*motive* Annual Impact Report 2023



**EMPOWER THE PEOPLE WHO RUN PHYSICAL OPERATIONS** WITH TOOLS **TO MAKE** THEIR WORK SAFER, MORE PRODUCTIVE, AND MORE PROFITABLE.



"EACH DAY WE SEE OUR SOLUTIONS FOSTERING TRANSFORMATIONS THAT **ARE NOTHING SHORT OF REMARKABLE.** WHENIHEARABOUTCUSTOMERSUSING **OUR AI DASHCAM AND DRIVER SAFETY** PLATFORM TO REDUCE ACCIDENTS BY 65%, OR LEVERAGING OUR COACHING AND FUEL ANALYTICS TO INCREASE THEIR COMPANY'S AVERAGE ECONOMY BY 20%, I'M PROUD OF **OUR TEAM'S WORK AND HOW WE'RE MAKING OUR MISSION A REALITY. AS** A TEAM, WE'RE STRIVING TO CREATE A **WORLD WHERE OPERATIONS ARE NOT ONLY EFFICIENT AND SAFE, BUT ALSO SUSTAINABLE**" **ENVIRONMENTALLY** 

> Shoaib Makani Motive co-founder and CEO

#### **SAFER**

Motive's Safety ROI Study shows fleets who use Motive's dashcams and coaching platform saw:

fewer unsafe driving behaviors

fewer unsafe driving violations

fewer accidents

fewer harsh driving events

fewer speeding incidents

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#### Customer Results



#### **ROUSH**

Since implementing Motive and Al Dashcams, Roush has cut its accident rate by 50% and Hours of Service violations by 75%.



#### CARGO NETWORK SOLUTIONS

Cargo Network Solutions' high standards, combined with Motive's automated fleet management, has led to 65% fewer accidents over the past 36 months and made CNS more profitable.

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#### **MORE PRODUCTIVE**

Motive's Fuel ROI Study shows top performing fleets improved fuel economy by:

13%

average improvement in MPGs

769

equivalent gallons of fuel saved per vehicle

15,380

pounds of CO2 per vehicle avoided

#### Customer Results



### SOUTHLAND STEEL FABRICATORS

Southland Steel Fabricators saved 40 hrs per month with dispatch reports, saw a 20% increase in driver productivity, and saved \$25,000 after just one month of using Motive.

"WE'VE ELIMINATED A WEEK'S WORTH OF TIME EVERY MONTH SPENT RUNNING AROUND TRYING TO FIND INFORMATION. I HAVE COMPLETE VISIBILITY INTO MY OPERATIONS WITH MOTIVE DISPATCH."

Gary Overturf Logistics Manager, Southland Steel Fabricators, Inc.



#### ROSENDIN ELECTRIC

Rosendin saw a reduction in fuel waste using Motive's technology to monitor idling, which saves money and has a positive environmental impact. From late 2021 to July 2022, Rosendin saw more than a 40% reduction in idling time. That reduction also contributed to a five-miles-per-gallon increase in fuel efficiency across the fleet.

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#### **MORE PROFITABLE**

**INTERMOUNTAIN EXPRESS** 

# \$120K

saved on insurance annually

#### **INTERSTATE POWER SYSTEMS**

# 83%

fewer roadside inspection violations

saved in vehicle damages

\$50K

saved on administrative operations

#### Customer Results



#### **CARGO NETWORKS SOLUTIONS**

By reducing the number of trucks out of service, Cargo Networks Solutions is saving \$150,000 to \$200,000 a year in maintenance costs.



#### **ARCHITECTURAL SURFACES**

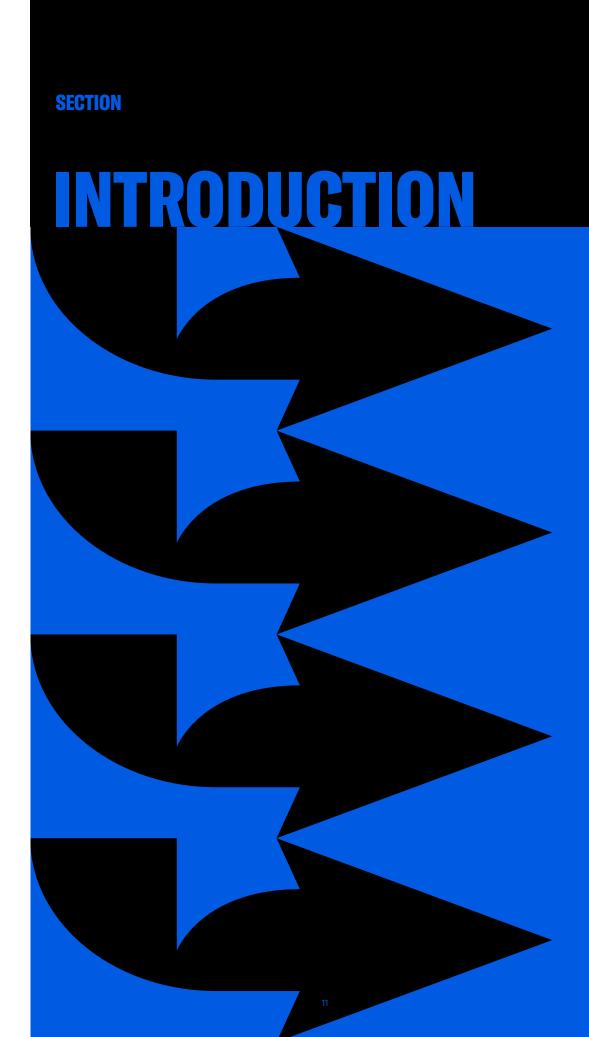
Since switching to Motive, Architectural Surfaces has seen a significant reduction in speeding violations and a 5% savings in fuel. These improvements inspire them to incentivize drivers for safe driving and ELD compliance.



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#### A Message from Our CEO



We started Motive to empower the people who run physical operations with tools to make their work safer, more sustainable, and ultimately more profitable. Today, we serve a wide range of industries that power the physical economy, including transportation and logistics, construction, energy, field service, manufacturing, agriculture, food and beverage, retail, and the public sector. The common thread that runs through all of these industries is the need to maximize productivity, while keeping their workers safe. Despite collectively representing almost 50% of GDP, the physical economy has been underserved by the technology industry. Historically, these industries have lacked the tools and data to improve their operational safety and efficiency, but that's where we stepped in.

For the first time ever, safety, operations and finance teams can manage their drivers, vehicles, equipment, and fleet-related spend in a single system. By connecting operations end-to-end, we give our customers visibility and control, and significantly reduce workloads by automating and simplifying tasks.

Each day we see our solutions fostering transformations that are nothing short of remarkable. When I hear about customers using our AI Dashcam and driver safety platform to reduce accidents by 65%, or leveraging our coaching and fuel analytics to increase their company's average fuel economy by 20%, I'm proud of our team's work and how we are making our mission a reality. As a team, we're striving to create a world where operations are not only efficient and safe, but also environmentally sustainable.

Our pursuit of positive change is woven into the fabric of our partnerships with our customers, suppliers, investors, and employees. We are collectively driven by and focused on building a culture of innovation, scalable growth, and excellence to serve as a foundation to pursue our mission. This report represents our progress to date, discussing who we are as a company, what we believe, and our aspiration to have a net-positive impact on the world. It further highlights our commitment to nurturing and building a world-class team by fostering a culture of inclusivity and innovation, as well as our commitment to responsible and ethical corporate practices. As we celebrate our 10th anniversary and look toward the future, we invite you to explore this report as a testament to our growth, progress, and commitment to corporate sustainability.

Shoaib Makani CEO, Motive

### VALUES-DRIVEN GROWTH AND INNOVATION

At Motive, we believe in operating based on core values to drive our company forward ethically and sustainably. We encourage our employees and our entire ecosystem to embrace these values, both internally and externally. Trust, transparency, and accountability are key to unlocking our potential to build a better future.

Our Core Values



#### **UNLOCK POTENTIAL**

We are energized by growth and positive change. We believe in the potential of our people and our customers. Our orga-

nization is designed and managed to allow our team to be innovative and impactful, and to help build and provide the products and services that allow our customers to improve safety, efficiency, and, ultimately, profitability.



#### **LESS, BUT BETTER**

better while using less.

**BETTER** We work to block out distractions and reduce complexities. We do more with less and provide our customers with the tools and insights to do the same. With the right operational insights and efficiencies, we can all do



#### **OWN IT**

We take responsibility and accountability for our actions and our impact on society. We encourage and empower our whole ecosystem to do the same. We run fast towards the problems and work together to find solutions. We provide the tools and insights needed for our customers to own their operations.



#### **BUILD TRUST**

We build bridges, not walls. We act with respect and integrity. We recognize that trust is paramount to creating an atmosphere where we can all do our best and perform our best. We build trust with our customers and communities, and we

give our customers the tools to build trust with their customers and communities.



# UNLOCKING THE POTENTIAL OF THE PHYSICAL ECONOMY

Empowering a Culture of Safety, Efficiency, and Sustainability

Motive empowers the people who run physical operations with tools to make their work safer, more productive, and more profitable.

#### Unlocking the Potential of the Physical Economy

#### **TECHNOLOGY**

From our very beginning, we recognized technology's potential to improve efficiency and safety for the businesses that power the physical economy. Our first product, our Driver App, focused on saving drivers and back office managers time, resources, and effort, allowing them to focus on their most important work. Since then, we've worked every day to design and build products that create value for our customers, helping them reduce wasted time, effort, and resources, while operating more safely. We continuously enhance our products and services and improve the accuracy of our AI and insights, while focusing on providing world-class customer support, customer service, and customer engagement.

We recognize that our success hinges on our customers' ability to use our Al-powered solutions for the best possible outcomes. We truly think of our customers as our partners. The people who use our products and services are the inspiration for everything we do. They help us carry out our mission through their continuous engagement and feedback. The more we listen to them and build products specifically for them, the better we can achieve our missions together. The more thoughtful we are about our products and their design, the more impact they have on the day-to-day lives of our customers.

Our customers work in the industries most essential to our physical economy, those with a high reliance on heavy machinery and equipment—like trucking and logistics, construction, agriculture, passenger transit, field services, oil and gas, and many others. These industries are highly in need of tools to manage their safety and operational efficiency. Being safer and more sustainable isn't just the right thing to do, it saves money and time while building a reputation for reliability and trust. Our customers want to reduce costs, waste, and safety incidents. That's why we focus on making it as easy as possible for the people who use and implement our technology to leverage insights to make intelligent, expeditious, data-driven decisions.

Our Al-powered applications improve the management of physical operations by automating major workflows and surfacing the most important areas for management and improvement. To make these applications possible, we've built an integrated platform that provides a shared, secure, and scalable foundation for connecting IoT devices and Al-powered applications. Our hardware and software solutions combined create a platform where we can continue to build and produce the actionable insights and visibility that our customers need.

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#### Unlocking the Potential of the Physical Economy

#### **PRODUCTS**

At Motive, when it comes to our product offerings, we think about "sustainability" as how we enable our customers to sustain their businesses by consistently improving their operations to be safer, more efficient, and more profitable. Safety, efficiency, and waste reduction are all intertwined and improved with increased visibility and actionable insights. By providing a fully integrated suite of products to connect and automate customer's physical operations, our technology enables tangible, measurable change and progress.

Giving our customers a 360-degree view of the most effective areas for improvement in an easily accessible, user-friendly dashboard, allows them to manage all of these aspects simultaneously, while blocking out noise and interruptions.

For example, when a driver makes safe decisions by speeding less and avoiding hard braking, they avoid waste in the form of accidents and excess fuel consumption, while also increasing the life of their vehicle. When a company properly maintains its equipment, they experience greater fuel efficiency, less wear and tear, and more efficient utilization of assets. When an office manager sees excessive spend or above average fuel consumption, they can coach a field operator to use resources more efficiently. With just a few clicks in the Motive dashboard, operators can recognize these wasteful and unsafe patterns to make better decisions and build a culture of safety and efficiency.

