

Inmar Intelligence 2021 Environmental, Social and Governance Report



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INTRODUCTION

1.0

1.0 INTRODUCTION

FROM OUR CHAIRMAN AND CEO WELCOME TO INMAR'S 2021 ESG REPORT

Inmar Intelligence associates, families, clients and communities faced so much in 2020 and now in 2021. Such times of challenge and change present opportunities for important introspection. It is required of all leaders and beneficial to each individual. As we look at what we learned as a company, how we have grown and how we proceed, it is an appropriate time for Inmar Intelligence to issue our first Environmental, Social And Governance (ESG) Report.

The Inmar experience is rooted in innovation, evolution and service. I am proud of our history and what our associates do each day to improve the human experience by leveraging all that technology and data put before us. But, Inmarians are always constructively dissatisfied. We are not finished. We are not complacent. We are a learning organization and we are committed to being better every single day, whether in our work, how we treat one another or the impact we have in our communities.

We are also full of hope. The effects of the pandemic advanced the pace of Digital Transformation at lightning speed as people had no choice but to embrace technology to obtain the most basic supplies for their homes, to work, to educate themselves or their children and treat illness. Through Digital Transformation we can improve virtually every aspect of life. At Inmar we know that we do not do it in a vacuum. We are all connected and have an impact on all that is around us. This report is a reflection of our commitment as a team to delivering innovation that advances Digital Transformation and thereby the human experience in ways that are responsible, exciting and forward-thinking.



L. David Mounts
Chairman and CEO, Inmar Intelligence

1.0 INTRODUCTION

ABOUT INMAR INTELLIGENCE

The Work We Do

Inmar Intelligence is a leading data and tech-enabled services company. \$120 billion of commerce runs through our market-driven platforms which are propelling Digital Transformation through unified data, workflows and fund flows to help leading Fortune 5000 companies, emerging brands and health systems drive innovation.

Throughout our 41-year history, we have served retailers, manufacturers, pharmacies, health systems, government and employers as their trusted intermediary in helping them redefine success.

The Clients We Serve

We serve brands, retailers, healthcare systems and government entities with platforms that drive Digital Transformation by unifying data and workflows to help leading Fortune 5000 companies and emerging brands drive innovation and profitable growth.

The Way We Serve

- We believe **teamwork** and **positive energy** produce the best results.
- We focus on **winning strategies, clarity of goals** and **agile, dynamic execution**.
- We build **trust** through **integrity, communication** and **collaboration**.
- We seek to be regarded for our **innovation, work ethic** and **extraordinary service**.
- We hire and develop **great leaders** who build and empower **great teams!**

A Great Place to Work

We're proud to be a **Great Place to Work-Certified™** company!

Team members who responded to the survey ranked us nearly twenty percentage points higher than typical U.S. companies.



1.0 INTRODUCTION

ESG HIGHLIGHTS

We share these highlights of environmental stewardship, social responsibility, corporate governance and a spirit of innovation with both pride and a commitment to continuous improvement.

19,250

BARRELS

of oil were saved by using
energy From waste

4895
TOTAL TEAM MEMBERS

as of August 2021

30+

LOCATIONS

across the United States, Canada,
Mexico, Latin America and India

26

PERCENT

year-over-year improvement in
Accident Frequency Rating

10.6
MILLION

kilowatt hours of energy
produced from Inmar's
Energy From Waste program.

50%
of our U.S. managers are
WOMEN

ESTABLISHED IN 2020

**One Inmar
Together
Forward**

a steering committee of diverse
associates whose mission is to
advance diversity, equity
and inclusion.

576
**NEW CORPORATE
JOBS ADDED**
January 2020 - July 2021

300+
INVENTOR/PARTICIPANTS

have submitted innovative ideas through our **patent incentive program**.

200
MILLION

pounds of material is kept
from landfills each year.

15%
**INCREASE IN ETHNIC
DIVERSITY**
in our **management positions**
since 2019

**+
Inmar PRIDE**

a formal program to ensure that
our team LGBTQA+ members feel
valued and safe bringing their full
selves to work every day.

40%
of Inmar associates are
**KNOWLEDGE
WORKERS**

69
**PATENTS
ISSUED**

Total as of August 2021

71
**PATENTS
PENDING**
as of August 2021



ENVIRONMENTAL

2.0

2.0 ENVIRONMENTAL

SUSTAINABILITY: DATA CENTER

Guiding Principles

We implement solutions in our facilities to conserve energy, water and other resources and reduce greenhouse gas emissions. We comply with all applicable laws and regulations and seek to reduce and, where possible, eliminate hazardous waste through source reduction and recycling.

SUSTAINABILITY: DATA CENTER

The Inmar Data Center approaches sustainability with the goal of cost effective efficiency utilizing the following methods and practices.

1/2

- Efficient equipment cooling by utilizing row or rack level cooling. Efficiency is obtained by limiting the area being cooled to only that area directly housing compute and storage equipment.
 - Elimination of raised floors in the data center reduces the amount of space cooled.
 - Efficient equipment cooling by maintaining a narrow temperature range that is optimized for the equipment and the current computing load. The temperature is monitored at the rack level and adjusted as compute load increases or decreases.
 - All HVAC equipment utilizes closed loop refrigerant systems(glycol and/or freon) with refrigerant to air heat exchange. This method does not require or consume water in the heat exchange process.
- All HVAC equipment undergoes preventative maintenance semi-annually to maintain efficient operation of the HVAC equipment.
 - Use of lithium ion batteries for the UPS system that has a 20+ year battery life. This is substantially better than the 5 - 7 year lifespan of lead acid batteries. This results in removing the requirement for recycling lead acid batteries.
 - Use of lithium ion batteries for the UPS system requires less power to recharge and maintain a charge. This improves the Inmar Data Center PUE.

SUSTAINABILITY: DATA CENTER

The Inmar Data Center approaches sustainability with the goal of cost effective efficiency utilizing the following methods and practices.

2/2

- Rack level power planning and monitoring ensures efficient use of power in each rack.
 - Use of overhead electrical bus and row/rack level PDU's maximizes the data center's ability of delivering the optimum electrical supply to each rack.
 - Efficient equipment lifecycle processes ensure that equipment that is no longer used is promptly powered down and removed from the Data Center.
 - Decommissioned equipment is disposed of utilizing vendors that either resell, recycle or dispose in a manner compliant with all local, state and federal regulations. A certificate of destruction is obtained for any equipment that is scrapped.
- Utilization of environmentally friendly fire suppression chemicals. The fire suppression systems are inspected annually ensuring that fire detection sensors are operating optimally. This reduces the risk of false alarms that could result in the deployment of fire suppression chemicals.
 - The Inmar Data Center is presently moving to eliminate the use of magnetic tape for long term data retention. This results in no longer consuming magnetic media that when reaching EOL winds up in a landfill or an incinerator.

