete but complementary responsibilities.



The relationship between the realms is also hierarchical. Governance controls management and management controls operations.

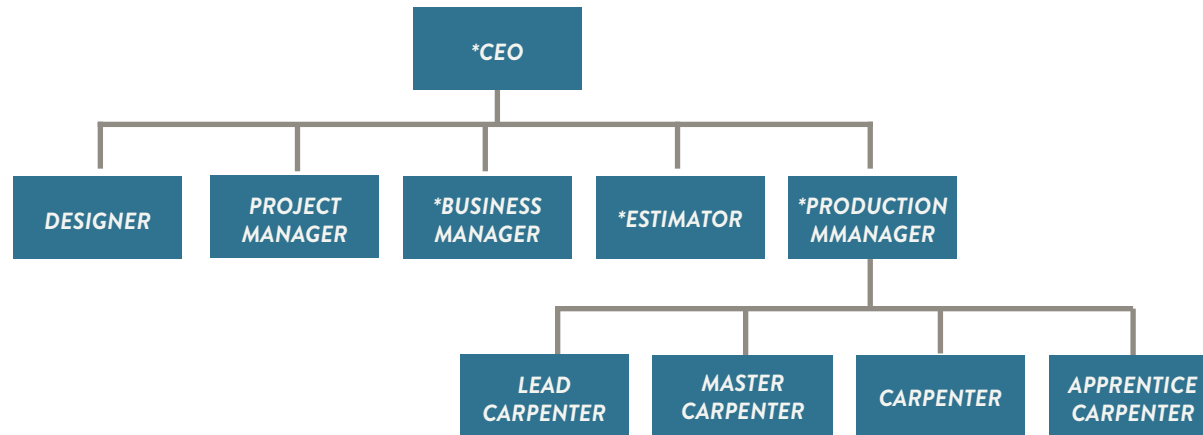
GOVERNANCE

*the President and CEO is a non-voting, advisory member of the board.



MANAGEMENT

*management team members



Because Byggmeister is a worker owned company, the reciprocal and mutually reinforcing structure encompasses the hierarchical structure, ensuring that management and the board remain accountable to worker-owners.

Decision Making

The following charts outline the decision-making responsibilities of the Ownership, Board, and CEO. Decision-making includes three types of responsibility, although not all are relevant to every decision.

Recommend (R): Propose and/or recommend a course of action. This person/body may work with others to research and prepare the recommendation, or delegate responsibility for research and preparation to others.

Advise (A): Advise the recommender on proposals before the recommender presents these to the deciding person or body.

Decide (D): Makes final decision about a proposal or recommendation. The decider is not bound by the recommendation but gives it due deference to the extent that the recommender has provided sufficient supporting information and has received meaningful input from advisor(s).

The matrix is organized in three sections by the deciding body.

OWNERS DECIDE				
<i>Ownership, board elections, and other big decisions that affect the whole company</i>				
DECISION	ADVISE	RECOMMEND	DECIDE	BYLAWS REFERENCE
Admit new owners		Board	Owners	2.4.A (4)
Elect board			Owners	5.2
Remove a board director			Owners	5.4
Hire CEO			Owners	6.6
Make patronage and indivisible reserve allocations	CEO	Board	Owners	3.2B and C
Amend articles of incorporaton		Board	Owners	
Amend bylaws that require supermajority		Board	Owners	7.1
Adopt and amend mission, vision, and values		Board	Owners	
Change principal line of business	CEO	Board	Owners	4.7 (3)
Change company name	CEO	Board	Owners	
Undertake a material joint venture or partnership	CEO	Board	Owners	4.7 (4)
Sell, merge, or liquidate the company	CEO	Board	Owners	4.7 (1)
Relocate > 20 miles	CEO	Board	Owners	

