

## I. Message from our CEO

Welcome to our inaugural environmental, social and governance (ESG) report. At Sermo, we are committed to improving patient care by building a community of medical professionals and a platform for their collective knowledge. Without community, we each bear the entire weight of every challenge we face, and in medicine, the cost of failure is often the direst cost of all. We recognize that our organization cannot exist without the community of physicians, other medical professionals and stakeholders who also know this to be true, and it is for that reason that we have begun to conduct both a detailed and holistic assessment of our impact on the world around us.

In this report, we discuss the initial steps that we have taken to ensure that every level of our organization is focused on ESG issues, to reduce our operations' climate impact and to ensure that all our employees feel valued and empowered. We have selected the industry-specific standards published by the Sustainability Accounting Standards Board (SASB) to guide this report, and we intend to align our future climate-related disclosures with the guidelines established by the Task Force on Climate-related Financial Disclosure (TCFD). Both disclosure standards have been developed by leading minds in the field of ESG disclosure, and we believe that their disclosure requirements are robust enough to keep us accountable to our stakeholders and community in a meaningful way. As we begin this process of evaluating our current practices and deciding where we want to go, we anticipate that our disclosure will expand in later years.

As an organization founded on the premise that sharing and discussing our past experiences in the medical field uplifts and empowers humanity as a whole, ESG disclosure is a natural next step. By making the disclosures in this report, we are contributing to a growing body of knowledge on best practices in corporate citizenship. We also expect that you - our stakeholders - will have comments and suggestions, which we welcome and encourage. With your feedback and the contributions already made by the pioneers of ESG disclosure, we are confident that this report demonstrates our commitment to preserving this world for the global community, both in and outside of the medical field.

We look forward to sharing our growth and progress with you.



-Peter Kirk, Chief Executive Officer

## II. ESG Governance

### A. Board Oversight

Our commitment to a sustainable future for our company begins with our Board of Directors (the “Board”). The Board meets 4 times per year and typically discusses ESG-related issues at every meeting. At least twice per year, the Board hears a report from a member of the ESG Leadership Committee on Sermo’s progress in reaching its ESG-related targets and goals. As society learns more about the impact of ESG issues on patient outcomes, so too do we incorporate ESG considerations in our company’s overall strategy.

### B. Management Oversight

Our senior management team works together with the Board to identify and respond to ESG-related risks and opportunities. We have established our General Counsel as the individual primarily responsible for day-to-day implementation of our ESG initiatives. This year, we also created the ESG Leadership Committee: a group of senior managers from different departments of the organization responsible for ensuring that we are meeting our ESG-related goals. Our committee members include:

- **Erin Fitzgerald:** Chief Marketing Officer
- **Natalie Federle:** General Counsel
- **Joanna Molke:** VP, Marketing
- **Lydia Synder:** People Operations Manager
- **Chris Kissel:** VP, Commercial Success, Life Sciences
- **Aniko Soltesz:** Associate General Counsel
- **Sabrina Vu:** Group Financial Controller
- **Rebecca D’Ippolito:** Head of Global Compliance and Quality, DPO
- **Adrian Alonso:** VP, Platform Operations
- **Ross Roberge:** Client Service Director

Sermo has developed the following policies as part of our ESG program:

- Materials Chemicals and Waste Policies
- Biodiversity Policy
- Environmental Policy
- Air Pollution Policy
- Water Policy
- GHG Emissions Policy
- Sustainable Procurement Policy
- ESG Management Committee Charter

### III. Climate

In order to thrive, every community needs a safe and stable environment. Today, our environment faces potentially its greatest threat to ever exist: climate change. Additionally, each day we learn a new way that climate change impacts (or will impact) our lives. Sermo is not an organization that people typically associate with heavy carbon emissions, but this does not exempt us from our collective responsibility to monitor and control our environmental impact. Though our Scope 1 emissions are comparatively low due to the size of our organization and nature of our business, a thorough and accurate analysis will require calculation of our Scope 2 and Scope 3 emissions.