Our customers are always thinking about the future and how to improve. They think about how to be as efficient as possible today, and how to be even more productive and efficient moving forward. We work hard to offer cutting edge technology so that we can be the best, most effective technology partners as they continue to grow and innovate their operations.

We think about safety and sustainability with respect to our customers' operations in the following ways:



#### OPERATIONAL SAFETY AND ACCIDENT PREVENTION



#### OPTIMIZING OPERATIONS: DOING MORE WITH LESS



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TRANSITIONING TO AND SCALING LOW-CARBON TECHNOLOGIES

With a vast network of physical operations implementing our technologies, we believe that our customers' improvements in safety and operational efficiency will have a major impact on the sustainability of our customers' businesses and the sustainability of our society.

In this report, we highlight some of the products and features we currently offer to effectuate our mission and support our customers in reaching their goals of being safer and more sustainable.

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# WETHINK OF OUR CUSTOMERS AS OUR PARTNERS

"EVERY DAY I WORK WITH OUR INCREDIBLE TEAM TO COLLABORATE WITH OUR CUSTOMERS, WHO WORK IN THE INDUSTRIES MOST IMPORTANT TO OUR SOCIETY, TO SOLVE COMPLEX PROBLEMS. WE'RE CONSTANTLY BUILDING AND IMPROVING PRODUCTS TO HELP PEOPLE OPERATE MORE SAFELY AND EFFICIENTLY. I FEEL LUCKY TO BE WORKING AT MOTIVE, KNOWING THAT THE WORK WE DO EVERY DAY HAS REAL, TANGIBLE IMPACTS ON NOT ONLY THE DAY-TO-DAY LIVES OF OUR CUSTOMERS, BUT ALSO ON THE SAFETY AND WELLBEING OF SOCIETY AND OUR PLANET. I CAN'T WAIT TO SEE WHAT WE CAN ACCOMPLISH TOGETHER."

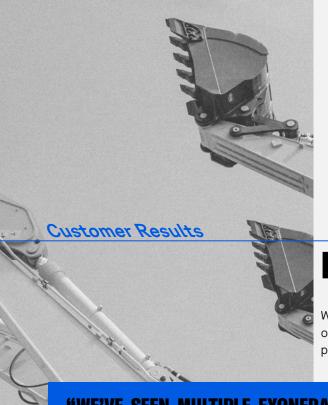
Jai Ranganathan Chief Product Officer, Motive

# OUR COMMITMENT TO CUSTOMER SUCCESS AND SATISFACTION

Customer experience with our products and services is paramount to our and our customers' long-term sustainability and growth. We recognize that when our customers succeed, we succeed. At Motive, we think of our customers as our partners, as we work with them hand-in-hand to support them as they use our products to improve their operations. From hands-on customer onboarding and throughout our customers' journey with Motive, we take the happiness and satisfaction of our customers very seriously. We engage with them consistently for feedback on both our products and our support, focusing on their satisfaction and the way they interact with our products to ensure they're getting the full benefit. We design our products and our services to make them easy to install, easy to onboard,

and easy to use. We scope our products and services to be easy to implement for every customer and user, no matter the size, so they can take advantage of the operational and safety efficiencies that our products and services bring to their industries. We listen to their feedback to actively develop the products they need to run more efficiently and see real, tangible return on investment. This is core to our mission of making their industries and operations safer and more sustainable. If our customers utilize our products to their full capabilities, they can operate more efficiently and safely, all while reducing waste. We stand by our belief that the way we partner with and listen to our customers sets us apart from other technology providers and helps us grow and continue to deliver.

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#### **ROSENDIN ELECTRIC**

With a reduction in risky behaviors and coachable events, Rosendin has not only seen the direct impact Motive AI Dashcams can provide on accident prevention, but also on what happens after an incident takes place.

"WE'VE SEEN MULTIPLE EXONERATIONS AFTER USING MOTIVE CAMERAS. BECAUSE WE HAVE VIDEO PROOF. AT THE END OF THE DAY, THE CAMERAS ARE A WIN. AND SEEING THE CAPABILITIES OF MOTIVE AND HOW THE MOTIVE TEAM HAS PROVIDED SUPPORT EVERY STEP OF THE WAY, IT'S A WIN-WIN."

Joe Fontaine Corporate Fleet Director, Rosendin Electric

Rosendin also saw a reduction in fuel waste using Motive's technology to monitor idling, which saves money and has a positive environmental impact. From late 2021 to July 2022, Rosendin saw a more than 40% reduction in idling time. That reduction also contributed to a five-miles-per-gallon increase in fuel efficiency across the fleet.



#### **RELIABLE CARRIERS**

"WE IMMEDIATELY NOTICED THAT MOTIVE HAS THEIR SUPPORT NUMBER EVERYWHERE. THAT TRANSPARENCY IS HUGE...WHEN MY DRIVERS HAVE AN ISSUE, THEY NEED TO TALK TO SOMEONE. KNOWING THAT THEY COULD CALL A TEAM OF EXPERTS 24/7, WITHOUT PUTTING ADDITIONAL ADMINISTRATIVE BURDEN ON OUR BACK OFFICE, WAS A GAME-CHANGER."

Lauren Abrams Reliable Carriers





#### Operational Safety and Accident Prevention

In 2023, Motive announced its <u>Commitment to Zero Harm and Zero Preventable Accidents</u>. Our customers have hundreds of thousands of pieces of heavy equipment operating out in the field, and we are deeply focused on giving them the visibility and insights to help them and their field operators be safe and reduce preventable accidents.

For our customers, the cost of accidents is both personal and professional. As an example, for a transportation and logistics company, putting heavy-duty vehicles on the road with so much at stake is a tremendous responsibility. Anything can happen at any time, and safety and fleet managers are under constant pressure to be prepared for it all. When a collision occurs, the cost of accidents is just beginning. The negative consequences both for our customers and society are tremendous. There's vehicle damage and repair and replacement costs, medical bills, litigation, idling traffic, emergency services, not to mention the welfare of those involved.

However, accident prevention is possible through risk detection that is both instant and precise. We're constantly working on providing the best, most accurate, and most actionable intelligence when it comes to making decisions to prevent accidents. We believe that with increased visibility and best-in-class AI, we can work with our customers towards our collective goal of zero harm and zero preventable accidents.

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#### COACHING AND INSIGHTS: IMPROVING OPERATIONAL SAFETY

#### The Motive Safety Hub

At Motive, we build tools and insights, leveraging unrivaled Alpowered hardware and software, to help improve driver behavior through real-time alerts, automated coaching, and scoring and benchmarking. We surface these insights in our Motive Safety Hub within the Motive Dashboard.

Our advanced telematics capabilities surface unsafe behaviors, such as harsh driving and speeding, packaging them intelligently in an actionable, coachable manner. When combined with our Al-powered cameras, our safety suite automatically detects hard accelerations, hard braking, speeding, close following, seat belt usage, cell phone usage, and other unsafe behaviors. Leveraging these two powerful devices and the data they collect, the people who manage our customers' operations gain unprecedented visibility into areas for coaching and improvement within our platform.

Unsafe behaviors are surfaced both in real-time and in our coaching platform to allow quick adjustments and long-term coaching opportunities. We automatically flag and surface these coaching opportunities for operations managers in their dashboards and help track improvements over time. Further, our platform makes it easy to coach for improvement either virtually through the Driver App or in-person using Coaching Sessions.

Additionally, our DRIVE Safety Score's scoring and benchmarking features allow operations managers to leverage their data to compare drivers and their performance to surface those who should be rewarded for operating safely and those who need coaching and improvement.

Through continuous customer engagement and feedback, we are always improving these features to make them as effective and usable as possible, by surfacing and bringing the most relevant, important, and actionable insights to the forefront of our users' experience within our platform.

Further, we constantly analyze the efficacy of our products to improve safety, including through independent third-party studies and tests. Over the past 2 years, we've conducted internal studies analyzing the performance of customers who actively use data and analytics to coach field operator performance. These studies show that customers who actively use our product suite have, on average, far fewer accidents and harsh driving events than operations not actively using our product suite.

In one study on the return on investment for our safety solution, we discovered that fleets who use our dash cams and actively leverage our automated coaching events have on average 45-70% fewer harsh driving events, 22% fewer accidents, and 31% fewer incidences of speeding compared to fleets that don't.¹ Each of these factors has a major effect on fuel consumption and safe driving habits. In a second, more recent study, we found that companies that use our Al-powered dual-facing dash cams and frequently coach have 50% fewer accidents compared to fleets that don't.²

Safe and efficient operating behavior also has a direct impact on asset life, reducing the need for unnecessary parts and labor and replacements. Harsh driving, like hard braking and hard accelerations, takes a toll on equipment and reduces a vehicle's lifespan.

Further, accidents come with nearly incalculable wasteful and costly consequences for our costumes and society, including injuries and fatalities, wasted resources from emergency services and cleanup crews, hazardous or harmful chemical releases, emissions and inefficiencies from idling traffic jams, and the unnecessary repair and replacement of equipment.

Since implementing AI Dashcams, Roush has cut its accident rate by 50% with only a partial rollout of AI Dashcams, and Roush has cut Hours of Service violations by 75%.

Roush Customer Success Story 2

"AS A WHOLE, I ABSOLUTELY LOVE THE MOTIVE PRODUCT. OUR EXPERIENCE HAS BEEN TOUCH-FREE, SO TO SPEAK. DRIVERS GO ON-DUTY, THEY DO THEIR PRE-TRIP, THEN THEY GO OFF-DUTY. THEY NEVER HAVE TO TOUCH THE TECHNOLOGY AGAIN. SO YEAH, I LOVE IT. I LOVE IT."

RaShonda Spears DOT Compliance Manager, Roush

<sup>&</sup>lt;sup>1</sup> Full study available at <a href="https://go.gomotive.com/WC-2022-04-PHX-ROI-Safety-Report.html">https://go.gomotive.com/WC-2022-04-PHX-ROI-Safety-Report.html</a>

<sup>&</sup>lt;sup>2</sup> See, https://gomotive.com/blog/fewer-fleet-accidents-with-the-new-ai/



"ROLLING OUT MOTIVE'S TECHNOLOGY FLEET-WIDE ENABLED US TO SUPERCHARGE OUR SAFETY EFFORTS AND KEEP OUR COMPANY AS SAFE, PRODUCTIVE, AND PROFITABLE AS POSSIBLE. OUR SAFETYTEAM NOW HAS ONE UNIFIED HUBTHAT GIVES US ALL OF THE DATA WE NEED TO BETTER DIRECT OUR COACHING PROGRAM. IF WE'RE NOTIFIED THAT A DRIVER IS REPEATEDLY CLOSE FOLLOWING, OUR SAFETY DEPARTMENT CAN INSTANTLY ASSIGN TAILORED COACHING ON CLOSE FOLLOWING. WE CAN GET RIGHT TO THE POINT THANKS TO THE ACCURACY OF THE AID DASHCAM'S DETECTION."