BOARD DECIDES				
<i>Big financial decisions, operatign policies, some bylaws, strategic plan, CEO (*President and CEO is an Officer)</i>				
DECISION	ADVISE	RECOMMEND	DECIDE	BYLAWS REFERENCE
Remove a board officer		CEO	Board	6.3
Remove a board director (for cause)		CEO	Board	5.4
Supervise and terminate CEO	Owners		Board	
Adopt annual budget		CEO	Board	
Execute contract > \$2M		CEO	Board	5.8.B
Incur debt > \$50K		CEO	Board	5.8.A
Enter into contracts with employees for home improvement		Employee responsible for signing contract	One officer*	6.9.A
Loan to an employee			HR Head + one officer*	6.9.B
Enter into contracts with employees other than regular employment, loans, or home improvement			Board	5.8.C
Establish board committees	CEO		Board	5.1.0
Establish internal board procedures and conduct	CEO		Board	
Amend operating policies	Owners	CEO	Board	8.1
Amend bylaws that don't require supermajority consent	CEO		Board	7.2
Develop strategic plan		CEO	Board	

(*President and CEO is an Officer)

MANAGEMENT DECIDES

Day-to-day operations, compensation, employees, project development

DECISION	ADVISE	RECOMMEND	DECIDE	BYLAWS REFERENCE
Hire or fire any role except the CEO	Employees (for hiring)		CEO & Mgmt team	
Set individual compensation for all roles except the CEO			CEO & Mgmt team	
Set CEO compensation			CEO & Mgmt team	
Sign contract > \$2M			CEO & Mgmt team	
Change project development process	Employees		CEO & Mgmt team	
Other decisions not specifically mentioned in these charts	Employees		CEO & Mgmt team	

Policy Making

The board is responsible for adopting policies, and the CEO is responsible for bringing policy recommendations to the board, and for implementing and enforcing the board's policy decisions.

Throughout the year, the CEO works with the management team to identify policy updates as the need arises, gathering input from both owners and non-owners. The CEO may draft new or amended policies themselves or may delegate this task to others. The CEO will then present the proposed updates to the board for a vote.

In addition, every two years the CEO and the board will review existing operating policies to see if updates are needed. Owners are informed when this is happening and invited to provide input as part of this biennial review. Owners may also request that the CEO and the board consider policy updates outside of this biennial review cycle if/when situations arise that they believe merit more immediate changes.

If an Owner believes that policies are not being followed or that their requests for policy changes are not being addressed, they may request to present their concerns to the board (per Article V, Section 5.11 of the Bylaws).

Financial Practices

Budgeting

Annual budgeting is a collaborative process between the management team and the board. All employees are invited to weigh in and make budgetary requests early in the process. Byggmeister's fiscal year runs from June-May. The budget process is as follows:

- February: The Business Manager invites employees to submit budget requests
- Early to mid-March: The Business Manager and the CEO meet to review initial budgeting recommendations and metrics.
- Late March: The Business Manager drafts the budget
- Early April: The CEO and management team review and update the budget
- Mid April: The Business Manager updates the budget
- Late April: The CEO shares the budget along with a budget narrative with the board for review
- May: The board votes on the budget

Disbursements

To ensure proper use of company funds, only the following individuals are authorized to make disbursements, either by hand signing company checks or by submitting electronic payments. No stamp signatures are allowed.

- The Estimator may disburse payments up to \$20,000.00
- The Business Manager may disburse payments up to \$50,00.00
- Any payments over \$50,000 must be made by the CEO.

Authorized signers may not sign their individual reimbursement checks. In addition, the CEO will review all disbursements monthly.

Open books management

Byggmeister practices open books management, which means that we share information about financial performance with all employees and educate employees about how their production influences the company's finances. We share key financial performance indicators at every company meeting, and we conduct financial trainings with all employees as part of our ownership training program.

Financial Practices (continued)

Profit and Loss Allocation

Profits and losses are allocated for Byggmeister's viability and long-term success and for the benefit of Byggmeisters' owners. Byggmeister's bylaws stipulate that profits and losses earned by non-owners must be allocated to the indivisible reserve account. Profits earned by owners may either be retained in the company, or they may be allocated, in whole or in part, to owners as patronage income. In addition, income may either be paid out in cash, or a portion of it may be held in owners' individual capital accounts, so long as an amount sufficient to cover owners' tax burden is paid out in cash. These individual capital accounts are not cash accounts, but paper accounts backed by the company's net worth. In short, each year we make two interrelated decisions about how to allocate profits and losses

- How much of the profit (or loss) attributable to owners will be retained in the company and how much will be allocated to individual owners;
- If profit is allocated to individual owners, how much will be paid out in cash and how much will be held in the owners' capital accounts (and paid out over time according to the schedule outlined in the bylaws).