2.0 ENVIRONMENTAL

SUSTAINABILITY: CONSUMER GOODS REVERSE LOGISTICS AND SUPPLY CHAIN SOLUTIONS

Inmar Intelligence solutions include technology-driven reverse logistics and supply chain solutions that are recognized across the industry for reducing cost and eliminating waste of returned goods from consumer goods manufacturers and retailers. Inmar's supply chain innovations enable a landfill diversion rate of 98%, which is accomplished by placing goods back into commerce, providing donations and through waste-into-energy initiatives. We look at sustainability broadly, that is eliminating all waste, regardless of source -- in reducing the amount of products that go to landfill, in processes, in optimizing traditionally inefficient transportation models to decrease carbon footprint and reduce cost. In doing so, we minimize the supply chain's negative impact on the environment.

**200
MILLION**

pounds of material are kept from landfills each year through Inmar returns management and liquidation programs.

**10.6
MILLION**

kilowatt hours of energy produced in 2018 and 2019 came from Inmar's Energy From Waste program.

**19,250
BARRELS**

of oil were saved by using Energy From Waste rather than sending product to landfills (2018 and 2019).

**28
MILLION**

pounds of our clients' cardboard boxes are recycled by our return facilities annually.

**57
MILLION**

items have been donated through Inmar processing and software, both in Inmar returns centers and in client facilities.

C

2.0 ENVIRONMENTAL

SUSTAINABILITY: PHARMACEUTICAL RETURNS MANAGEMENT

Inmar services over 50,000 pharmacies, 84% of U.S. hospitals, more than 300 manufacturers and processes over 95% of the industry's wholesale Rx returns, providing compliant and efficient handling of all classes of pharmaceuticals in our state-of-the-art facilities designed specifically to accommodate the special needs of such Rx product.



SUSTAINABILITY: ONE-TOUCH PROCESSING

Inmar revolutionized the pharmaceutical reverse logistics industry with the introduction of One-Touch Processing. The elimination of touch points and redundant processing are the first steps to a more cost effective supply chain.

1/2

The traditional process for pharmaceutical returns was a two-count process in which the retailer or wholesaler counts and produces invoices for product that is transported to the manufacturer for recount and payment. The one-touch model created a system in which the retailer and manufacturer accept the first count and thereby reduce a touch point, expedite credit, lessen carbon footprint and eliminate count discrepancies.

An Inmar study for a major pharmaceutical manufacturer calculated significant cost savings using Inmar's One Touch Advantage® solution. By using the solution to analyze root cause of returns and sort them by National Drug Code, returns were reduced by more than \$2 million in three years.

Product identification accuracy and discrepancy reduction added another \$800,000 in savings more than offsetting the cost of the program.

Manufacturers using One Touch showed significant decreases in carbon footprint. When processing 2,250,000 one touch units annually, the study showed decreases of:

450
kWh

(approximately \$58,500)

64,300
CARDBOARD BOXES

(equivalent to
approximately 257 trees)

Greenhouse gases
equivalent to

31.8
**PASSENGER
VEHICLES**

2.0 ENVIRONMENTAL

SUSTAINABILITY: ONE-TOUCH PROCESSING

Inmar revolutionized the pharmaceutical reverse logistics industry with the introduction of One-Touch Processing. The elimination of touch points and redundant processing are the first steps to a more cost effective supply chain.

2/2

The Inmar Healthcare Network's One Touch Advantage solution also collects returns data at the first touch point and is used so reporting can be delivered to government agencies faster and the compliance rate percentage can be reported as much as one month earlier. Data feeds and online reporting that track the product at key process points—receiving, processing and disposition—provide the manufacturer with important detail.

With Inmar's One Touch Advantage, transportation costs and the associated carbon footprint involved in transporting product to another third party are reduced, destruction costs are shared and more real time data feeds enable faster credit reconciliation. Data is available online and via 180 transfer with both retailer/wholesaler as well as manufacturer pricing. Full disclosure of data ensures accurate crediting and evaluation.



SUSTAINABILITY: INMAR LIFEINCHECK™ CONSUMER DRUG TAKE-BACK PROGRAM



We have prevented 200 tons of drugs from improper disposal, protecting from abuse and being introduced to the water supply since the 2017 inception of our program.

Inmar has partnered with manufacturers and pharmacies across the country in a collective effort to combat the issues of drug misuse and environmental contamination with our LifeInCheck™ consumer drug take-back program. The program provides a safe, convenient process for consumers to return unused or expired medications and ensures they are handled in full compliance with emerging drug take-back regulations. Our program is compliant with the DEA Secure and Responsible Drug Disposal Act of 2010.

Inmar Intelligence is currently operating take-back programs with various retail partners and is also an approved Stewardship Operator in several jurisdictions, including programs in Massachusetts and several counties in California. Inmar Intelligence has over 4,000 drug take-back receptacles contracted nationwide and has over 90 licences with state and local agencies, including DEA, FDA and DOT.

Inmar has invested more than \$15M to design and implement unique industry technology including automated regulatory practices, and has automated multiple process steps to assure our clients of regulatory compliance, leveraging OCR form technology with timely reporting that provides visibility to government agencies.

2.0 ENVIRONMENTAL

SUSTAINABILITY: OUR HEADQUARTERS

Inmar's headquarters in Winston-Salem, NC began as two R.J. Reynolds tobacco buildings and is on the National Register of Historic Places. Many remnants of the original building remain to preserve important aspects of the buildings' design and history. The wood around the elevators and the "floating" conference rooms in the atrium are recovered from the original buildings. The hoist in the lobby area was cleaned and painted yellow for display. The glass blocks in the front wall are original; the tile on the back and brick are original.



2.0 ENVIRONMENTAL

SUSTAINABILITY: OUR HEADQUARTERS

LEED Certification

The use of reclaimed materials not only keeps a part of the history with us, but also contributed to our platinum-level LEED certification. LEED (Leadership in Energy and Environmental Design) is a set of rating systems for the design, construction, operation and maintenance of green buildings, homes and neighborhoods.

- Project diverted 6,172 tons of waste from landfill.
- The amount of water saved per year in the building is equal to six maximum volume eruptions from Old Faithful in Yellowstone National Park.
- The amount of energy saved by the building annually is the equivalent of 36,000 bolts of lightning.



2.0 ENVIRONMENTAL

SUSTAINABILITY: A HYBRID WORKPLACE MODEL

Like many companies in 2020, Inmar's corporate employees were required to work from home during the pandemic shutdown. Our always adaptive, innovative and driven team quickly made the changes necessary and delivered strong results, and increased productivity.