Lauren Abrams Reliable Carriers

Reliable Carriers Customer Success Story <a> </a>

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## FLEETS WHO USE MOTIVE'S DASH CAMS AND FREQUENTLY COACH SAW:

69% 22% 40% 67% 31%

fewer unsafe driving behaviors

fewer FMCSA-reported crashes

fewer FMCSA-reported unsafe driving violations

fewer harsh driving events

fewer speeding events



Customer Success Story

#### **CARGO NETWORK** SOLUTIONS Type: Trucking and logistics Fleet size: 100

Fleet size: 100

65%

fewer accidents edtnom dE tesa edt ni

Cargo Network Solutions' high standards, combined with Motive's automated fleet management, has led to fewer accidents and made CNS more profitable. Fewer accidents have caused the fleet's CSA scores to improve by 24%

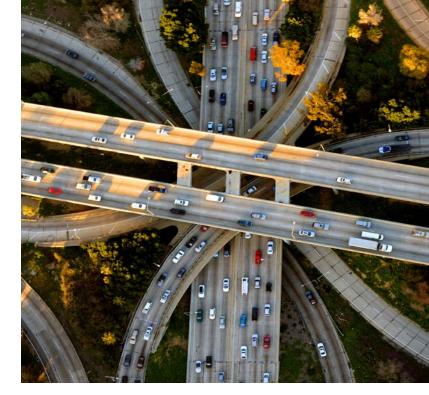
since they switched to Motive, giving them a competitive advantage and access to parts of the market they couldn't otherwise serve. Safer performance has also reduced downtime and maintenance costs.

"MOTIVE HAS MADE COMPLIANCE, MAINTENANCE, AND FLEET SAFETY SO EASY TO MANAGE. WITH THREE, FOUR, FIVE CLICKS, YOU CAN SEE EVERYTHING YOU NEED TO SEE ABOUT EACH DRIVER. IT LITERALLY TAKES 10 SECONDS. HAVING VISIBILITY INTO DRIVER PERFORMANCE HELPS US STAY ON TOP OF EVERYTHING. WE CAN SEE WHICH DRIVERS NEED COACHING AND UNDERSTAND STEPS WE **NEED TO TAKE TO BECOME SAFER."** 

Stefan Varagic President and Founder, Cargo Network Solutions

Cargo Network Solutions Customer Success Story Z

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Safety: Verified and Proven

## VIRGINIATECH TRANSPORTATION INSTITUTE

Motive worked with the Virginia Tech Transportation Institute to ensure that our dash cam's AI capabilities are market-leading and effectively surfacing the most common unsafe driving behaviors. The study showed that our dashcams alerted drivers to unsafe behavior 86% of the time.<sup>3</sup> We aim to continue working with third-parties for validation of our capabilities and to tirelessly improve our AI models and overall safety solutions so they can prevent accidents as effectively as possible.

<sup>&</sup>lt;sup>3</sup>See, https://www.businesswire.com/news/home/20230725827090/en/Study-by-Virginia-Tech-Transportation-Institute-Reveals-Motives-Al-Dashcam-Successfully-Alerts-Drivers-to-Unsafe-Driving-Behavior-86-of-the-Time

## **COLLABORATING WITH** INSURANCE PROVIDERS TO INCENTIVIZE SAFER **OPERATIONS**

Motive and its customers are collaborating with insurance providers to build programs that promote, incentivize, and accelerate the adoption of safety technology. Insurance providers recognize the value of Motive's safety platform and our customers' data to analyze safety performance and trends, reduce and avoid accidents, and run the insurance claims process more efficiently. Through financial incentives, such as reducing the cost of acquisition and implementation and reducing insurance premiums, these programs accelerate the adoption of Motive's technology to help improve field operator and equipment performance, thereby improving safety and fuel economy. Motive works with leading insurance providers, like Progressive, Sentry, the Hartford, Travelers, Great American, and many more to create programs that incentivize safe driving and the adoption of our technologies to support safer, more sustainable operations.

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Through Motive's SaferFleets program, InterMountain Express saved \$120K on insurance annually.

# "NOW WITH MOTIVE, WE WORK DIRECTLY WITH OUR INSURANCE COMPANY, WHICH LOWERS OUR COSTS SIGNIFICANTLY."

Keri Thomas President, InterMountain Express

## COLLABORATING WITH ORGANIZATIONS FOR RESEARCH AND SOCIAL BENEFIT

Motive takes an active role in collaborating with the regulators, enforcement communities, and associations that shape the operational landscape of the ever changing physical economy to improve safety and sustainability. Below is a sampling of the organizations we currently work with to promote safety and sustainability through our technology and product development.

State and provincial trucking associations across North America have localized focus into the diverse issues that affect more geographically discrete communities in addition to those that are more broadly applicable. Motive works closely with several of these associations, prioritizing focus on vehicle technology that improves safety, efficiency, and sustainability. We are continuing to engage with the industries we support and various governmental and nonprofit organizations and look forward to highlighting further partnerships in upcoming years.

#### AMERICAN TRUCKING ASSOCIATION

The American Trucking Associations (ATA) is the largest and most comprehensive national trade association for the trucking industry and focuses on developing, advocating, and advancing innovative research-based policies that promote highway safety, security, environmental sustainability, and profitability. Motive sits on ATA's Safety Technology and Engineering Policy Committees.

#### COMMERCIAL VEHICLE SAFETY ALLIANCE

The Commercial Vehicle Safety Alliance (CVSA) is a nonprofit organization of local, state, provincial, territorial and federal commercial motor vehicle safety officials and industry representatives. The CVSA aims to prevent commercial motor vehicle crashes, injuries, and fatalities and believes that collaboration between government and industry improves road safety and saves lives.

#### TRUCKLOAD CARRIERS ASSOCIATION

The Truckload Carriers Association (TCA) represents dry van, refrigerated, flatbed, tanker, and intermodal container carriers operating throughout North America. TCA provides leadership on behalf of its membership to help increase their productivity, profitability, and ability to provide superior services, to advocate on behalf of its members, and to enhance the truckload industry's ability to provide safe, high quality reliable truckload transportation services. Motive regularly engages with TCA by contributing on its policy committees and sponsoring its events throughout the year.

#### FEDERAL MOTOR CARRIER SAFETY ADMINISTRATION

The Federal Motor Carrier Safety Administration's (FMCSA) primary mission is to prevent commercial motor vehicle-related fatalities and injuries. Motive works closely with the FMCSA on issues related to vehicle technology's impact on motor carrier safety.

#### CANADIAN COUNCIL OF MOTOR TRANSPORT ADMINISTRATORS

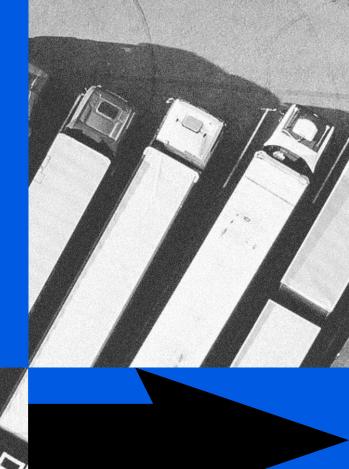
The Canadian Council of Motor Transport Administrators (CCMTA) coordinates matters dealing with the administration, regulation, and control of motor vehicle transportation and highway safety in Canada. Motive works closely with the CCMTA on issues related to vehicle technology's impact on motor carrier safety.

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# OPTIMIZING OPERATIONS: DOING MORE WITH LESS



#### Improving Fuel Economy, Extending Asset Life, and Eliminating Wasted Time and Money

While improving safety has a direct impact on operational efficiency, our customers are always looking for ways to optimize their operations, improve their environmental impact, and improve their bottom lines. We're constantly focused on giving them the tools and visibility to rapidly improve their fuel economy and resource consumption, extend the lives of their assets, and eliminate waste while saving time and money. Providing 360° visibility into where assets are, how and when they're being used, field operator behavior, environmental factors (such as temperature control), vehicle maintenance, and financial spend all in one dashboard allows our customers to make choices that have a major impact. While we're constantly building for and working with our customers to give them the tools and insights they need to operate more efficiently, in this section of our Impact Report we're highlighting our fuel hub, equipment maintenance, asset utilization, dispatching and routing, environmental monitoring, API integrations, and spend management features and how they contribute to optimizing our customers' operations. We're also highlighting how we're working with our customers to help them transition to low-carbon technologies, such as zero-emission vehicles, to prepare for the future efficiently and effectively.

#### THE MOTIVE FUEL HUB

With Motive Fuel Hub, customers get unparalleled visibility into their operations to maximize efficiency and reduce waste with our Coaching and Insights and Fuel and Emissions Performance Tracking and Reporting tools.

#### COACHING AND INSIGHTS: IMPROVING FUEL ECONOMY AND ASSET LIFE

Within the Motive Fuel Hub, fleet managers have access to data analytics and insights related to driver and field operator behavior, as well as specific vehicle performance, to surface problem areas to improve fuel economy. The Motive Fuel Hub provides automated coaching and recommendations to increase fuel economy by pinpointing drivers and vehicles that have areas for improvement. Safety, efficiency, and waste reduction are also intricately related. Improvements in safe operating behaviors have major implications

Take heavy-duty motor vehicles for example. According to the U.S. Department of Energy<sup>4</sup> the following driving habits impact fuel and energy consumption:

for efficiency and waste reduction. By combining our Safety Hub and Fuel Hub, fleet managers can vastly improve fuel economy, save money, and reduce waste and emissions.

#### HARD BRAKING AND HARD ACCELERATION

Hard braking and accelerations can lower fuel economy between 15% and 30% at highway speeds and 10% to 40% in stop-and-go traffic.

#### **SPEEDING**

Every 1 mph over 60 mph can cost around 0.1-0.2 MPG in fuel economy, i.e. a vehicle going 65 mph could be reducing its fuel economy by 0.5-1.0 MPG.

#### **IDLING**

Idling in a Class 8 truck uses around 0.8 gallons per hour. Each year, long-duration truck idling creates an estimated 11 million tons of CO2.

Improving fuel economy on the low end produces the greatest CO2 emissions reductions, along with significant cost savings. For example, a vehicle driven 15,000 miles per year at 6 MPG will produce about 15 tons of CO2 annually. Increasing the fuel economy to 9 MPG would reduce these emissions by  $\sim$ 33%.

Similar to our safety studies discussed above, we ran a study of our products' effect on fuel economy. We looked at 5,000 fleets and determined that the 100 best-performers, from a fuel-economy perspective, improved their fuel economy by 13% on average. These top-performing fleets had 79% fewer hard acceleration/hard braking events and 20% less vehicle idling than the rest of the field. They also saved an average of 769 gallons of fuel per vehicle due to improved field operator and vehicle efficiency. That's equivalent to 15,380 lbs/CO2 per vehicle not released into the atmosphere, not to mention the significant cost savings on wasted fuel.

Source, https://www.energy.gov/eere/vehicles/articles/fotw-1264-november-14-2022-fuel-economy-improvements-low-mpg-vehicles-have



<sup>&</sup>lt;sup>4</sup> Sources, <a href="https://afdc.energy.gov/conserve/driving\_behavior.html">https://afdc.energy.gov/files/u/publication/hdv\_idling\_2015.pdf</a>. Note that these estimates vary based on the type and class of vehicle, and even between makes and models. These estimates are used solely for the purpose of illustration. Regardless, behavior highly affects fuel economy and consumption.

Source, https://www.apsgrugov/conserve/driving\_behavior.html & htt

#### Optimizing Operations

#### FUEL AND EMISSIONS REPORTING: TRACKING PERFORMANCE TO IMPROVE EFFICIENCY

Within the Motive Fuel Hub, our fuel and emissions performance reports provide detailed insights, trends, and benchmarking on fuel efficiency and consumption. Our Al-backed recommendations provide actionable intelligence on trends, individual vehicle performance, and field operator performance so that customers fully understand root causes and solutions. These insights and reports also include estimated carbon emissions, giving our customers visibility into tracking their own environmental goals and targets. Customers can benchmark their performance and pinpoint specific areas for improvement to coach drivers and address vehicles that need maintenance and manage their own sustainability targets. We continue to work with our customers to build out our technology's capabilities to meet their needs and give them the insights and reporting to support them in their sustainability goals.

"YOU CAN USE THE MOTIVE PORTAL TO MONITOR FUEL CONSUMPTION, AND YOUR CARBON EMISSIONS...IFYOU'RE USING THE MOTIVE PORTAL TO KEEP YOUR TRUCKS MAINTENANCE, TO KEEP THE FAULT CODES DOWN AND WATCH YOUR FUEL MILEAGE, YOU'RE HELPING THE ENVIRONMENT."