The CEO works with the management team to recommend a course of action. The Board then reviews the recommendation, makes any adjustments, and brings it to the Owners for a vote.

When developing and voting on profit and loss allocations, we first ensure that the company has cash on hand equivalent to at least 3 months of payroll, taxes, fixed operating expenses, and total of all individual capital account to protect against losses in income and other unforeseen disruptions. Once the cash reserve is satisfied, the following principles guide our allocations:

1. We aim to allocate sufficient profit to the indivisible reserve to meet our charitable giving goals.
2. If we have an outstanding loan, we use excess indivisible reserve funds to pay down or pay off the balance, unless there is a compelling business reason to hold onto that excess cash or to use it for other purposes.
3. We strive to allocate 100% of the profit earned by owners to the owners, although we may allocate profit earned by owners to the indivisible reserve for clearly defined business objectives.
4. We prioritize cash patronage allocations over patronage allocations to individual capital accounts.

In addition, Byggmeister strives to distribute yearly or twice-yearly bonuses to all employees. We include these bonuses in our annual budget, but we may adjust them upwards or downwards based on the company's performance.

Information sharing

Byggmeister prioritizes transparency and broad access to information. We believe that people do their best work and that the company is stronger, more inclusive, and effective when all employees know how the company is performing, understand how the company operates, and are well-informed about what's happening outside their day-to-day sphere. The matrix below outlines information that is accessible to all employees, as well as information that is only accessible to some subset(s) of employees.

INFORMATION	EMPLOYEES	OWNERS	BOARD	CEO	HR COORDINATOR	MGMT TEAM
Financial reports	X	X	X	X	X	X
Operating policies	X	X	X	X	X	X
By-laws	X	X	X	X	X	X
Board meeting minutes	X	X	X	X	X	X
Owner meeting minutes	X	X	X	X	X	X
Tax returns		X	X	X	X	X
CEO compensation		X	X	X	X	X
Individual compensation				X	X	X
Personnel files (related to job performance)				X	X	X
Personnel files (unrelated to job performance)				X	X	

Diversity, Equity, and Inclusion

Byggmeister strives to create a respectful and inclusive culture—where everyone can thrive and contribute in meaningful ways to our collective endeavor.

Each of us is and has intersecting identities that shape how we move through the world, and how people and institutions treat us. At Byggmeister we embrace and celebrate our differences, and we strive to be a place where all employees feel valued, supported and empowered for who they are. We also recognize that prejudice, discrimination and oppression are persistent, systemic problems, which we must continuously strive to uproot. We are particularly focused on identifying and redressing prejudice, discrimination and oppression based on race and ethnicity, gender, and education.

Just.

Organization Name: Byggmeister Design Build
Organization Type: Construction
Headquarters: Newton, Massachusetts
Number of Employees: 15

Social Justice Indicators:

Diversity & Inclusion

- ■ ■ □ Gender Diversity
- □ □ □ Ethnic Diversity
- □ □ □ Inclusion
- ■ ■ ■ Engagement

Equity

- ■ ■ □ Full-Time Employment
- ■ ■ ■ Pay-Scale Equity
- ■ ■ ■ Freedom of Association
- ■ □ □ Living Wage
- □ □ □ Gender Pay Equity

Employee Health

- □ □ □ Physical Health
- □ □ □ Well-Being

Employee Benefits

- ■ □ □ Health Care
- □ □ □ Retirement Provision
- ■ ■ □ Family/Medical Leave
- ■ ■ ■ Training/Education

Stewardship

- □ □ □ Local Communities
- ■ □ □ Volunteering
- □ □ □ Animal Welfare
- □ □ □ Charitable Giving
- ■ □ □ Positive Products

Purchasing & Supply Chain

- □ □ □ Equitable Purchasing
- □ □ □ Supply Chain

THE SOCIAL JUSTICE LABEL 2.0

BYG-001

EXP. 01/01/2025

INTERNATIONAL LIVING FUTURE INSTITUTE™

In 2023, Byggmeister received a Just Label from the International Living Future Institute (ILFI), a nonprofit working to create a society that is socially just, culturally rich, and ecologically restorative. The Just Label is a “nutrition label for socially just and responsible organizations.”