As a result we have adopted a hybrid model that enables many associates to work from home or reduce their time in an office, which has enabled us to reduce a number of the buildings we occupy, including our headquarters, reducing our carbon footprint.



2.0 ENVIRONMENTAL

SUSTAINABILITY: RECOGNITION

Inmar is consistently recognized for our sustainability efforts.



**Supply and Demand Chain
Executive Green Supply
Chain Award**



**Food Logistics Top Green
Providers**



**Inbound Logistics G75
(Sustainability)**



**Covanta
2020 Sustainable Future
Award**



SOCIAL

3.0

3.0 SOCIAL

DIVERSITY, EQUITY AND INCLUSION

As a company and as individuals, Inmar Intelligence has been a force for equity and empowerment in our community throughout our 40-year history.

We have come to realize that many of us have much to learn with regard to the racial injustice. As a listening and learning organization, we are committed to building upon the programs we have in place, understanding more and doing more.

In the days following George Floyd's death our CEO David Mounts spoke directly to all employees about racial injustice. He said, "We have to decide at this moment who we are and what we stand for and what we will do as individuals and as a collective team." He told of the 16-year old daughter of an Inmar employee who organized a peaceful protest in Winston-Salem, NC as a result of George Floyd's death and others.

As a Mexican American, he recognized that the experience of Black Americans with respect to racial injustice is profoundly unique, but he does understand anger and frustration that result when we are looked at not for what we do, but "only the color of our skin."



3.0 SOCIAL

DIVERSITY, EQUITY AND INCLUSION

Inmar chooses to be a force for change. Our programs for employees and communities focus on advancing racial, gender, and economic equity. We have been committed to progress and will continually evaluate in the future how we can do more.



As a company, we know we can do more and are evaluating current programs, policies and what we can do going forward. We know we must begin with listening...listening to learn and then turning our learning into action.

We are committed to taking the steps that will educate us in ways that we can make an impactful difference in our hearts, in our minds, and in our actions. As a supporter and friend, we will not always get it right, but we will not stay silent.

3.0 SOCIAL

DIVERSITY, EQUITY AND INCLUSION

The following are the foundational steps we are taking to guide us toward meaningful change. Additional steps will be ongoing in development and implementation.

1/2

Listening

- Expanded our monthly Pulse Surveys to employees to include specific questions to help us understand where we need to focus first to address social and racial injustice.
- Established focus groups and regular online “Coffee and Convo” discussions among associates for two-way conversation.
- Added advisory representation to our Leadership team to give voice to the topic of racial equity and injustice.

Learning

- Expanded our Diversity Training to educate Inmar team members on racial inequality and bias and how we can collectively work together to improve.
- Continually provide managers with guides and tools to help them support, lean in and lead discussions.
- On an ongoing basis, publish articles and recommend reading on the topic of race in our daily updates to associates, including books on diversity and racial justice for our company Book Club, and establish an Interest group on Diversity and Inclusion for our employees.

50%
of our
U.S. managers are
WOMEN

15%
**INCREASE
IN ETHNIC
DIVERSITY**
in our management
positions since 2019

3.0 SOCIAL

DIVERSITY, EQUITY AND INCLUSION

The following are the foundational steps we are taking to guide us toward meaningful change. Additional steps will be ongoing in development and implementation.

2/2

Action

- Expanded our InmarCares program for our team members to take time off to participate in endeavors that seek to meaningfully improve racial justice.
- Established learning opportunities during Black History Month, Women's History Month, Asian and Pacific Islander and PRIDE months, etc. The program includes daily "Did You Know" educational articles on our associate intranet site, coffee chats for discussions, as well as information about related events in their local area. In addition, using Inmar's SMS Rebate Technology, Inmar offers associates rebates of up to \$25 when they make purchases from local businesses owned by members of the month being celebrated.
- Continue to actively support myfuture nc, a statewide nonprofit organization in North Carolina (home to our headquarters) focused on educational attainment to eliminate systemic barriers to achievement and attainment.
- Also in 2020, Inmar served as underwriter for the creation of the Seventh Street Mural by artist Leo Rucker near our headquarters. This public art celebrates some of the leaders and black-owned businesses that were influential in building the area known as Depot street, and ultimately Winston-Salem. Carrying forward this spirit is how we spread opportunity. It is something we at Inmar Intelligence are committed to doing - bringing the head, heart and soul into everything we do to spread love and allow all to reach their full potential, accomplish their dreams and contribute to the fabric that builds strong, vibrant communities.

3.0 SOCIAL

DIVERSITY, EQUITY AND INCLUSION

Inmar chooses to be a force for change. Our programs for employees and communities focus on advancing racial, gender, and economic equity. We have been committed to progress and will continually evaluate in the future how we can do more.

We continue to actively join with the foundations, companies, health systems, universities, non-profit organizations, city government and other organizations that want to invest in doing the real, hard work that must be done in the community of our headquarters, Winston-Salem, NC. We also will work with Inmar employees in our other locations to establish such connections in their communities and seek to actively address poverty in the community, specifically generational poverty and substantively increasing our commitment to literacy programs for children of color.

These efforts have only begun to teach us how much we have to learn. We are not where we need to be and we thank those who have challenged us to learn, to act and to be better. We invite those conversations and look forward to the advancements that will only come from collective effort and an openness to learning. Maya Angelou said it well...“When you know better, you do better.” We will listen, we will learn, and we will take actions for racial justice. That is our goal. That is our commitment.



3.0 SOCIAL

DIVERSITY, EQUITY AND INCLUSION

The following employee resource groups have been established:

One Inmar Together Forward

Established in 2020, One Inmar Together Forward at Inmar is a steering committee of diverse associates from across our company. Our mission is to advance diversity, equity and inclusion by creating a workplace of engagement, respect and connections - where the richness of ideas, backgrounds, and perspectives are harnessed to create value. This group advises our Leadership team, hosts Coffees and Convos to have open dialogue and produces other educational opportunities for our team members.

Inmar PRIDE

Also established in 2020, Inmar PRIDE has been established as a formal program to ensure that our team LGBTQA+ members feel valued and safe bringing their full selves to work every day. Part of PRIDE's work is to collaborate with other equity-focused groups within Inmar to share ideas and support each other's missions. As an example, PRIDE is collaborating with our One Inmar Together Forward Group, which has a focus on racial equity, and our Inmar Empowering Women Group, to co-sponsor a book club which takes a holistic view of inclusive leadership. An important initiative was to educate our associates about the use of gender-neutral pronouns and encourage all comfortable doing so to add their pronoun preferences to their various signatures.