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Marc Vanco Safety Manager, Duncan Oil

Duncan Oil Customer Success Story Z

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Optimization

#### Optimizing Operations

### EQUIPMENT MAINTENANCE AND PERFORMANCE MONITORING

Our customers have hundreds of thousands of assets in the field which need consistent maintenance and care to increase their efficiency and operating life. Motive's Maintenance dashboard reveals diagnostic alerts and other data points to help our customers proactively maintain their equipment, which can significantly reduce fuel consumption and equipment wear and tear, increasing the longevity of assets and reducing the need for wasteful, costly replacements. It's worth noting that properly maintained vehicles consistently operate at a higher efficiency.<sup>6</sup>

Our Maintenance features automatically track service needs and proactively catch defects and other maintenance issues to prevent unnecessary deterioration and improve resource conservation. Combined with our field operator coaching and insights—harsh operation has a major impact on equipment lifespan and creates the need for extra maintenance, parts and labor, and replacements—our customers can increase the life of their assets and improve their efficiency. Improved equipment performance reduces downtime and maintenance costs, ensuring efficient asset utilization.

#### "BY REDUCING THE NUMBER OF TRUCKS WE HAVE OUT OF SERVICE, WE'RE SAVING \$150,000 TO \$200,000 A YEAR IN MAINTENANCE COSTS"

Stefan Varagic
Founder and President of Cargo Network Solutions

Since switching to Motive, Interstate Power Systems has lowered its insurance rate and saved nearly \$1 million in vehicle maintenance. In 2019, IPS had 15 insurance claims filed and \$1.1 million worth of vehicle damages. In 2022, vehicle damage costs were down to \$157,000 for the year. And by mid-summer of 2022, the company only had two claims and \$52,000 in accident repairs.

Interstate Power Systems Customer Success Story <a> </a>

By leveraging Motive's preventative maintenance scheduling feature, Duncan Oil slashed vehicle downtime by 50 percent through proactive identification of necessary repairs prior to them escalating into critical issues.

"IF YOU'RE TAKING YOUR VEHICLE IN FOR A SERVICE AND YOU'RE LETTING THEM KNOW AHEAD OF TIME WHAT THE FAULT CODES ARE, THEN THAT LIMITS THE DOWNTIME BECAUSE THEY ALREADY HAVE THE PARTS ON HAND. MOTIVE'S PREVENTATIVE MAINTENANCE HAS REDUCED OUR AVERAGE VEHICLE DOWNTIME FROM TWO DAYS TO ONE DAY, VERY EASILY"

Marc Vanco
Safety Manager at <u>Duncan Oil</u> 

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<sup>&</sup>lt;sup>6</sup> E.g., for a motor vehicle, vehicle maintenance can improve fuel economy by 4%, according to the U.S. Department of Energy, source <a href="https://afdc.energy.gov/conserve/vehicle\_maintenance.html">https://afdc.energy.gov/conserve/vehicle\_maintenance.html</a>. The top-performing fleets in our Fuel ROI study increased their focus on vehicle maintenance, with 80% more inspections per vehicle compared to other fleets in the study.

#### Customer Success Story

# ARCHITECTURAL SURFACES Type: Construction Fleet size: 84



Since switching to Motive, Architectural Surfaces has seen a significant reduction in speeding violations and a 5% savings in fuel. These improvements have inspired Architectural Surfaces to incentivize drivers for safe driving and compliance.

"BEING ABLE TO TRACK OUR PROGRESS IN REAL TIME WITH MOTIVE LETS US GO BACK TO OUR DRIVERS AND SHOW THEM HOW THEY'RE IMPROVING. IT MOTIVATES OUR TEAM AND GIVES THEM SOMETHING TO STRIVE FOR EVERY DAY."

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Mike Meeker

Fleet Manager and Environmental Health and Safety Specialist, Architectural Surfaces

Architectural Surfaces Customer Success Story (2)

Optimization

#### Optimizing Operations

# **ASSET UTILIZATION**

Businesses with expansive physical operations have machinery and equipment spread out across different locations and facilities being utilized for different jobs and activities. Choosing the appropriate assets for the job leads to less unnecessary travel, less wear and tear (leading to a longer lifespan for assets), and less wasted fuel and resources. Motive's real-time asset tracking and data analytics help companies maximize their efficiency by using the best equipment for the job. With greater visibility, our customers can make efficient decisions about which assets to use at any particular time. Gaining full visibility helps with capacity management and optimizing operations—preventing excess travel, suboptimal routing, unnecessary wear and tear, and excessive idling. With the right data and information at their fingertips, our customers can save time and costs while being more sustainable by reducing emissions and waste.

# **DISPATCHING AND ROUTING**

Our dispatching and routing features allow customers to create optimized routes to save time and energy, while eliminating wasted resources. We're constantly working to improve dispatching and routing optimization to help customers reduce waste and improve efficiency in their operations.

# **REDUCING COLD-CHAIN WASTE**

We've fully integrated environmental sensor technology into our product suite to actively monitor cold-chain transport to reduce waste in temperature-controlled cargo. Our environmental sensors give our customers visibility and control over their cold-chain transport to both manage regulatory compliance and reduce unnecessary waste.

One core use case for environmental sensors and temperature-control is the reduction and elimination of food waste. Reductions in food waste have a major impact on the environment. According to a report by the UN Environmental Programme, emissions from food loss and waste due to lack of proper refrigeration accounted for roughly 2% of total global greenhouse gas emissions in 2017.<sup>7</sup>

In 2022, Motive partnered with Thermo King®, a worldwide leader in sustainable transport temperature control solutions. The integration between Motive and Thermo King is designed to help customers ensure the integrity of temperature-controlled cargo and meet strict Food Safety Modernization Act (FSMA) compliance requirements at scale. The cloud-to-cloud integration between Motive and Thermo King provides customers access to temperature monitoring, set point controls, and intuitive alerting.

<sup>&</sup>lt;sup>7</sup>Source, https://news.un.org/en/story/2022/11/1130532



Optimization 37

#### Optimizing Operations

# **API INTEGRATIONS**

Our customers adopt third-party hardware and software to help streamline and optimize their operations. Our product, engineering, sales, and customer success teams work closely with our customers to ensure that Motive's products function and integrate seamlessly with third-party products and services to make their operations as efficient and safe as possible, and we are constantly expanding our extensive catalog of API integrations. Our integrations improve efficiencies, reduce operating costs, and deliver satisfying fleet and field operator experiences. Integrations play a crucial role for our customers by centralizing data, enabling real-time monitoring, enhancing decision-making, facilitating communication, and ensuring scalability and flexibility. These integrations allow our customers to export and import data and insights from other equipment and services to enhance their visibility into areas like safety, time cards, payroll, dispatching and routing, equipment monitoring and maintenance, and fuel and resource consumption, to increase overall efficiency, productivity, and better organizational performance.

"USING TWO SEPARATE SOLUTIONS TO COORDINATE MY TRUCKS AND HEAVY EQUIPMENT WASN'T EFFICIENT. WITH MOTIVE'S OEM INTEGRATIONS FOR HEAVY EQUIPMENT, I NOW HAVE A SINGLE SOURCE OF TRUTH AND CLEAR VISIBILITY INTO THE LOCATION OF ALL MY ASSETS."

Brian Sauers Fleet Manager, Strike Construction

# **MOTIVE CARD AND SPEND MANAGEMENT**

The Motive Card enables customers to easily and efficiently manage daily expenses, while also enhancing visibility into areas for improvement. Fully integrating spend management into operational optimization creates even more visibility into areas for improvement and waste reduction. By integrating detailed spend data with all other analytics and insights like fuel consumption, driving habits, and maintenance alerts, customers get a full picture of where they can make improvements to reduce costs, resulting in more efficient, more profitable operations.





# TRANSITIONING TO AND SCALING LOW-CARBON TECHNOLOGIES

At Motive, we're proactively building the solutions of the future to help our customers transition to low-carbon technologies and meet their sustainability goals. We work hand in hand with our customers, partners, and original equipment manufacturers, leveraging the same principles of excellence in design and usability to operationalize and accelerate a transition to low-carbon alternatives such as battery-electric vehicles, hybrid vehicles, hydrogen fuel cells, and other alternative fuels.

EV and Alternative Fuel Suitability Assessments:

Our customers can leverage their data to identify equipment best suited for replacement with alternative fuel or electric equipment. They can also assess the viability of implementing new assets with low-carbon technologies by comparing costs of operation and ownership, analyzing return on investment, and identifying areas most suitable for implementing low-carbon technologies.

#### EV and Alternative Fuel Vehicle Operations Management:

We're building products and insights to help customers reliably utilize alternative fuel vehicles. Our products enable customers to plan routing around charge and fueling points based on current infrastructure, while continuing to have access to the safety and efficiency products offered on our platform.

#### MPGe and Alternative Fuel Trends:

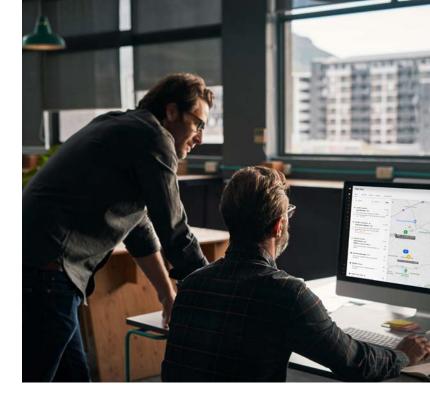
We're building tools to track efficient operation of alternative fuel vehicles, actively monitoring and reporting and surfacing insights for customers to reduce their consumption and their emissions.

We're also currently developing a number of capabilities with customers, OEMs, and partners and are excited to report on our progress and impact in the coming years. Replacing equipment with low-carbon technologies, however, does not obviate the need for safety and operational efficiency. Building on and integrating these capabilities into our platform allows our customers to continue to monitor and improve safety and operational efficiency in the same manner as their current operations, but with low-carbon equipment.



Our Approach to Corporate Sustainability

# A DATA-DRIVEN APPROACH TO ASSESSING MATERIALITY



For our first report, we dug deep into our operations and engaged with our stakeholders to determine the strategy for our Corporate Sustainability Program. To determine our material issues and strategic areas of focus, we referenced SASB and GRI frameworks, benchmarked against other companies in the software, IT, and hardware industries, engaged with third-party advisors and our investors, and performed an extensive Materiality Assessment with a representative cross-section of our stakeholders, both internal and external. We plan to continuously engage with our stakeholders and keep up with corporate sustainability trends to ensure we drive our mission for the long-term.

The material issues we identified and address in this report can be broken down into the following three areas:



# PRODUCT INNOVATION TO IMPROVE OUR CUSTOMER'S SAFETY AND SUSTAINABILITY

\*highlighted in: Unlocking the Potenti

Unlocking the Potential of the Physical Economy



TALENT ATTRACTION AND RETENTION

\*highlighted in:
<u>Unlocking Our Potential:</u>
People at Motive



ETHICAL, RESPONSIBLE GOVERNANCE

\*highlighted in:

Building Trust and Owning It: Ethical, Responsible, and Sustainable Operations

We will continue to monitor our progress on these material issues, regularly report to management on these issues, and report on significant improvements in these areas year over year in our annual impact reports.

Our Approach to Corporate Sustainability

# CORPORATE SUSTAINABILITY GOVERNANCE

Generally, at the corporate level, we recognize that understanding our business's impacts on stakeholders and society is a necessary predicate for our ability to achieve long-term success, and we design our corporate governance processes to take these impacts into account.