Diversity, Equity, and Inclusion (continued)

Race and Ethnicity

The historic and ongoing impacts of racism are real, widespread, and difficult to uproot. We commit to doing our part to see and address those impacts in our industry, our company, and ourselves. We strive to be a company that is ethnically and racially diverse, where employees of historically marginalized race and ethnicity are equitably represented and supported, including in leadership and management.

Gender

Sexism, transphobia, and long-standing assumptions about gender roles make it harder for anyone who isn't a cisgender man to work in the construction industry. We commit to building and supporting gender diversity and inclusiveness in our company, including leadership and management. We strive to achieve equitable representation of transgender and cisgender people of all genders, including women, men, non-binary people, and people who are gender non-conforming.

Education

Many industries, companies, and people value a college education more highly than vocational training or years of experience in a trade, assuming that people with a college degree are inherently smarter, do more difficult work, and/or should be paid more. This is false. We commit to valuing all forms of education and experience, and to supporting vocational training.

We strive to create a work environment where people of diverse educational backgrounds can find their place and flourish.

Our commitment to diversity, equity and inclusion informs and guides all our policies and practices, including but not limited to those related to:

- Recruitment and hiring
- Compensation and benefits
- Professional development and training, mentorship, and sponsorship
- Work and project assignments, promotions, transfers, layoffs
- Social and recreational programs
- Respectful communication and cooperation between all employees
- Representation of all groups and employee perspectives in company decisions
- Work/life balance through flexible work schedules to accommodate employees' varying needs
- Contributions of time and money to the communities where we work and live

Employee Engagement, Health and Well-Being

We strive to create a culture where all employees feel engaged, valued and inspired to contribute to our collective enterprise in their own unique ways. We do this in several ways such as

- sharing information broadly
- empowering employees at all levels to provide input into company operations and to get involved in special projects and initiatives
- working collaboratively and valuing every team member's contribution and perspective equally
- celebrating individual and collective achievements
- offering ample professional development opportunities
- engaging the entire company in strategic planning

We also strive to provide a safe and healthy work environment both in the field and at the desk. We provide regular safety training, and we regularly review our safety policy to ensure safe working conditions. We are also committed to supporting the physical, emotional and psychological well-being of our staff by creating a workplace health and well-being program that addresses our employees' needs and challenges.

Social and Environmental Responsibility

As a triple bottom line company, we measure our performance not just in terms of profitability, but also in terms of our impact on people and the planet.

The Planet Bottom Line

The planet bottom line is deeply ensconced in the work we do to improve the comfort, efficiency and durability and functionality of existing homes, and to reduce energy use and carbon emissions. We do this work not just because it is good for our clients and their homes but because we believe we have a responsibility to do our part to address the climate emergency. We aim to incorporate decarbonization measures into every project we work on (except for smaller projects, such as exterior repairs). We also collect before and after energy use data in order to quantify our impact. We connect with like-minded design and construction firms to collaboratively advance best practices, and we share our strategies and lessons learned as broadly as possible to encourage broader adoption of decarbonization work throughout the industry.

When purchasing materials and recommending products to our clients, we strive to use products with low embodied carbon; low volatile organic compounds (VOCs); low environmental impacts during the complete life cycle of a product; and low energy and water usage. To support our goals, we rely on third-party certifications such as the DOE's Energy Star certification for windows, doors, equipment, and appliances and EPA's WaterSense label for plumbing fixtures, and we will regularly evaluate other third-

party certifications such as the Carbonfund's Carbonfree Product Certification to see how they can effectively advance our commitment to the planet bottom line. While our clients are often the final decision makers for many products and finishes, we inform and educate them to make environmentally responsible choices.