Inmar Empowering Women

Inmar Empowering Women was established in 2013 to help create a community and an Inmar culture of people who value gender diversity, who want to develop themselves and who understand that growth and diversity of all types lead to winning teams. This group provides a forum for members to openly discuss how gender diversity creates a competitive advantage, to learn from the experiences of each other, and to empower each other at Inmar (men and women) and in the community (specifically girls of middle and high school age and women in at-risk situations).

3.0 SOCIAL

ASSOCIATE ENGAGEMENT

Whether at our LEED certified headquarters or our locations across the U.S., Canada and Mexico, the Inmar associate experience nurtures the whole person through a flexible, high-energy work environment with opportunities to learn, network, socialize and serve our communities.

We have grown to a large company, with more than 5000 associates, locations across North America, and a client list that includes Fortune 500 and emerging brands - retailers, manufacturers, pharmacies, health systems, government and employers. But, we have not let go of the entrepreneurial, small-company agility that enables associates in any role to impact the business, take on new challenges and drive change in meaningful ways.



3.0 SOCIAL

ASSOCIATE ENGAGEMENT

Whether at our LEED certified headquarters or our locations across the U.S., Canada and Mexico, the Inmar associate experience nurtures the whole person through a flexible, high-energy work environment with opportunities to learn, network, socialize and serve our communities.

Inmar associates have access to leaders at the highest level and the freedom to develop the kind of camaraderie with teammates that results when there are no silos or barriers to influence. Pulse surveys are conducted monthly to gather associate feedback. Our CEO then delivers a PulseCast in which he shares with all associates, the feedback received and how it is being addressed. Such feedback has resulted in changes in policies or the introduction of new programs.

Leaders also hold virtual “coffees” and “happy hours” to update their teams and nurture a sense of connection among teams that work across many locations. Our CEO and company presidents hold an update meeting each month for associates to provide updates about the business. Following the meeting, leaders hold a meeting with their teams to discuss the update and gather any questions. Managers then attend a follow up call with the Executive Leadership team to ask questions. They then share responses with their teams.



3.0 SOCIAL

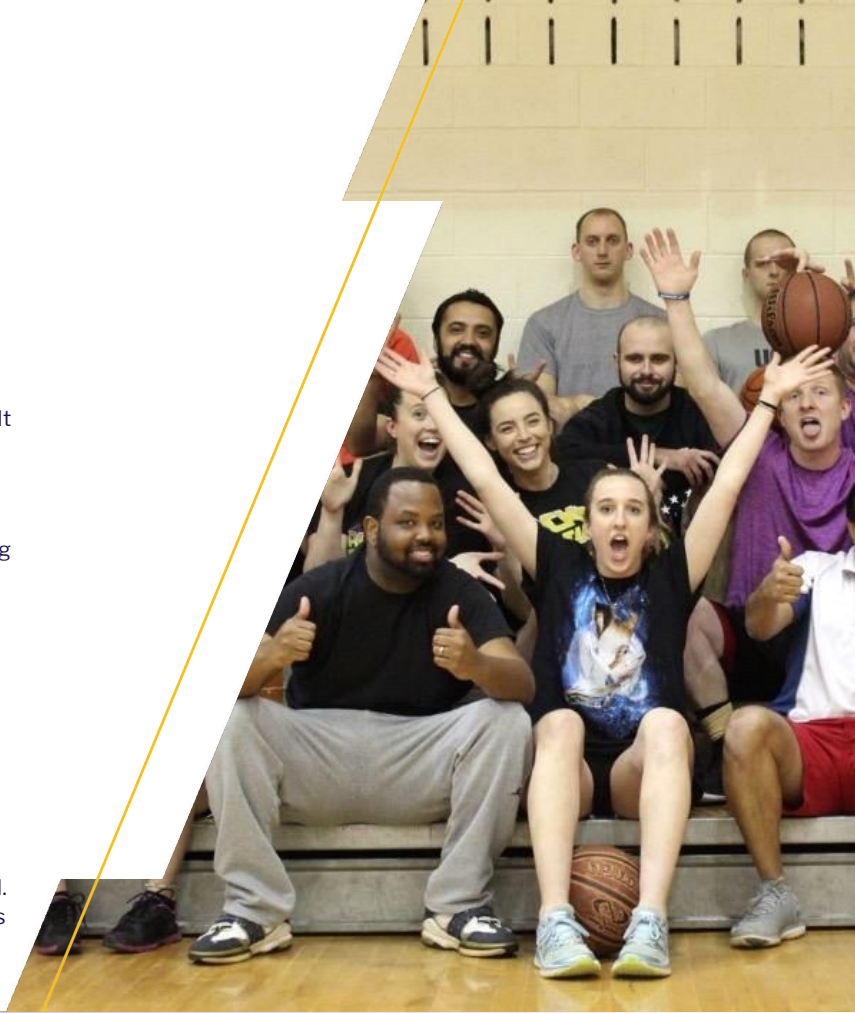
ASSOCIATE ENGAGEMENT

Whether at our LEED certified headquarters or our locations across the U.S., Canada and Mexico, the Inmar associate experience nurtures the whole person through a flexible, high-energy work environment with opportunities to learn, network, socialize and serve our communities.

Associates also have access to our interactive company intranet that is updated on a near 24/7 cadence. The Inmar Informer shares company updates, news about benefits, associate spotlights, and encourages associates to join in conversations. It also provides an interactive daily “Pulse Survey” in which associates can share how they are doing, things on their minds, etc. It is a daily conversation.

This news site played an especially critical role during the pandemic when corporate associates moved corporate functions to primarily work from home.

During the pandemic, we also held “Camp Inmar,” a virtual weeklong camp with activities to engage children and grandchildren of Inmar associates, our leaders also held storytimes and other activities to help give parents a break during lockdown. Town Halls, typically held twice each year at our headquarters, went virtual. We received exceptional feedback from our associates about the format, which included performances by our corporate band. It was a significant change that involved tremendous work and change.



3.0 SOCIAL

ASSOCIATE WELLNESS

First and foremost in supporting associate wellness at Inmar is our culture of CARING. Inmar attracts talented, passionate people who care - about their work, their families, communities, one another and our clients.

It permeates our culture and is a common theme in feedback from clients, associates and in our communities. This culture is reinforced through a formal award-winning Wellness Program designed based on research that overall wellness is built on four pillars: physical, financial, social and emotional. We have been named a Healthiest Employer, a top Family-friendly Company, a Top Workplace and an American Heart Association Platinum Fit-Friendly Worksite. Particular focus was and continues to be placed on emotional wellness benefits, awareness and resources as a result of the pandemic.