The ESG Leadership Committee has not yet established formal climate-related metrics for the organization but has begun the process of determining appropriate metrics for organizations like ours and tracking our current climate-related metrics to establish a baseline. Any metrics that we do establish will be consistent with a 1.5°C or less scenario, as proposed by the Intergovernmental Panel on Climate Change.

Although we only formally began our analysis of climate impact on our organization in 2023, we have identified certain material risks to our operations. We are vulnerable to losses and disruptions caused by severe weather in coastal areas in which we operate (including New York City, Tokyo and Dalian), power shortages and telecommunications failures. Each of these conditions may be caused or made worse by climate change. We believe that as a company with multiple U.S. and foreign locations and no manufacturing or physical transportation requirements, we have some protection against the physical impacts of climate change. Fortunately, we have not yet experienced any material losses due to climate change, but we are making these commitments today to prevent future losses by our organization, other organizations, and the world.

#### *Sustainable Procurement*

As a social network, the largest portion of our carbon footprint likely comes from the energy used by our data centers. As we begin to audit our energy usage, we plan to explore all of our options for sustainability in the data centers we use. A study conducted by 451 Research found that our current provider's infrastructure is 3.6 times more energy efficient than the median of surveyed U.S. enterprise data centers. Although we plan to look for even more efficient options, we are proud of the energy savings that we and other customers receive from our current provider.

As our operations continue to stabilize following the COVID-19 pandemic, we plan to prioritize sourcing vendors and other service providers that share our commitment to sustainability.

## IV. Other Environmental

Although climate change poses perhaps the most immediate threat to our community, we also recognize the importance of monitoring and controlling our consumption of water and production of waste and pollution. We recently adopted an Environmental Policy that sets forth the general environmental principles that will guide our operations going forward. This year, we intend to implement a system to track each of these categories for benchmarking and establishment of goals in the future.

We are currently working with our ESG Leadership Committee to explore implementing an environmental management system (EMS) and energy management system (EnMS). Our goal is for our EMS to conform to ISO 14001 and for our EnMS to conform to ISO 50001.

## V. Business Ethics

### A. Code of Conduct

As an organization centered on the sharing of medical advice for the common good, we believe that honesty is crucial to our operations. Our Code of Conduct requires all persons and organizations associated with Sermo to conduct themselves professionally in all dealings with Sermo. Its requirements are meant to be minimum standards, and we encourage all of our associates to go above and beyond them to model ethical behavior. Our Code of Conduct prohibits:

- Bribery
- Corruption
- Human rights violations
- Discrimination
- Harassment

Each of our employees receives training on these policies upon hire and annually thereafter. The full list of employee training curriculums includes:

- Anti-Bribery and Corruption
- Anti Money Laundering
- Employee Code of Conduct
- Data Protection Principles
- Data Protection and Contract Management
- Information Classification and Confidential Information management
- Information Security
- Acceptable Usage Policy

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- Cyber Awareness / Cyber Security
- Security and Personal Data Breach / Incident Reporting
- Employee Safety and Wellness Training (health and safety risks and good working practices)
- Environmental Awareness
- Anti-Discrimination and Harassment

KPIs that Sermo tracks on an annual basis includes:

- Percentage of employees trained on ethics: 100%
- Number of reports related to whistleblower procedure: 0
- Number of confirmed corruption incidents: 0

Our dedication to honesty and integrity in our industry includes maintaining a competitive business environment. We owe our success to the excellence of our concept, our employees, and our clients and not to unethical business practices. We have not incurred any monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations.

Our Code of Conduct can be found [here](#).

Additionally, Sermo is a proud member of various industry associations that ensure we follow ethical business practices worldwide. Our association memberships include:



### *B. Supply Chain*

As a part of our efforts to improve conditions across our industry, we hold our suppliers to the same standards we hold ourselves. We have adopted a Prohibition on Human Trafficking, Forced Labor and Child Labor Policy and a Modern Slavery Policy that cover both Sermo service providers and our suppliers' service providers. This year, we plan to create a uniform Supplier Code of Conduct. To ensure that our suppliers consistently comply, we plan to periodically submit information or audit requests to them. Each supplier agrees to the timely completion and return of these materials and agrees to work with us to resolve any issues identified.