With respect to our governance of corporate sustainability matters, we have tracked and reported on environmental, social, and governance metrics for our key investors since 2020 as a shared responsibility between our legal, finance, and people teams. We created and filled a Corporate Sustainability Program leader role in late 2022, and in 2023 have incorporated corporate sustainability matters into management's regular review and evaluation of corporate objectives and key results with the Board. Oversight by the Board ensures that our Corporate Sustainability Program is a material element of shareholder relations. The Board also provides management with guidance and a broader set of experiences to draw from as we set Corporate Sustainability goals and commitments, and determine which ones to prioritize and pursue.

At Motive, our Corporate Sustainability Program sits within Legal and is owned by the Associate General Counsel, ESG. Our Associate General Counsel partners with cross-functional teams from product, engineering, sales, marketing, finance, people and workplace to develop the materials for this report and the policies and procedures necessary to support the reporting infrastructure.



WHEN I JOINED MOTIVE, OVER SIX YEARS AGO, I ADMIT I WAS A BIT HESITANT. MY PREVIOUS **WORK FOCUSED ON ENVIRONMENTAL POLICY AND** CLIMATE CHANGE—MOSTLY WITH CLEAN ENERGY COMPANIES—AND WORKING FOR A COMPANY SUPPORTING INDUSTRIES WITH HEAVY EQUIPMENT DEPENDENT ON FOSSIL FUELS FELT A BIT OFF. BUT AFTER IN DEPTH CONVERSATIONS WITH THE MOTIVE TEAM ABOUT LEVERAGING TECHNOLOGY TO RAPIDLY TRANSFORM THESE INDUSTRIES, I SAW THE BIGGER PICTURE AND POSSIBILITIES. EXPERIENCING OUR PROGRESS EACH DAY AS WE BUILD AND GROW. **DEVELOPING NEW PRODUCTS AND TOOLS TO HELP OUR CUSTOMERS BE SAFER, MORE EFFICIENT, AND** MORE SUSTAINABLE, IMPROVING THEIR EFFICIENCY AND REDUCING WASTE, IS AWE INSPIRING. LIKE THE REST OF THE TEAM AT MOTIVE, I'VE BECOME COMPLETELY OBSESSED WITH OUR CUSTOMERS AND THE IMPORTANT, COMPLEX WORK THEY DO EVERY DAY. THE PROBLEMS WE TACKLE TO HELP **OUR CUSTOMERS AND SOCIETY HAS BEEN, AND CONTINUES TO BE, EXTREMELY FULFILLING.** 

Patrick Gibbs Associate General Counsel, ESG



# OUR SYSTEMATIC APPROACH TO RISK MANAGEMENT

We've built and designed an enterprise risk management program, led by a cross-functional, interdepartmental Risk Committee, which meets regularly to systematically address risks in our business and maintain our Business Continuity Plans in order to ensure that we are achieving our goals in a long-term, sustainable way. The Risk Committee reports to our Board on issues regarding

business continuity, competitive issues, data security, supply chain management, and other areas of risk assessment. We are incorporating environmental, social, and governance issues into these assessments as well, to ensure we're considering all risks proactively for our long-term growth.

# **BOARD OVERSIGHT**

Our Board is tasked with providing guidance to management on risks and issues related to our corporate sustainability matters, ensuring that issues of ethics, risk management, oversight, our people, the communities we serve, and the environment are front and center in how we strategize and operate.

Our management team currently reports to the entire Board on corporate sustainability matters. The Board has delegated authority over financial reporting and financial audit related

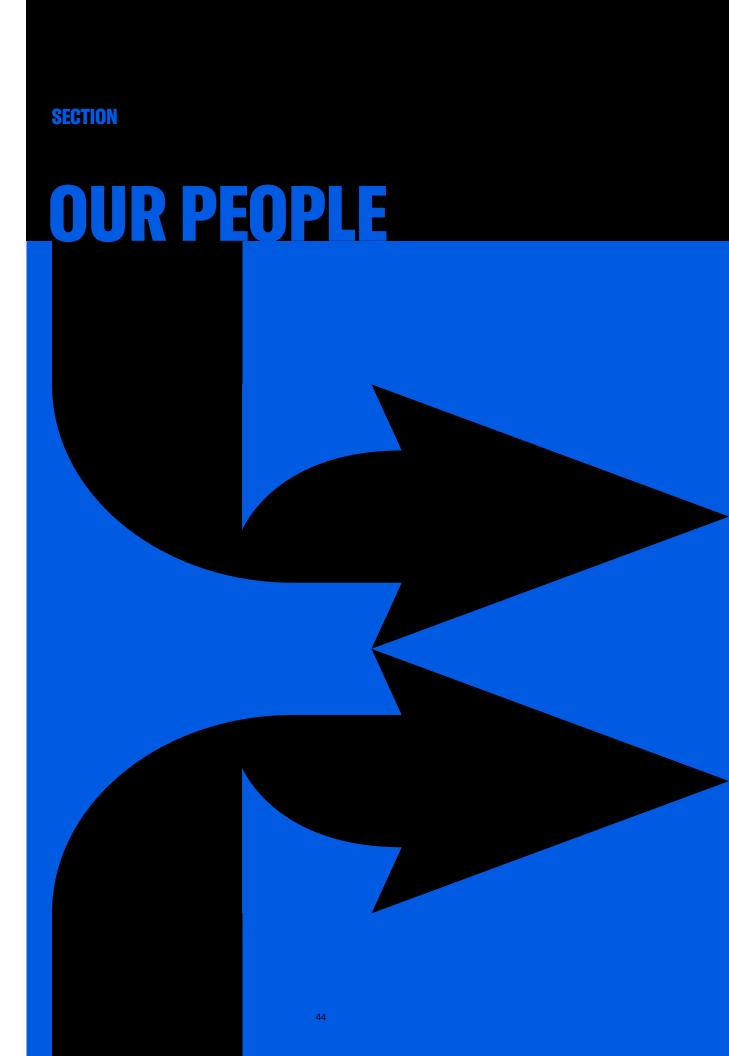
matters, including our major financial risk exposures, legal and regulatory compliance, ethics and compliance, and cybersecurity to the Audit Committee, and authority over executive and equity compensation programs to the Compensation Committee, including oversight of whether the executive team has achieved its growth and profitability targets, and whether any of our compensation policies and programs have the potential to encourage excessive risk taking.

# **BOARD COMPOSITION**

We have seven Board members, including our co-founders Shoaib Makani and Obaid Khan. They are joined by Dana Evan, Aaron Schildkrout, Mark Goldberg, Alexander Niehenke, and Sandy Miller. Mark Goldberg, Alexander Niehenke, and Sandy Miller are partners at Index, Scale, and IVP, respectively. These firms are significant investors in Motive. Biographies for our Board members are <u>publicly available on our website</u>. Our Board has an Audit Committee and Compensation Committee and several of our Board members are from underrepresented groups, as shown in the table below.

Board Member	Founder	Independent	Investor	Diverse	Audit Committee Member	Compensation Committee Member
Dana Evan						
Mark Goldberg						
Obaid Khan						
Shoaib Makani						
Sandy Miller						
Alexander Niehenke						
Aaron Schildkraut						

We annually distribute a questionnaire to the members of our Board of Directors to update the information we have about their qualifications, affiliations, and other relationships. This ensures we have the necessary information to assess compliance with conflicts of interest, related-person rules, banking requirements, securities laws, sanctions and trade restrictions, anti-corruption, and audit requirements. When inquiring about diversity, we do not ask questions about religion, but do cover other categories like gender, race, sexual orientation, independence, and tenure. We also meet annually with members of the Audit Committee and Compensation Committee to review their charters, and ensure they appropriately reflect the Committee's evolving roles and responsibilities.



# UNLOCKING OUR POTENTIAL: PEOPLE AT MOTIVE

#### Our Approach and Philosophy

At Motive, behind every innovation is a team of talented people who are passionately focused on achieving our mission. We're deeply committed to enabling our employees to achieve their full potential through access to development, recognition, and rewards. We do this by prioritizing equity, development, and inclusiveness without compromise. Our values guide our behavior and our decisions in pursuit of building trust and instilling ownership of our culture and company, while relentlessly delivering more to unlock the potential of our team and, ultimately, our customers.

Our People team is on a mission to instill a culture that supports and empowers our teammates—from attracting talent to investing in our incredibly passionate workforce—that unlocks their potential by creating a safe, inclusive, and sustainable atmosphere that spurs innovation and progress. We are committed to making Motive a place where our people truly feel valued, welcomed, and inspired to be all they aspire to be.

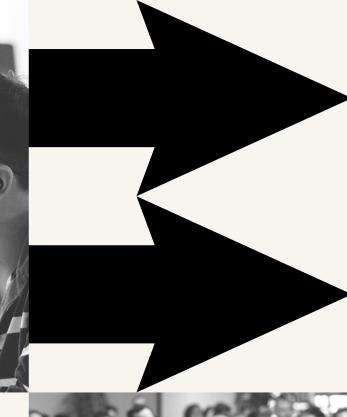
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# DIVERSITY, EQUITY, AND INCLUSION









OUR GOAL:
REFLECTING THE
COMMUNITIES
IN WHICH WE
WORK TO FOSTER
INCLUSIVITY,
SAFETY, AND
INNOVATION

#### Diversity, Equity, and Inclusion

At Motive, we know that a culture founded on diversity, equity, and inclusion will transform our people, our customers, and our business. Diverse experiences and unique perspectives lead to more innovation and creativity, better problem-solving, adaptability, and informed decision-making. Building a safe, inclusive atmosphere creates a culture for these perspectives to thrive.

# OUR INCLUSIVE APPROACH TO RECRUITING AND HIRING TALENT

Inclusive hiring starts with inclusive recruiting practices. Our employer brand, inclusive job descriptions, and the places we advertise our roles are all critical to expanding our reach to find the very best talent. We are accelerating our progress through our recruiting efforts by measuring the diversity of the candidates we attract, and partnering with organizations specifically focused on developing underrepresented talent. We have close relationships with each of the following organizations and sponsor and attend their annual events: Sistas in Sales, Techqueria, Afrotech, Pakistani Women in Computing, Women Who Code, Lesbians Who Tech, Women Impact Tech, Women

in Sales, Latinas in Tech, LGBTQ chamber of commerce, Nashville Pride Parade, and Catalyst.

We've also built, and continuously evaluate, an equitable and inclusive experience for candidates as they pursue a role with Motive. To create an equitable experience, we adhere to programs designed to ensure a diverse slate of candidates, and provide annual anti-bias training as part of our recruiting, interviewing, and hiring manager training programs. Our diversity metrics capture our adherence to our programs and progress against our goals of providing an inclusive experience for all candidates.

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# OUR DATA-DRIVEN APPROACH TO A REPRESENTATIVE TEAM AND CULTURE

Motive's goal is for the composition of our teams to reflect the makeup of the communities in which we work and serve. Our data tells us we have work to do to achieve that goal and to improve the representativeness of our team. Diversity metrics, both lagging and leading, are proactively analyzed and shared on a quarterly basis. These reviews allow us to take corrective action and invest further in actions to drive positive results. Tracking our areas of strength and where diversity can be

improved is a cornerstone of Motive's people philosophy, and we intend to report on our progress annually as a company.

In 2022, we increased representation of women globally by 4.9 percentage points, Black/African American employees in the U.S. by 1.6 percentage points, and Latine employees in the U.S. by 1.1 percentage points. As of the end of FY 2022, 27% of employees identified as a woman, with 40% of U.S. employees being from various underrepresented communities.