3.0 SOCIAL

ASSOCIATE WELLNESS

Inmar Wellness Initiatives include:

- Associate health, dental, vision, life insurance coverage (and for their dependents) beginning on day one of employment, with flexible options based on individual needs and goals.
- Parental Leave (expanded in 2020)
- Health and wellness fairs
- Access to virtual healthcare visits, including mental health, was expanded in 2020
- On-site and virtual fitness and health improvement classes
- Mobile mammogram visits at our larger locations
- Wellness challenges and competitions for all fitness levels
- On-site café at our headquarters with local restaurants on-site daily and healthy food options
- Financial classes as well as individual counseling with financial professionals free to our associates. Topics have included budgeting, education saving, understanding Medicare, and many, many more.
- Webinars, articles and resource materials for improving health, especially mental health.



3.0 SOCIAL

ASSOCIATE LEARNING AND DEVELOPMENT

Inmar Intelligence's business centers on innovation, so our business is constantly evolving. Therefore, we hire curious innovators and problem-solvers who are naturally passionate about learning and growing their careers.

We also work in highly regulated or sensitive areas such as healthcare, pharmaceuticals, product handling and data that require very specific training or certification. As a company we invest heavily in diverse tools and programs to ensure a robust Learning Program that assists as our associates seek to increase their knowledge, complete training requirements for the work they do, understand new areas of our business and also importantly, explore new areas of interest and opportunities at Inmar.



ASSOCIATE LEARNING AND DEVELOPMENT

The Associate Learning and Development Program, overseen by the Inmar Talent Management team includes:

1/2

- **Learning for Success**, an expansive program that offers on-site, virtual and on-demand classes across topics from ensuring physical safety in our warehouses to advanced analytics and certification programs. The program also reimburses associates for the costs of books or online courses they purchase to expand their knowledge.
- **Tuition reimbursement** for those who wish to continue their education.
- Inmar **Accelerated Leadership Development Academy (ALDA)** is an 11-month rigorous learning program that develops leaders with the skills, abilities and confidence to translate strategy into action and action into results. The program produces leaders who can motivate, lead and inspire teams to win.
- **INgage & DiSCover** - Sessions in which associates can attend group meetings to learn about different areas of the business they may be interested in exploring.
- **“Fred²”** projects provide a formal opportunity for associates to take on a special project in a different department that interests them.
- **Inmar Data Academy** - A four-week online program developed by the Inmar Talent Management team that provides an introduction to data, analytics and the data-driven decision making (DDDM) process through engaging e-learning lessons. It is geared to all levels and roles at Inmar so associates have a working knowledge of this key area of our business.

ASSOCIATE LEARNING AND DEVELOPMENT

The Associate Learning and Development Program, overseen by the Inmar Talent Management team includes:

2/2

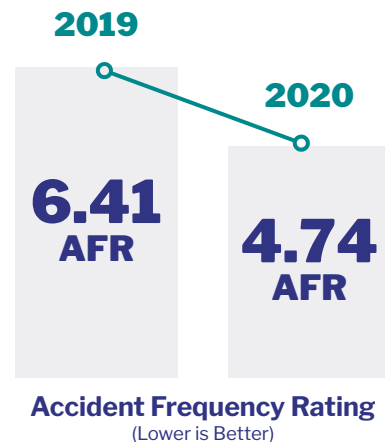
- **Marketing Metrics** - An online program developed by the Inmar Talent Management team to provide a flexible, fun, challenging way for all associates to learn about the marketing metrics that are so key to our business. Named the 100 days of Marketing Metrics, where 100 - 10 minute elearning lessons are available
 - **Monthly Updates from Leadership** - A monthly meeting, held virtually, in which our CEO and presidents share transparent business updates with associates of all levels.
 - **Job Shadowing** allows associates to follow along with a colleague in an area that interests them.
 - **Stay Interviews** - Our Great Teams (HR) Business Partners proactively conduct Stay Interviews to hear directly from associates what is important to them, what is working and, most important, how we can expand our offerings to support them better every day.
- **Inmar Interest Groups** - Interest Groups are a way for Inmar associates to learn and grow together. Interest Groups are associate developed and led and are centered around an interest, passion, or goal that they share with other associates. Some are work-related others are not. Examples include: Accessibility, Angular/Google Web Toolkit, Artificial Intelligence & Machine Learning, DevOps, Github, Mommin' and Full-time Jobbin', Chess Club and many others!
 - **Coaching Certifications** to help managers grow their leadership skills. Inmar believes and supports a coaching environment where the focus is on growing the individual. This program aligns with our Growth Mindset where the belief that skills and abilities can be improved and that the development of skills and abilities is the goal of the work you do.

ASSOCIATE HEALTH & SAFETY

Our team members are our greatest assets, so their overall wellbeing is a crucial area of focus. This includes abiding by all regulations but extends well beyond.

- Both formal and informal associate safety training programs are in place for our locations. Training is conducted on-site and available online as well for corporate-based associates.
- In our warehouse locations safety topics are developed each month and shared with associates. Facility managers communicate with their teams daily. We also have safety training on specific topics such as proper handling of food and hazardous items, forklift operations, etc.
- First aid, evacuation and crisis management plans for numerous scenarios are in place for our locations.
- A formal Safety Bonus Program is in place for our warehouse locations to encourage and reward safety among our associates.
- We have invested in technology that enables us to communicate quickly and directly with associates via text messaging.
- On-site management monitors safety needs in our locations. Updates and additional information are provided to associates in our warehouse locations at standup meetings, posted on bulletin boards, displayed on digital signage (in our larger locations). In corporate locations safety training is conducted online. It is also conducted in person when appropriate. Updates are provided via our associate intranet site.