The People Bottom Line

The people bottom line is manifest first and foremost in our commitment to a just and equitable workplace. But our impact on people extends beyond our employees to our subcontractors and suppliers and to everyone who is part of our supply chain. For this reason, we are committed to advancing socially just and equitable practices throughout our business ecosystem by:

- purchasing goods and services from independently owned businesses in Boston and surrounding communities, and minimizing purchasing from internet-based distributors, chains, and big box retailers
- supporting businesses owned by women and minorities to boost job creation and wealth in traditionally underserved communities
- evaluating the social impacts of our supply chain and working with our suppliers to source materials from manufacturers that are committed to social responsibility

Social and Environmental Responsibility (continued)

The People Bottom Line

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- supporting businesses owned by women and minorities to boost job creation and wealth in traditionally underserved communities
- evaluating the social impacts of our supply chain and working with our suppliers to source materials from manufacturers that are committed to social responsibility
- organizing with other design and construction businesses to encourage broader adoption of socially responsible practices throughout the industry

Of course, we also impact people who are outside our industry, starting with the people who live in our local community. While our physical address is in Newton, we consider our “local community” to include all the cities and towns in which we work as well as those where our employees, subcontractors, and suppliers are based. We strive to positively impact our local community by

constructively engaging with neighbors and local officials during design and permitting processes, treating neighbors with the utmost respect and consideration and, speaking at community sponsored events about our work and how it supports municipal and statewide climate action goals.

We also recognize that our work may negatively impact our local community by increasing property values. In serving as an “exemplary steward of existing homes,” we may be contributing to the lack of affordable housing. This is something we want to spend more time wrestling with, to better understand this potential negative social impact of our work and learn whether and how we might lessen or offset it.

Animal Welfare

Finally, we believe that we also have a duty to safeguard the welfare of animals. In recognition of this duty, we provide plant-based menu options at all catered events. We are also committed to evaluating which of our materials rely on animal testing and phasing out those that do if there are viable alternatives.

Charitable giving

As part of our commitment to the People and Planet bottom lines, Byggmeister donates time, resources, funds, and services to organizations aligned with our mission and principles.

Each year we aim to donate 5-10% of the previous year's net profits. The charitable giving budget is set during the annual budgeting process as part of a holistic assessment of the company's financial outlook and business priorities.

When making decisions about charitable donations, we emphasize organizations working on climate change, JEDI, housing and workforce development and we are guided by the following criteria:

- The organization's mission and principles align with Byggmeister's.
- Byggmeister or an individual employee, has a relationship with the organization.
- The donation is consistent with this policy's stated emphasis on organizations focused on addressing climate change, JEDI, housing, and workforce development.
- Cash donations are made only to US corporations classified as IRS 501(c)(3) nonprofit organizations.

The annual budget is distributed by the Charitable Giving Committee (CGC) via cash donations and projects by employees, as specified below.

- Cash donations: Employees request donations for organizations they would like Byggmeister to support.

- Projects: Employees request time and material donations to fund construction projects and other services for organizations they would like Byggmeister to support.

All requests must be in writing and include the dollar amount requested (for cash donations) and an approximate budget (for projects). The CGC will make a detailed annual report of all donations and philanthropic impact to the Management Team. A summary of the report will be shared with all employees.

In addition, all employees can receive up to eight hours of paid volunteer time off per year (VTO) to perform volunteer services through eligible non-profit organizations. Employees can choose a charity of their choice or work with other employees on a team volunteer activity. Volunteer time off does not need to be approved by the CGC. However, all employees who use VTO are required to submit a short statement (1-2 paragraphs) to the CGC describing how they used their hours.

The four-person CGC is appointed by the Board. It consists of the CEO (Rachel White) and 3 rotating Owners who serve staggered two-year terms. They will meet as needed, generally 2 times per year, to make decisions about and oversee the distribution of cash donations and projects donations, as described above.

Byggmeister also has an expense budget for sponsorships and other donations that serve strategic business interests. This budget is separate from charitable giving and is distributed at the CEO's discretion.

Employment

Employment

Employees are individuals who are on Byggmeister's payroll. Because Byggmeister is a worker-owned cooperative, all Owners are employees. Not all employees will become owners however. All Byggmeister employees, including Owners, are employed on an "at will" basis. "At will" means employment is for an indefinite period and subject to termination with or without notice, and with or without cause, by either the employee or Byggmeister at any time.

Types of Employees

All employees are classified as either regular or temporary. Regular employees are hired for an indefinite term without a specific termination date. Temporary employees are hired for a limited period with a predetermined termination date. All positions at Byggmeister are regular positions except for student interns.