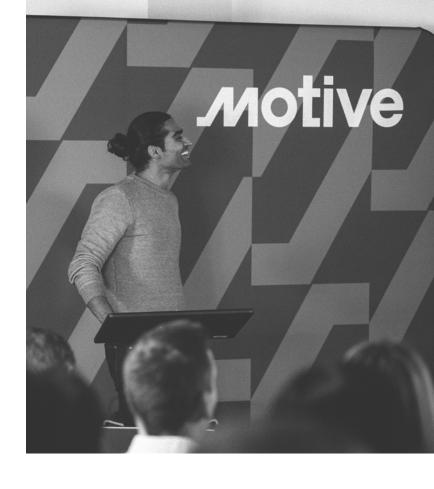
	2021 EOY	2022 EOY	% increase 2021 to 2022	2023 (as of 5/31)	2023 Goals
% women (global)	21.7%	26.6%	4.9	26.4%	29.0%
% ethnically diverse (U.S. only)	39.5%	40.3%	0.8	39.2%	41%
% Black	3.3%	4.9%	1.6	4.3%	8.0%
% Latine	5.5%	6.6%	1.1	6.4%	8.0%

By Location Country (as of 5/31)	% women
U.S.	29.1%
PK	26.1%
India	21.4%
Taiwan	21.2%

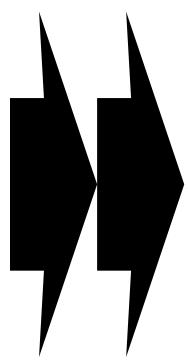
By Dept (as of 5/31/23)	% women (global)	% ethnically diverse (U.S. only)	% Black (U.S. only)	% Latine (U.S. only)
GTM	25.6%	26.3%	4.8%	6.1%
Tech	18.4%	58.8%	0.6%	7.6%
G&A	35.4%	50.3%	7.2%	5.9%

#### Diversity, Equity, and Inclusion

# INCLUSIVE LEADERSHIP AND TRAINING



Promoting a culture of inclusivity and belonging starts with our leadership team and empowered managers. We enable our managers through learning and development to foster their growth and the growth of their teams.



We provide annual leadership training focused on "Building Trust Through Inclusive Teams" to help leaders run inclusive team meetings, create work environments where employees feel they can be themselves, and build trust and psychological safety within their teams.

Through this curriculum, our managers examine their own assumptions and biases, reflect on how they may be perceived as a manager, and practice skills through engaging activities, insightful case studies, and practical self-assessment.

We integrate Diversity, Equity, and Inclusion into our core training including: performance management, 360 feedback, hiring, and promotion processes. We know that it takes constant intention and action to mitigate bias in decision making and general leadership, while providing an inclusive environment.

In 2023, all of our employees will receive anti-bias, communicating across cultures, and allyship training to continue to drive self-awareness and a stronger culture at Motive.

To further develop the talented women in leadership at Motive, we partner with the Center for Creative Leadership to provide executive coaching and training to high-potential Women Directors to prepare them for executive roles at the company.

# EMPLOYEE RESOURCE GROUPS & EVENTS

Company culture is owned by all of our teammates. It's shaped by our employees and evolves and grows along with the new people we hire everyday. That's why we proudly sponsor Employee Resource Groups (ERGs) for underrepresented employees. These employee-led groups amplify the voices and stories of our employees and create spaces for them to connect, collaborate, and develop their careers, as well as educate the greater Motive family about various cultural accolades, celebrations, and holidays. Further, we provide tools, programs, financial funding, templates, and other resources to make it easy for our employees to set up, manage, and effectuate ERGs.

Each ERG hosts regular networking events, fireside chats with leadership to share stories and advice, mentorship meetups to provide access to leadership, inclusive roundtables to discuss identity and intersectionality, and participate in recruiting events to increase our employer brand awareness. All of our ERGs have an executive sponsor who helps to amplify their voices on an executive level and provide necessary budgeting and sponsorship for their efforts. In addition to their regular programming, our ERGs produce extensive event schedules focused on celebration, education, and community building for awareness months celebrated around the world.

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#### Diversity, Equity, and Inclusion

As of this report, Motive team members organize and lead seven ERGs:



**Melanin@Motive** aims to amplify the voices and careers of our employees that identify as being from African descent, focusing on building a culture of growth, inclusion, belonging, and innovation.



**Women@Motive**'s mission is to inspire professional and social growth through Motive by amplifying women's voices, promoting advocacy for gender equality, and fostering mentorship to open new opportunities and empower women to be remarkable leaders.



**MoPride@Motive** aims to celebrate L.G.B.T.Q.I.A.+ identifying people within the larger community to break stigmas and foster a healthy culture of growth and connection by engaging locally through service, networking & community events, and promoting educational & mentorship opportunities.



**AAPI@Motive** aims to provide mentorship, networking, and access to leadership for all Asian American and Pacific Islander employees to grow and learn together by being a strong voice to equip and enable teammates, providing safe spaces to discuss identity and move away from stereotypes, and educating and positively impacting the communities in which we live and work.



**DNA@Motive's** mission is to provide a space for all employees to widen their perceptions and understanding of neurodiverse individuals and individuals with disabilities by building an inclusive community and providing a platform to share ideas and networking opportunities and supporting disabled and neurodiverse employees, those who have disabled and neurodiverse family members, and all allies to further advance Motive's diversity initiatives.



**Veterans-Valor's** mission is to be a strategic partner by establishing an inclusive community of past or current service people, parents of veterans, spouses, friends and supporters for the military veteran communities across the globe.



Adelante@Motive is committed to elevating, enriching, and impacting the lives of Latiné employees at Motive by creating a space where ideas are shared, cultures are celebrated, and diverse perspectives are valued.

# **EMPLOYEE ENGAGEMENT**

Our people are our true assets in shaping our culture and business. Ensuring we are listening to them to further enhance the employee experience is a critical step in continuing to both evolve our culture and identify predictors of engagement and productivity. Our team is consistently asked for their feedback about our culture, training, and initiatives so that we can understand sentiment and take action for improvement. Our annual "Your Voice Matters" (YVM) survey provides confidential

feedback that informs and guides our investments in our people programs, policy creation, and approach to rewards and recognition.

In 2022, 90% of our employees participated in our YVM survey. Our employees indicated a 91% favorability on our employee engagement score and our top strength areas were employees feeling their work contributes to Motive's goals and success and their confidence in Motive and its products and services.

# PERFORMANCE AND CAREER GROWTH

Growth and development are at the core of Motive's employee experience while driving success and impact. Our competency framework defines the building blocks of success and competencies for team members' growth and development. Our dedication to fostering personal and professional advancement is reflected in our comprehensive annual 360° developmental feedback process based on success blocks identified in our Motive Behaviors Guide to create clearly-defined, structured growth plans. This initiative enables us to provide each other with valuable insights from multiple perspectives, fostering meaningful conversations that facilitate self-awareness, identify strengths, and pinpoint areas for growth.

By leveraging this process, we collectively unlock our full potential. In 2022, 65% of our organization actively participated in the 360 feedback cycle, with 83% of managers engaging in direct report feedback. In 2023, we expect participation levels to increase.

Feedback leads to identification of work and development goals that are tracked in our in-house performance management tools. Motive provides training, educational, and development opportunities for employees to progress on their identified work and development goals. Our growth offerings support both horizontal and vertical growth.

Some of Our Learning & Development Offerings Include:

#### LEADER ACADEMY

A leadership course with a focus on upskilling leaders in core skills (setting expectations, coaching, difficult conversations, etc.)

## **▶** MANAGER READINESS

Preparing independent contributors in our sales organization to move to manager roles.

## **►** SALES ENABLEMENT

A training team dedicated to the onboarding, development and upskilling of our sales team on Motive's products, services, and sales methodology.

## **▶** ENGINEERING ACADEMY

A course which develops and hires first-line engineers from within Motive's internal annotation team, where participants learn about and work on real engineering projects in either Front End or QA Engineering.

## **▶** LEARNING COURSES FOR ALL

25 courses on a variety of relevant business skill topics intended for all Motive employees via OpenSesame's learning library.

To make learning and growth accessible and scalable, we are in the process of implementing a learning management system that will house companywide courses and courses for different teams under one roof.

To further support our team members in their career growth, our job architecture matrix sets clear expectations for progressing to the next level, and our career site provides visibility to employees for internal opportunities.

In our commitment to ensuring clarity regarding individual performance and development, we've introduced Talent Contribution Indicator (TCI) ratings. This TCI system enables

every employee to engage in transparent performance conversations aligned with their specific standing. In parallel with performance evaluations, we emphasize the importance of equipping each employee with a clear understanding of their career trajectory, goals, and the necessary actions to achieve them. We are dedicated to providing comprehensive guidance and support to help employees navigate their professional journeys effectively.

# TOTAL REWARDS PHILOSOPHY

Through our total rewards (compensation and benefits) programming, we aim to create a workplace that attracts and retains top talent, cultivates a sense of belonging and purpose, and fosters personal and professional growth.

We are committed to providing competitive compensation packages that reflect the skills, experience, and contributions of our employees. Our goal is to ensure that fair and equitable pay practices are in place, promoting transparency and eliminating any gender, racial, or other biases.

In addition to fair pay, we aim to provide a comprehensive benefits program that supports the well-being and work-life balance of our employees. This includes health, financial, social, and family-based benefits that prioritize physical and mental well-being, flexible work arrangements to accommodate personal needs, and opportunities for professional development and growth.

# OUR COMMITMENT TO COMPETITIVE COMPENSATION

At Motive, total rewards are composed of three primary components: (1) cash compensation, which includes base salary, and for a subset of roles, variable compensation tied to performance, (2) equity compensation in the form of restricted stock units (RSUs), and (3) benefits, including healthcare coverage, mental health benefits, financial health services, and leave and paid-time off policies.

Our employees participate in annual compensation reviews to ensure their cash and equity compensation levels are competitive in the market. We refresh our competitive benchmark data for compensation at least annually. We also review our compensation decisions against guidelines to ensure that there are no significant deviations and we maintain pay parity for our employees.

Once here, performance is the key driver for pay differentiation within roles. While pay for performance is a core principle, we anchor our newest talent to competitive norms in the talent market. We conduct regular benchmarking exercises to ensure that our compensation programs are aligned with industry standards and reflect the prevailing market practices.

# **PAY EQUITY**

At Motive, pay equity is a key focus area. We understand and recognize that pay equity is a continuous and fully integrated effort. Our comprehensive approach to pay equity begins with conducting regular analytics to prevent pay disparities from occurring. We accomplish this mission through the use of internally built compensation tools, engaging independent third party statisticians, and building transparent policies and practices for our employees.

In 2023, a new internally built tool was rolled out to our HR and Recruiting team to ensure new hires, internal transfers, and

off-cycle compensation changes considered internal pay equity before compensation decisions were finalized. The internal tool provides pay statistics based on the department and job level of the role.

We are proud to report that in 2022, an independent third party audited our pay data and found we had gender and race pay equity for our employees in North America. In 2023, we have evolved our internal tooling and policies to ensure we preemptively address biased pay discrepancies on a global basis.

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# PAY FOR PERFORMANCE PHILOSOPHY

We believe in achieving our mission by rewarding our employees based on merit and performance to incentivize our team to produce the highest quality work for the benefit of our stakeholders, in particular our customers, whose success benefits the larger markets we serve.

At Motive, we leverage RSUs as our stock-based equity vehicle. RSUs offer a compelling value proposition to employees by allowing employees to share in the company's growth and value creation as the value of granted shares appreciates over time. This approach aligns the interests of our employees with the long term success of the company and encourages them to contribute to the long term, sustainable value creation at Motive. In 2023, 100% of new hires are considered eligible for RSUs awards.

Additionally, we've implemented performance-based variable pay plans throughout our go-to-market organization in the form of commissions and management by objective plans, enabling our employees to actively contribute to achieving their individual and team goals while driving overall organizational success.

To ensure fair and transparent compensation practices, we employ performance reviews as a vital tool. These reviews provide valuable insights and inform the annual merit cycle for compensation, promoting a culture of continuous improvement and recognizing exceptional performance. In 2023, we've begun sharing performance review score results with employees to increase transparency.

Our commitment to fostering a high-performance culture extends to our VP-level and above employees, for whom we've developed an incentive plan centered around the achievement of recurring revenue growth and operating cash burn targets outlined in our annual financial plan, ensuring that our management team's goals are aligned with long-term value creation for our shareholders, and sustainable operations. Payment under this plan is dependent on actual financial performance and must be approved by our Board of Directors.