TRACKING SAFETY



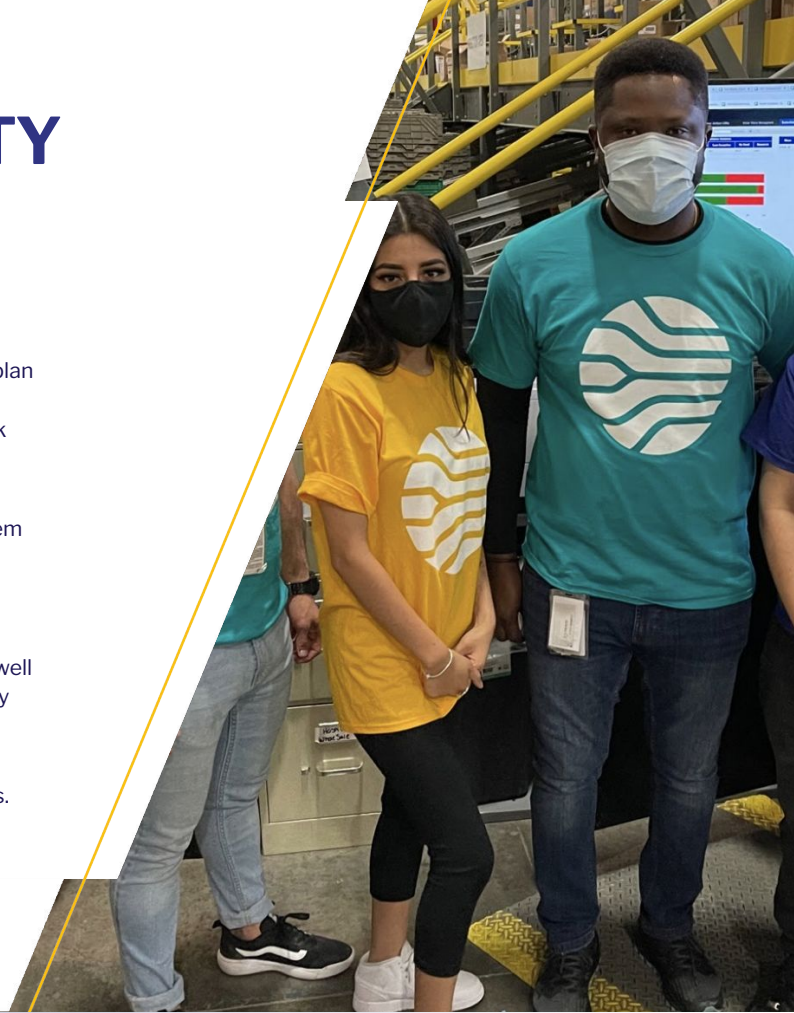
26% year-over-year improvement

3.0 SOCIAL

ASSOCIATE HEALTH & SAFETY

Extensive safety initiatives were undertaken to protect associate health and safety during COVID-19. Inmar is an essential business so our operations had to continue during all phases.

- All associates who could work from home did so and were provided the technology necessary to do so.
- For those essential roles that had to be performed on-site, a plan was developed immediately to enable protection, including social distancing, temperature checks, physical barriers, mask requirements, and increased cleaning/sanitation.
- Daily updates were distributed to our managers through our Great Teams (HR) and Corporate Communications to help them manage through the crisis.
- Appropriate signage was placed throughout our buildings.
- Daily updates were also provided to associates. Updates included information related to staying safe, our business as well as resources to help them and their families through the many unsettling aspects of daily life under COVID-19.
- Resources included expanded benefits in areas of virtual healthcare and mental health for associates and their families.
- Detailed plans have been created for those returning to our offices to provide guidance.
- Our Business Continuity team continues to meet regularly and revise plans as the situation evolves.



3.0 SOCIAL

TALENT ATTRACTION AND RETENTION MANAGEMENT

Most companies do not reach a 41-year anniversary. We know without question that our people are the number one reason we have.

Our clients, those in the community and our employees consistently rate our people as our greatest strength. We focus on hiring not only those with strong skill sets, but those who are curious lifelong learners, those who are energized by solving problems and who believe in the power of teamwork - those with a growth mindset regardless of role. This is the case in our warehouses, our customer service teams, engineering, data science, marketing...our culture centers on people. Our strength also comes from a business that offers opportunities across a range of skills, training, background and education requirements.

At Inmar, we believe that retention requires supporting, encouraging and nurturing the whole person. Therefore, we bring together programs in diverse areas to do so, including health, family and wellness benefits, training, learning and networking opportunities, interest groups, community service opportunities, and formal and informal programs for career development and exploration, furthering their education and more.

We are proud to have so many associates who have made Inmar their career - advancing from individual contributors to now leading teams, serving in senior-level capacities and even on our Executive Leadership Team. Also important is providing opportunities for our associates at all levels to provide input and feedback to help move our company forward. Specific examples are discussed in the Associate Engagement, Learning and Development, Wellness, Community and other sections of this Report.

576
NEW
CORPORATE
JOBS ADDED

January 2020 - July 2021

5.6%
DECREASE

in voluntary turnover
from 2019 to 2020

TALENT ATTRACTION AND RETENTION MANAGEMENT

At Inmar we engage numerous tactics to recruit talent, some are conventional, but many are innovative. The result is an environment full of possibilities for all to advance their careers in the way that is right for the individual.

- **Friends of Inmar Program:** Great talented people who are thriving in the Inmar culture are the best sources for helping us find more great talent. Our Friends of Inmar Program engages our associates in the process of finding the right people as we grow. Through the program associates receive generous bonuses when people they refer are hired.
- **Tech Scholars Program:** Working with Wake Forest University in our hometown of Winston-Salem, NC, Inmar Technology Scholarships are awarded to students who present solid academic credentials and have a strong interest in studying Computer Science at Wake Forest University. Inmar Technology Scholarships, valued at \$10,000 annually, also allow students to earn \$6,400 during the summer and up to \$5,000 through fall and spring semester work study at Inmar.
- **Returnship Program:** As part of our commitment to proactively implement initiatives that support Diversity, Equity and Inclusion (DEI), Inmar implemented a May 2021 with reachHIRE. "Returnships" are designed to bring exceptional talent to the Inmar family by helping experienced professionals return to the corporate workforce after a career break for a variety of personal and/or professional reasons, such as raising a family, taking care of an aging parent, or launching an independent venture. Especially for tech and science-based companies where women are often outnumbered, returnship programs encourage women to lean back into their industries, especially when their skillset — and gender — is a rarity. As a result of our pilot, seven experienced, talented professionals are back to work. All of the returners are women working in tech roles; four are Software Engineers, two are QA Engineers, and one is a Technical Operations Engineer.

3.0 SOCIAL

TALENT ATTRACTION AND RETENTION MANAGEMENT

Inmar's intern program offers college and university students a dynamic experience to explore and put to work the skills learned in the classroom.

Intern Program: Opportunities are available in software engineering, data analytics, data sciences, finance and other areas. The program provides opportunities for interns to learn about the business, earn valuable certifications to enhance their skill sets and resumes, network, attend community events, and collaborate on service projects. Inmar interns have a high-degree of interaction with senior leaders and present their final project to our Leadership team. The goal of our program is to offer these talented students full-time positions with Inmar upon their graduation. Currently, 70 percent receive offers of employment.



3.0 SOCIAL

COMMUNITY INVOLVEMENT / CORPORATE CITIZENSHIP / PHILANTHROPY

Inmar as a company and our associates know that our unique gifts and skills can help our communities grow and prosper – especially when we join as a team to reach outside our offices to share our talents and passions.