Employees are also classified as either exempt or nonexempt from overtime and minimum wage laws. Byggmeister will designate employees as exempt or non-exempt upon hiring or reassignment. Except for the President and CEO, all positions at Byggmeister are non-exempt.

Most positions at Byggmeister are full-time, which is defined as at least 30 hours per week. Part-time employment, which is defined as less than 30 hours per week, may be offered at the employee's request or when management determines that full-time is not warranted. Whenever possible, Byggmeister strives to accommodate requests for part-time employment while remaining committed to providing full-time employment as the primary basis for our workforce.

Compensation

Pay Equity

We commit to eliminating systemic bias in pay, which has historically undervalued work performed by employees with less experience, less seniority, or no college degree, as well as work performed by women and non-binary individuals. We have taken the following steps to redress this bias:

- We have established a limit on the ratio between our lowest paid and highest paid positions at 1:10. We calculate the ratio by comparing the low end of our lowest pay range to the high end of our highest pay range.
- We have established pay ranges for every position, and we share this information with employees.
- On an annual basis management reviews the compensation of differently gendered individuals performing the same or similar work and corrects any variances that cannot be explained by job performance or experience.

Living Wage

We commit to provide a Living Wage for all regular employees. A Living Wage is defined as financial compensation that covers the essential costs of living and provides an adequate standard of living. We use the MIT Living Wage calculator for Boston-Cambridge-Newton to determine the minimum Living Wage for our employees.

No regular employee will be paid less than the hourly wage that an individual member of a household of two working adults and one

child must make to support themselves and their family. On an annual basis management reviews compensation to ensure that we are meeting this standard.

Employee Benefits

Byggmeister strives to provide generous and affordable benefits that support our employees' health and well-being, contribute to our employees' job satisfaction, and help us to attract and retain top talent. On an annual basis the management team reviews Byggmeister's benefits package, solicits input and requests from employees about how benefits may be improved, and incorporates changes as appropriate given the full spectrum of operational priorities and financial constraints. The CEO presents proposed changes to the board for consideration as part of the budget review. From time to time, the management team may consider minor changes to benefits outside of this annual review. Current benefits are listed in [Byggmeister's Employee Benefits Manual](#).

Compensation (continued)

Outside Employment

Outside employment means any outside private practice, private consulting, or any professional activity performed by a Byggmeister employee that is not part of the employee's official Byggmeister responsibilities. Outside employment must be secondary to and not interfere with the employee's responsibilities at Byggmeister. No Byggmeister employee should engage in outside employment for any current or former Byggmeister client without approval by management.

Employment decisions

Management is responsible for making all employment decisions for all positions except for the President and CEO. Employment decisions include hiring, compensation, evaluations, promotions, and terminations. The Owners make hiring and termination decisions about the President and CEO. The Management team sets the CEO's compensation.

When Byggmeister is considering a job candidate, employees who would be working with the potential new hire have an opportunity to meet the candidate and provide input.

Evaluations are conducted annually for all employees. Employees who are not meeting performance expectations may have more frequent evaluations. New employees typically have periodic check-ins during their first several months of their employment. The frequency and timing of these check-ins is position dependent.

The annual evaluation process includes a self-evaluation, peer evaluations, a supervisor evaluation, as well as a meeting with their direct supervisor and CEO. This process provides an opportunity for employees to reflect on their job performance and receive feedback; set goals and assess their progress towards meeting them; and identify training and/or coaching needs. Evaluations also inform decisions about compensation.

When an employee is terminated, whether the termination is voluntary or involuntary, Byggmeister will pay prorated sick, personal and vacation time in full. At management's discretion, a severance package may be offered including compensation and continuation of health benefits. Typically, one week of severance is offered for each year of employment, although management may make a different arrangement depending on the circumstances.

Appendices

Ownership Eligibility Checklist

- Read and understand By-laws
- Read and understand Operation Policies related to Governance
- Read and understand membership agreement
- Meet with Board chair for general ownership introduction
- Meet with CEO to review By-laws, Operating Policies related to Governance and Membership Agreement
- Meet with CEO or Business Manager for financial training
- Attend one ownership meeting as an observer

Professional Employer Organization Manual

Benefits Manual

Safety Policy