# ANALYTICS IN OUR TOTAL REWARDS PROGRAMMING

Our total rewards team places a heavy emphasis on descriptive statistics to evaluate programmatic fairness to preemptively flag any potential decision biases. This includes evaluating gender, race, and ethnicity statistics for promotional rates, performance rating distribution, and compensation ratios to market data.

# **BENEFITS**

At Motive, we provide competitive and relevant benefits to our employees in order to attract and retain the best people for the organization. We recognize the importance of supporting our employees both personally and professionally. Physical and mental well-being are integral to creating an environment where people can perform their best to solve problems, innovate, and promote our mission and values. We regularly review and update our benefits to meet our employees' needs. For instance, we recently implemented a new mental health program and software solution to provide employees (and their entire families) access to 12 coaching and/or therapy sessions per year.

Motive employees receive a variety of benefits, including:

- → HEALTH, DENTAL, VISION, AND LIFE INSURANCE COVERAGE
- **→** RETIREMENT PLANS, WITH A MATCHING PROGRAM
- **→** WORK FROM HOME STIPENDS
- → GENEROUS PAID TIME OFF POLICIES, INCLUDING VACATION, PARENTAL LEAVE, PAID SICK TIME MEDICAL LEAVE, AND LEAVE OF ABSENCE SUPPORT
- **→** UP TO 12 FREE MENTAL HEALTH COUNSELING AND COACHING FOR EMPLOYEES AND THEIR FAMILIES
- → ACCESS TO FINANCIAL PLANNING RESOURCES AND ADVISORS

We tailor our benefits programs to the competitive norms in the markets where we have talent including Canada, India, Taiwan and Pakistan.

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# **WORKPLACE PRACTICES AND POLICIES**

To ensure a safe, inclusive, and equitable work environment, we are intent on creating a culture of treating everyone with dignity and respect. Our policies and procedures are designed to ensure a healthy work environment for our employees, which are included in our Employee Handbook and other resources.

#### **FLEXIBLE WORK POLICY**

At Motive, we've recognized that the landscape of the workplace has changed significantly in recent years and that attracting and retaining great people starts with seeking top talent from all over the world. We value our team's life outside of work, including their families, friends, leisure, and personal development. To ensure employees have a healthy work-life balance, we've moved to a flexible remote work policy, allowing our team members flexibility and choice in their work environment. Our team can choose to work from one of our global office locations, fully remote, or a mix of the two.

## **EQUAL EMPLOYMENT OPPORTUNITY**

Motive is an equal opportunity employer and makes employment decisions based on merit and business needs.

Creating an inclusive and professional environment where employees feel comfortable and safe is paramount to Motive and its employees' ability to succeed. We take steps to provide equal opportunity for all applicants and employees on a wide range of protected classes, often exceeding legal requirements. Motive strictly prohibits discrimination, harassment, and retaliation based on the perception that anyone has any of the characteristics or is associated with a person who has or is perceived as having any characteristics of a protected class.

## ANTI-DISCRIMINATION AND ANTI-HARASSMENT

At Motive, we prioritize creating a strong culture of respect and

inclusivity, and we take our anti-discrimination, anti-harassment, and anti-retaliation policies very seriously to ensure our environment and culture are a place where employees can thrive and feel safe and can feel safe reporting any issues or violations. We provide training for all employees on these policies and to help us create a workplace free of discrimination and harassment.

## **ACCOMMODATIONS AND LEAVES**

Motive makes reasonable accommodations for qualified employees or applicants with known disabilities. Such reasonable accommodations

may include acquiring or modifying equipment or devices for use in connection with the work assigned, modifying assessment and training materials and ensuring they are in accessible formats, modifying work schedules, leaves of absence, and reassignment to a vacant position. Motive accommodates the needs of mothers who are breastfeeding. Motive offers numerous types of leaves of absence, parental leave, and paid sick leave.

## **WORKPLACE HEALTH AND SAFETY**

Further to its commitment to provide the best possible workplace to employees, Motive ensures our employees have a safe work

environment. Our goal is zero accidents, injuries, and occupational illnesses. We process reports identifying unsafe conditions, and employees are encouraged to report any unsafe conditions or deficiencies in equipment (no matter how minor). No one is required to work in dangerous conditions, and we prohibit sanctions or retaliation for refusing to work in dangerous conditions or for reporting dangerous conditions.

Awards, Initiatives, and Community Engagement

# RECOGNITION AND AWARDS FOR OUR CULTURE

Our workplace is consistently recognized for our focus on building an inclusive culture where our team can thrive. On this page you'll find just some of the awards and recognition we've received in 2022 and 2023.

Highlights

#### **ParityLIST**



In 2023, we were recognized by ParityLIST, which highlights organizations creating the culture and conditions where underrepresented groups can rise. Companies are rated across a comprehensive rubric covering recruiting, promotion, compensation practices, specific employee benefits and policies, and quantitative representation at the leadership level.

#### Human Rights Campaign Foundation's Corporate Equality Index



We also received a 95 score from the Human Rights Campaign Foundation's Corporate Equality Index, a national benchmarking tool on corporate policies, practices and benefits pertinent to lesbian, gay, bisexual, transgender and queer employees. We strive to remain above a 95 score year over year.

#### **EbiswA**

2022

**Certified Great Place to Work** 

**Great Place to Work for Millennials** 

**Great Place to Work in Technology** 

**Comparably Best Global Culture** 

**Comparably Best Company for Diversity** 

**Comparably Best Sales Teams** 

**Comparably Best Leadership Teams** 

**Comparably Best CEO** 

Comparably Best Company for Professional Development

**Comparably Best Company Culture** 

**Comparably Best Company in Bay Area** 

**Forbes America's Best Start Up Employers** 

**Women Impact Tech Top 100 Honoree** 

2023

**Certified Great Place to Work** 

**Comparably Best HR Teams** 

**Comparably Best Product & Design Teams** 

**Comparably Best Company Outlook** 

**ZoomInfo Most Influential Sales Leaders** 

Parity.org Best Companies for Women to Advance

Parity.org Best Companies for People of Color to Advance

**Women Impact Tech Top 100 Honoree** 

**BuiltIn Best Remote Places to Work** 

# SUPPORTING WORKPLACE EQUALITY INITIATIVES

We support our cultural philosophy outside of our organization as well. We contribute a significant amount to nonprofits and sponsor numerous events promoting DEI in both businesses and communities because we believe that tangible investments in underrepresented communities are an essential vehicle of change.

We have also signed on to and expressed our support for the Equality Act and the Business Statement Opposing Anti-LGBTQ State Legislation. The Equality Act creates clear, consistent protections to prohibit discrimination on the basis of sexual orientation and gender identity in employment ensuring that LGBTQ employees are hired, fired, and promoted based on their performance. The Business Statement Opposing Anti-LGBTQ State Legislation states clear opposition to harmful legislation aimed at restricting the participation of LGBTQ people in society. Further, we've signed on to the ParityPLEDGE for Women and People of Color, making a public commitment to interview at least one qualified woman and/or person of color for every open VP, C-Suite, and Board position.

# Base<sup>10</sup> ADVANCEMENT INITIATIVE

Motive received an investment from the Base10 Advancement Initiative to connect our product and operations to a broader mission. The Base10 Advancement Initiative is a mission-driven growth fund that invests in high-growth market leaders and donates 50% of Base10's own profits to underfunded colleges and universities, including Historically Black Colleges and Universities (HBCUs) and other Minority Serving Institutions (MSIs). Through the Advancement Initiative, our stakeholders can see the greater connection of their day-to-day work of building our company to reducing inequality in the technology industry and funding the next generation of entrepreneurs.





# BULDING TRUSTAND OWNING IT

#### Ethical, Responsible, and Sustainable Operations

At Motive, we intentionally build strong corporate ethics and governance into our company's operations to uphold our values and build responsibly. We work daily to live up to the standards we set for ourselves, and be transparent and accountable about our corporate governance and ethics.

Ethics and integrity are at the foundation of our business and our entire value chain. We design frameworks, processes, and tools to meet our responsibilities to our customers, our shareholders, our employees, and our communities. We regularly review our performance, updating and adjusting as necessary to ensure our foundation remains strong and positions us well for the future.

We continuously improve our operations. Increasing visibility and full comprehension of the impacts of our operations is key to identifying opportunities. Once identified, we put in time and energy to systematically make improvements.

In 2023, we rolled out a new Corporate Code of Conduct, Business Partner (Supplier) Code of Conduct, Responsible Procurement Policy, Policy on Forced Labor and Humane Treatment of Workers, and other policies addressing environmental and social matters at Motive. We are consciously analyzing our environmental footprint and measuring our carbon emissions with more accuracy and granularity than in prior years. This is our first year of reporting our estimated emissions, setting FY2022 as our baseline, so that we can continue to be transparent with our stakeholders while we work toward setting goals and achieving them.

# ETHICAL AND RESPONSIBLE OPERATIONS

We are committed to conducting our operations ethically, honestly, and in compliance with applicable laws and regulations. Our commitment to integrity goes beyond meeting our compliance obligations. We strive to be the best company we can to serve our customers and our communities and to build trust with our most important stakeholders.

# CORPORATE CODE OF CONDUCT AND ETHICS

We developed and launched a new Corporate Code of Conduct, which we call Motive's Guide to Unlocking Potential and Owning It (the "Guide"), to consolidate our compliance efforts and policies for members of our organization in one easy-to-understand document. The Guide focuses on acting with integrity to create trust with stakeholders.

Specific compliance areas we cover in the Guide include:

- · Anti-Bribery and Corruption
- Antitrust and Anti-Competitive Behavior
- · Data Privacy
- · Conflicts of Interest
- · Anti-Harassment and Anti-Discrimination, and
- · Comprehensive Anti-Retaliation and Whistleblowing policies

In addition, we have various team-specific codes and training to ensure we are upholding our ethical obligations and governing with integrity. We aim to make these policies easy to understand and to train all employees on these policies and their importance. The Guide further emphasizes respect for human rights and the environment. If any team members or other people we work with have ethics or compliance concerns, we have established an ethics hotline for questions and reporting.

# PROACTIVE ENGAGEMENT WITH OUR SUPPLY CHAIN

We recognize that we need to ensure our values are implemented throughout our value chain. The way we operate and who we work with impacts society and the environment. We are in conversations with our material vendors and suppliers to analyze our impact and ensure our suppliers are upholding our values. Further, to ensure that people working within the supply chain are treated with dignity and respect and that our supply chain's effects on the environment are minimized, we are working with our suppliers on upholding our standards, including our Business Partner Code of Conduct and our Policy on Forced Labor and Human Rights (as further described herein). We are currently in conversation and due diligence processes with our suppliers and intend to report further in future years on our due diligence, engagement, and goals and metrics with respect to our supply chain management.

## **BUSINESS PARTNER CODE OF CONDUCT**

We've introduced a new <u>Business Partner Code of Conduct</u> to ensure that our suppliers are upholding our values. We hold ourselves to these standards, and expect our business partners to uphold them as well. We've leveraged the Responsible Business Alliance's Code of Conduct as our model, which includes measures for treating all people with dignity, including respect for human rights and labor rights, health and safety, data privacy, and the responsible sourcing of materials.

Our Business Partner Code of Conduct is based on the following simple principles:

- · Follow the law
- · Act honestly, ethically, and with integrity
- · Take care of each other
- Treat people with dignity and respect
- Take care of the planet and the environment
- · Protect and secure all confidential information and data
- · Be trustworthy and accountable

# RESPECT AND DIGNITY FOR WORKERS

Motive is committed to the protection of labor, employment and human rights, and treating workers with dignity and respect throughout our entire value chain. Motive has a zero-tolerance policy with respect to: child labor, exploitation, unsafe or hazardous working conditions, physical punishment, harassment, discrimination, abuse, involuntary servitude or forced labor, and any other inhumane treatment of workers. This is codified in our Policy on Forced Labor and Human Rights and our Business Partner Code of Conduct.