Sometimes, the results are visible and immediate...sometimes our efforts plant seeds that need time to take root. Either way, what is always true is – our team has a big heart and InmarCares!

InmarCares is the umbrella program under which our philanthropic efforts fall. The program establishes a sense of responsibility, encouragement and support for service and giving. Inmar associates receive additional PTO hours specifically to spend in service. In addition to formal efforts, Inmar associates are supported and recognized on our associate intranet and social media sites for their accomplishments in the area of service.



Community Tech Night

COMMUNITY INVOLVEMENT / CORPORATE CITIZENSHIP / PHILANTHROPY

In the community,
we established:

1/3

- **Inmar Empowering Women's** group holds events such as Empowering Girls Day, in which girls ranging in age from 11 years through 19 years spend a day at Inmar's headquarters with our women leaders for program focused on building confidence through exploring topics such as networking, wellness, respect, career opportunities and leadership. The program is for families of Inmar associates and participants in Big Brother Big Sisters of Winston-Salem. They also learn how to begin building their resume, how to start conversations with new people, how to identify their talents and passions and more. The group also is active in programs such as Dress for Success and centers for battered women, and angel trees at the holidays.
- **Inmar's LEED certified headquarters** in Winston-Salem, NC is available at no cost to nonprofit organizations needing boardroom or meeting spaces.
- **Math Matters and Awesome Analytics** programs held at our headquarters in Winston-Salem, NC, to bring in middle- and high-school students to demonstrate the importance of STEM proficiency in most any field one pursues. It has proved popular with students and their teachers. Students interact with our engineers, graphic designers, marketers and data teams for a fun glimpse into "the real world!" Our team loves to hear questions like "How old do I have to be to work here?" or "What did people here major in?" The excitement is contagious.
- Inmar sponsors **"Girls on Fire" robotics team** in conjunction with the NC FIRST robotics competition. This spirited group, supported by Inmar mentors, builds and tests their very own robot and then competes to deliver the best robot performance. No prior experience or skill set is required – just positive energy and a desire to contribute their unique talent and passion within a team environment.

COMMUNITY INVOLVEMENT / CORPORATE CITIZENSHIP / PHILANTHROPY

In the community,
we established:

2/3

- To help combat the opioid crisis that is devastating lives, families and communities, Inmar Intelligence offers the **LifelnCheck™ Consumer Drug Take-Back program**. With more than 4,000 take-back kiosks nationwide, Inmar Intelligence has collected more than 200 tons of expired and unwanted medications for safe disposal. We work closely with pharmacists across the U.S. every day to provide education about proper medication disposal, and with industry partners.
- **United Way** - Inmar's founder John Whitaker established a strong legacy of support for the United Way. Inmar associates carry forward that legacy today through active involvement in United Way agencies and in annual fundraising efforts. We have been a recipient of the Spirit of North Carolina Campaign for Excellence Award, which provides statewide recognition for exceptional commitment and support to local communities.
- **LifelnCheck™ Electronic Benefit Transfer (EBT) Processing Solution**. Inmar is modernizing U.S. food assistance programs to deliver an improved process to families in need. In 2020, Inmar's LifelnCheck™ Electronic Benefit Transfer (EBT) processing solution was approved by the United States Department of Agriculture (USDA)-Food and Nutrition Service (FNS) for the State of Louisiana. Following a rigorous FNS assessment, Inmar Intelligence's EBT solution processes Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF) benefits.
- **Community Tech Nights** in community centers in which our technologists and engineers set up "Help Desks" to assist, at no cost, anyone with a computer or device problem - or if they just want to learn more about how to use them. We've helped all ages become more tech savvy and help bridge the digital divide in underserved areas.

COMMUNITY INVOLVEMENT / CORPORATE CITIZENSHIP / PHILANTHROPY

In the community,
we established:

3/3

- Despite a year of natural disasters, a pandemic, and many unexpected cases for Inmar Intelligence to manage and process, we are extremely proud that our innovative, future-proof LifeInCheck™ EBT processing solution reported zero system outages and zero benefit delivery interruptions, ensuring critical financial assistance to individuals and families as three hurricanes impacted Louisiana. The hurricanes led to three different D-SNAP instances, and the pandemic spurred the need for extending P-EBT relief for impacted citizens. These circumstances added over 750,000 unexpected cases for LifeInCheck™ EBT to manage and process, and it did so with zero complications. These challenges plus expected SNAP and TANF benefit administration resulted in LifeInCheck™ EBT settling more than \$2.4 billion this past year.
- Inmar proudly supports the **American Heart Association (AHA)**. We come out in force each year to raise money and attention for the Heart and Stroke Walk, the American Heart Association's premier event that brings communities together to raise funds and celebrate progress in the fight against this country's No. 1 and No. 5 killers, heart disease and stroke.
- Using **Inmar's SMS Rebate Technology**, Inmar offers associates rebates of up to \$25 when they make purchases from owned-businesses during months recognizing Black History, PRIDE, Asian and Pacific Islander, Women, etc.

INNOVATION

4.0

4.0 INNOVATION

START-UP MENTALITY

Innovation has been at the heart of Inmar's growth and success since its inception. While we have grown to a large company we do not want to lose that start-up mentality in which all are engaged in our continued growth and evolution. To ensure continued development of transformative solutions, we offer formal programs that encourage, support and reward our creative, talented associates for new ideas.

INventures

INventures is Inmar's version of "Shark Tank." This program is central to our culture of innovation whereby all associates are encouraged to think as owners and participate actively in the growing of our business and value proposition. Specifically, the INventures process allows Inmar to manage its venture portfolio in an organized and value-driven way and to nurture new revenue streams through a venture process in which only the best ideas survive. Associates with ideas are supported through formal phases from idea generation, to pitching their ideas to our Leadership team, and for those ideas selected - to ultimate funding and development.

Patent Incentive Program

Inmar's Patent Incentive Program rewards associates for their ideas for innovative new products and services that may be patent-eligible. Associates of all levels and departments are eligible and encouraged to participate. The program provides payments at every stage - from submission of an idea through patent issuance. Sometimes ideas are put forward by one individual and sometimes groups participate. All members are compensated equally when an idea is submitted by a group.

69

**PATENTS
ISSUED**

Total as of August 2021

71

**PATENTS
PENDING**

as of August 2021



GOVERNANCE

5.0

5.0 GOVERNANCE

CODE OF ETHICS

This Code is not designed to address every situation, but rather is a guideline to establish expectations and to assist in the exercise of good judgment.