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We are in the process of developing a more robust system for ensuring that our suppliers and other business partners are aligned with our ESG values. We have established a goal to have our entire extended supply chain mapped by 2028.

Supply chain KPIs Sermo tracks on an annual basis include:

**100%** of active suppliers have signed the supplier code of conduct

**100%** of active suppliers with contracts include environmental, labor, and human rights requirements

**65%** of active suppliers are covered by a CSR assessment

**1-2%** of audited/assessed suppliers engaged in corrective actions or capacity building

## C. Data Privacy

Our full privacy policy can be viewed on our [website](#).

We are particularly proud of the following achievements in data privacy for 2024:

- No monetary losses as a result of legal proceedings associated with data privacy
- No requests for user data from law enforcement
- No countries where core products or services are subject to government-required monitoring, blocking, content filtering or censoring; and
- No government requests to remove content

## D. Data Security

The security of the personal information of our users is one of our top priorities as a technology company, and we maintain the highest information security protocols.

## V. Human Capital

We would be unable to carry out our mission without the exceptional team we have developed since our inception. We have established strong internal policies and our Supplier Code of Conduct to ensure that all humans who contribute directly or indirectly to our mission are treated with dignity and respect. After the countless hours that our employees have dedicated to our cause, we feel it is our duty to dedicate ourselves to their comfort and security, which is why we are committed to paying all our employees a living wage. Our management reviews employee salaries and wages at every level annually to ensure that we are meeting our employees' needs to the best of our ability.



## DE&I

We maintain a Diversity, Equity and Inclusion Policy to provide equal opportunity to all employees and employee candidates. Below are some key points from our DE&I Policy:

- We recruit based on aptitude and ability, capturing diversity demographics where possible to promote the elimination of unlawful discrimination.
- We do not discriminate or allow harassment of our employees based on membership in a protected class.
- We do not tolerate harassment, sexual harassment or retaliation.
- Employees who experience harassment or retaliation are required to report the behavior to their supervisor, the next level supervisor, or human resources.
- Supervisors who are aware of harassment or retaliation and fail to report it to Human Resources are subject to discipline.

Explore Sermo's DE&I statement here: <https://www.sermo.com/equity-and-inclusion>

All employees are required to complete annual training on harassment and discrimination prevention. Manager and supervisor training includes a special session on their heightened responsibility for identifying and addressing harassment and discrimination.

DE&I KPIs that Sermo tracks on an annual basis include:

**515** full-time employees  
**21%** U.S. / **79%** international

**52%** of employees  
are women

**54%** of medium  
management are women

*As of January 2025*

## Labor Relations

None of our employees are represented by a labor union and we have never experienced a work stoppage. We believe that our relationship with our employees is overall a positive one.

In the event of a mass layoff in the future, we will conduct an assessment to determine whether we can offer affected employees financial assistance and will ensure that all affected employees receive adequate notice (including as required by the Worker Adjustment and Retraining Notification Act of 1988, if applicable).

Although none of our employees were covered by a collective bargaining agreement in 2024, we strongly support the right of our employees to exercise their freedom of association.

## Employee Benefits

To remain competitive as an employer and improve our employees' quality of life, we offer a substantial employee benefits package including:

- Medical insurance
- Dental Insurance
- Vision insurance
- Short and long-term disability insurance
- Group term life insurance
- 401(k) matching program

Employees who have worked with us for six months are also eligible for a flexible work schedule if they are responsible for caring for a child under the age of 17.

## VI. Community Engagement

- **Run for Research.** Each year in June, Sermo, in partnership with the charitable organization Be Your Possible, hosts an HCP-led running (or walking) event, Run for Research. Since the inaugural event in June, we've donated \$850,000 to various medical research causes that are important to the medical provider community.