# DATA GOVERNANCE THAT BUILDS TRUST



At Motive, we recognize that our customers, end users, employees, and business partners are entrusting us with securing and handling their data, from data on devices to data in the cloud. We take data privacy and security very seriously, and we are transparent about our governance and practices.

As part of our transparency and governance around data privacy and security, we have a publicly posted Privacy Policy, a publicly posted third-party data request policy, a publicly available security overview, and we've successfully achieved Security and Organization Controls (SOC 2 Type 2) certification—a globally recognized cyber security framework—to provide assurance that our customers' (and other stakeholders') data is stored and processed in a secure manner. We are committed to continuing to build upon our foundations of transparency and strong governance.

To ensure we're actively monitoring and improving our data privacy and security efforts, we've built a cross-functional team of experts to implement data privacy and security standards across the organization to ensure the integrity of our data management systems and governance.

We've made significant human resource investments in the following functions:

- · Legal privacy regulatory compliance
- · Cyber incident preparation, response & forensics
- Information security standards and certifications
- Data protection and encryption

- · Data mapping
- · Data categorization & classification
- Data retention
- Data subject access request fulfillment

We have also invested in technology that helps us manage our data across our entire enterprise. We use a privacy software platform to further support our data governance activities while analyzing how data is being transferred and stored across the organization and with third-party subprocessors to help us ensure compliance. We monitor our contractual relationships with each subprocessor using our platform to ensure each relationship places the same high standards of data protection obligations on our partners and vendors that Motive places on itself. In addition, we continue to implement several preventive and detective controls that are duly supported by underlying tools as part of our Data Loss prevention strategies.

We've established a Data Governance Committee, made up of the experts and resources described above and members of our management team, that meets regularly to coordinate responsible data management and drives the creation of policies and procedures aimed at safeguarding data and effectuating the ethical and fair treatment of the employees, customers, and end-users that have entrusted Motive with their data. We also recognize the power and capabilities of Al and its ability to help innovate and help our customers and our employees be more productive and efficient. We also recognize that the use of Al comes with risks and unintended consequences, and our Data Governance Committee is working on mitigating these risks by taking ethical considerations into account in our deployment of Al.



# LESS, BUT BETTER: RESPECT FOR OUR PLANET

At Motive, we are committed to managing our environmental footprint as an organization. While our mission to provide our customers with the tools necessary to be safer and manage their own environmental footprint has a positive contribution to society, we are also working on improving our own operational footprint, examining our product inputs, our packaging, our operational spend, our offices and workplace management, and our logistics operations to take measures to reduce our impact.

## MEASURING OUR EMISSIONS

We took a deep dive into our 2022 emissions data with GreenProject as our partners to set FY2022 as our baseline year. We intend to use these insights to identify areas of improvement and to develop and execute on an emissions reduction plan. We also understand and recognize that our estimates

may become more detailed and granular and we may need to adjust our measurements as we work on becoming more analytical about our emissions and our data as an organization.

To be clear, we are just starting our decarbonization journey. We are working on formalizing our emission reduction targets and strategies. The above stated goals are what we believe are achievable, but we are still analyzing our intended plan of action and validating that we can meet them before setting any further targets. We intend to work toward a Science Based Target and submit it with the Science-Based Target Initiative, while aligning with other global organizations and initiatives for the reduction of greenhouse gas emissions. We will report further with more detail next year as we continue to work with third-parties to analyze our reduction plans.

Further, we are analyzing and investigating commitments with respect to our Scope 3 emissions through conversations with our material suppliers and other third parties. We will report back when we make decisions on addressing our Scope 3 emissions reduction plans and goals.

#### Emissions Reduction Goals

#### Goal 1

# CARBON NEUTRAL IN 2025 (FOR SCOPE 1 & 2 EMISSIONS) THROUGH GREEN ENERGY PROCUREMENT AND HIGH QUALITY OFFSETS<sup>8</sup>

GoalZ

# 50% REDUCTION IN SCOPE 1 & 2 EMISSIONS BY 2027

Goal 3

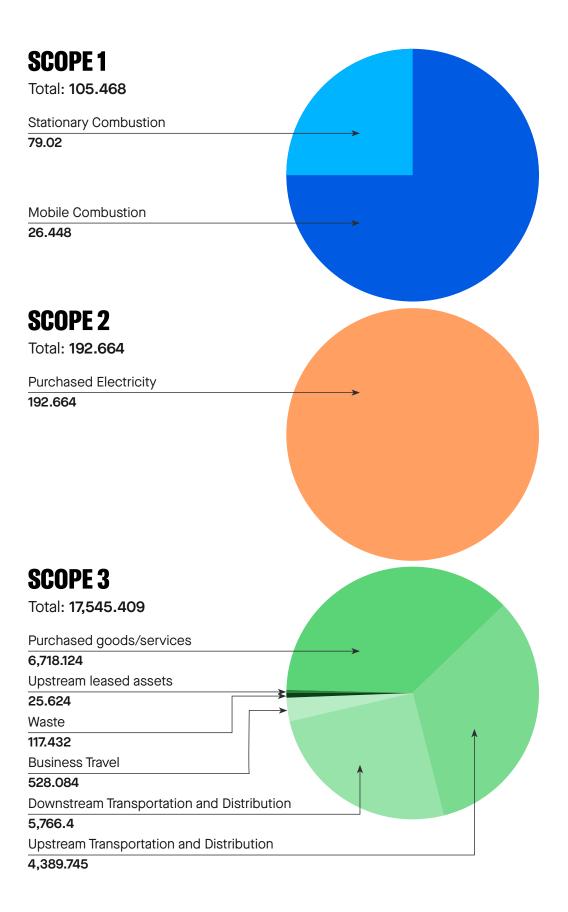
# 95% REDUCTION IN SCOPE 1 & 2 EMISSIONS OVER THE LONG TERM

<sup>&</sup>lt;sup>8</sup> We recognize that "carbon neutrality" and offsetting have complexities and often lack clear definition. We aim to be fully transparent and clear about what we consider carbon neutral. We intend to provide full details in our reporting. In the meantime, we are looking into Scope 3 and setting goals and targets with respect to Scope 3 emissions. We recognize that our main impact is in our Scope 3 emissions.

The following estimated measurements for FY2022 were calculated with the support of GreenProject, using Greenhouse Gas Reporting Protocols as an inventory framework, based on activity and usage, wherever possible, and spend where necessary.

Since 2022, we've significantly reduced the amount of air transportation through better logistics and operational planning. We expect to continue to reduce the impact of our logistics in the following years.

All quantities are in Metric Tons of CO2eq



Ethical, Responsible, and Sustainable Operations

# SUSTAINABILITY IN OUR PRODUCT LIFE-CYCLE



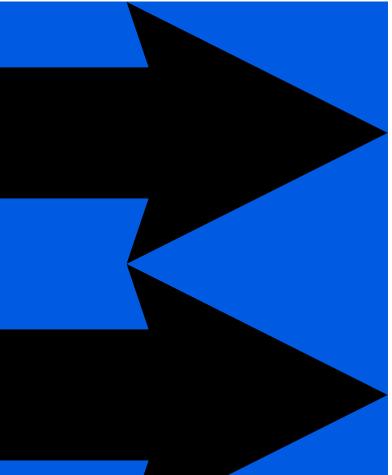
We meaningfully reduce the impact of our value chain by taking into consideration the materials we use in our products, their recyclability, and their reusability. We're constantly looking for ways to redesign and simplify our packaging and products, optimize our shipping and logistics, and refurbish and redeploy hardware, which all reduce our footprint and waste in our product life-cycle. We are making concerted efforts in 2023 to make significant advancements in these areas and intend to report back in our 2024 report on the results of those efforts.

# SUSTAINABILITY IN OUR WORKPLACE

With our flexible work policies, our emissions with respect to employee commuting and for operating our office spaces are significantly low. We will continue to think critically about our Scope 1 & 2 emissions and our environmental impact as the present and future of the workplace has drastically changed in recent years. We work with buildings and building managers who take into consideration energy usage through HVAC and lighting measures, as well as providing recycling and compost (where available). We will continue to work with our office spaces and our employees to reduce waste in our office operations.

# DRIVING FORWARD

Motivated for Sustainable Growth and Innovation



At Motive, we know that there's a lot of work to do when it comes to sustainability in our society, and we're focused on setting ourselves and all of our stakeholders up for success in an ever-evolving landscape. This inaugural report reflects the work we've done up through mid-year 2023, and is intended to establish a framework to programmatically recognize and address our material issues and continue to report with transparency and accountability.

We are motivated to continue to grow sustainably and to continue to work with our customers and all of our stake-holders to provide products and services to help industries meet their sustainability goals while operating our company with a sustainable mindset and strategy. We're looking forward to reporting further in future years about our continued progress as an organization, as well as the exciting products and services we're delivering to help our customers to continue their progress.

#### About This Report

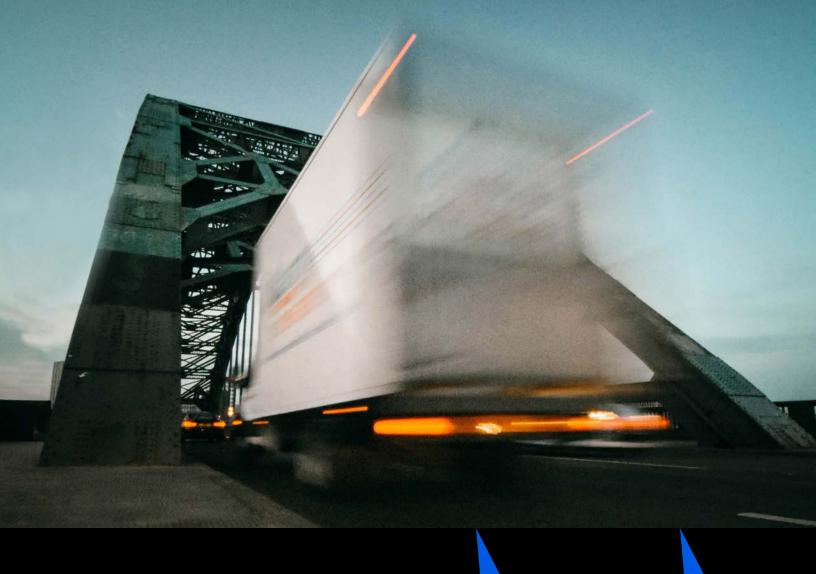
At Motive, our mission is to empower the people who run physical operations with tools to make their work safer, more productive, and more profitable. We work to accomplish this mission by creating an ecosystem where Motive customers, employees, suppliers, investors, and community stakeholders can connect and enable one another's success. This report represents our years-long efforts to build trust and transparency with our stakeholders to accomplish our mission and achieve long-term growth and success, together.

This inaugural report represents work done through the first half of Fiscal Year 2023. However, much of the data and information in this report reflects FY2022, particularly with respect to our people and environmental metrics. We strive to be transparent and provide a clear picture of where we stand in our corporate sustainability efforts, including dates and timelines where necessary. This report outlines our methodology for determining the material issues for our report, as well as our overall corporate sustainability governance, in the section titled Corporate Sustainability.

A cross-functional team has worked on this report, providing the information and internally validating it. This report has not been verified by a third-party, though we are considering external validation for future reports.

We intend to use this inaugural report as a framework for our corporate sustainability initiatives and reporting progress year over year. Further, we are leveraging internationally recognized reporting frameworks to improve our reporting and transparency. We're looking forward to engaging with our stakeholders more and more as we continue to grow and progress.





# **motive**



gomotive.com



855-434-3564



> sales@gomotive.com

Unlock Potential

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