The customers, vendors, shareholders and associates of Inmar all rely on the honesty and integrity of Inmar and its associates. For this reason, we are committed to following an established Code of Ethics (this “Code”). We intend to operate our business and conduct ourselves in compliance with applicable laws and regulations and with the high standards in this Code. Inmar associates must sign this Code of Ethics upon joining Inmar and reaffirm their obligation to uphold it annually through acknowledgement of the Code as part of the associate handbook.

Our long-standing reputation for honesty, quality and integrity depends on living the standards described in this Code.

This Code applies to associates and Inmar’s Board of Directors (the “Board”). All are obligated to report to Inmar any violations, or suspected violations, of the law or this Code. Any associate making such a report in good faith will be protected from any form of retaliation. Failure to comply with the law or this Code is not tolerated.



CONFLICTS OF INTEREST

Associates and members of the Board must, at all times, conduct their activities, both business and personal, in such a manner that there is no conflict of interest with their duties to Inmar.

A conflict of interest arises when an individual's personal interest, or that of a family member or friend, interferes in any way – or even appears to interfere – with what is in the best interest of Inmar.

A conflict of interest may arise when an individual finds themselves in a situation that may make it difficult to perform their work objectively and effectively. Conflicts of interest also occur when an individual, or a family member or friend, receives improper personal benefits as a result of his or her position or affiliation with Inmar. Listed below are specific examples of conflicts with this standard although not every instance of a violation of this standard can be anticipated. When in doubt about whether a particular matter violates this standard, associates are directed to seek guidance from their Manager, Great Teams! (HR) or Inmar's General Counsel.

- To own, directly or indirectly, a financial interest in suppliers, customers or competitors, except for publicly traded securities where the associate's percentage of ownership is less than one (1) percent. Financial interest includes loans, stock, equity interest, contracts, joint ventures and other similar transactions.
- To derive personal gain, directly or indirectly, from purchases or sales made by Inmar, other transactions to which Inmar is a party, use of Inmar assets, use of Inmar facilities or use of Inmar personnel.

Associates are required to observe the spirit as well as the letter of this Code and to report any conflict of interest, however minor, to their Manager, without exception. This obligation extends not only to the potential conflicts personal to the associate, but also to all conflicts known or suspected by them. No exceptions or modifications to the Code will be made unless approved in writing by management, Great Teams! (HR), or Inmar's General Counsel.

DATA PRIVACY AND CYBERSECURITY

Secure management of information is critical to Inmar and our clients. Inmar has security controls and practices that protect the confidentiality, integrity, and availability of our clients' data.

1/2

Inmar's Information Security program works to protect data resources from internal and external cyber-security threats by actively monitoring systems, conducting risk assessments, providing security training, promoting security awareness, and auditing compliance efforts in support of Inmar's business goals.

Security operations - Inmar maintains standardized security measures to ensure data security and confidentiality. Foundational security operations concepts include security logging, firewalls/security groups, Intrusion Prevention System (IPS) / Intrusion Detection System (IDS), web content filtering, endpoint protection (antivirus, anti-spam, encryption, firewall) and system hardening. User encryption is utilized for external connections. Inmar's vulnerability management program allows the security team to evaluate the security configuration of our systems.

DATA PRIVACY AND CYBERSECURITY

Secure management of information is critical to Inmar and our clients. Inmar has security controls and practices that protect the confidentiality, integrity, and availability of our clients' data.

2/2

Risk Management / Compliance - The Inmar Risk and Compliance Department works with business units across the organization to conduct audits, manage risk and maintain documentation for all IT functions.

The following security policies and procedures are in place and are updated regularly:

- Information Security Policy
- Information Privacy and Security Incident Response Policy
- Acceptable Use Policy
- Disaster Recovery Business Continuity Policy
- Patching Policy
- Information Change Management Policy
- Software Development Lifecycle
- Data Classification and Marking Policy
- Backup Restore Policy

Governance - Inmar maintains an information security governance framework and supporting processes to ensure that the information security strategy is aligned with the organization's goals and objectives. Regular meetings with security and executive teams are held to review the status and priority of security projects. Quarterly Information Security Steering Committee meetings with the Executive Team and monthly Virtual IT Security (VITS) meetings are also conducted. Peer code reviews are conducted for software development security. Inmar associates also receive regular security training through mandatory annual training, phishing simulation campaigns, publication of monthly tips for security and formal training of the Security team.

Incident response - Inmar has a formal incident response policy in place that is designed to detect, investigate and remediate security incidents. An Incident Management policy and processes are in place and incident response tabletop exercises are conducted.

BUSINESS CONTINUITY

Inmar has a formal Business Continuity / Disaster Recovery policy in place that documents the processes and procedures in place that safeguard and ensure system availability and data protection.

Procedures that provide the reconstruction of infrastructure and systems that support specific business processes and applications that are necessary for the operation of the company during a disaster situation. Inmar executes business continuity testing and exercises on an annual basis.

A formal Disaster Recovery plan is in place that documents the systems and applications recovery process steps to execute in the event of a disaster situation. Annual reviews and updates are undertaken as critical processes change. The plan also provides a hierarchy of communication process in the event of a disaster.

A formal Business Continuity plan is in place that documents the critical business recovery process, communication to vendors, clients, media and other leadership levels in the event of a business interruption or facility loss. Annual reviews and updates are conducted as critical business functions change.

Disaster Recovery and Business Continuity exercises are executed annually, which documents the validated process testing of systems, applications, and business functions. Crisis Management exercises, including safety awareness training and annual safety exercises are also conducted which documents the procedures for all associates to follow in the event of specific crisis situation occurs within a company facility.

ADDITIONAL GOVERNANCE

Confidentiality

Associates and members of the Board are expected to maintain the confidentiality of Confidential Information entrusted to them by Inmar. Confidential Information takes many forms and includes non-public information that, if disclosed, may be of use to competitors or harmful to Inmar and its customers. It also includes information received from customers and other third parties that is covered by non-disclosure agreements or protected by law.

Fair Dealing

Associates and members of the Board must deal fairly with Inmar's customers, suppliers, competitors and other associates. Associates and members of the Board must avoid taking unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or other unfair dealing practices.

Compliance with Laws

Associates and members of the Board are required to strictly comply with applicable laws and regulations in the jurisdictions in which we operate, including but not limited to those governing anti-discrimination, anti-harassment, antitrust, anti-bribery and health and safety laws.

Accurate Recordkeeping

Inmar's financial, accounting and other reports and records must accurately, reliably and fairly reflect Inmar's transactions and be in compliance with applicable principles, government regulations and Inmar's accounting and internal control procedures. Information must be recorded honestly and in a timely manner. Making any false or fictitious entries in Inmar records with respect to transactions of Inmar or the disposition of corporate assets is strictly prohibited.

