

Accolade impact report

About this report:

Welcome to Accolade's inaugural impact report. The 2300+ employees at Accolade share a vision: every person living their healthiest life. To enable that vision, we transform how our employer customers, including their employees and their families, and our direct consumer members experience healthcare and use their healthcare benefits and resources. We do this through a comprehensive set of technology and services that empower people through expertise, empathy, and technology to make the best decisions for their health and well-being. Our approach to Environmental, Social and Governance (ESG) reporting is to focus on the impact we have on our customers, our employees, and the communities we live in. Our actions begin with that core mission to improve healthcare and are governed by a set of beliefs that guide our every action.

What we believe:

Beliefs matter. It's true for people and it's true for businesses. Here at Accolade, our beliefs inform our actions. What we believe is integral to how we've built our solutions, how we care for people and how we will continue to innovate. These [four beliefs](#) can be found on our website and on the walls of all our offices. They are core to every decision we make.

Relationships matter

We believe in lifelong relationships with each person and their family, in sickness and in health.

Healthcare is for everyone

We believe that healthcare is a human right and that equity needs to be built into every care experience.

Whole-person care

We believe that physical and mental health are tightly connected and need to be easily accessible.

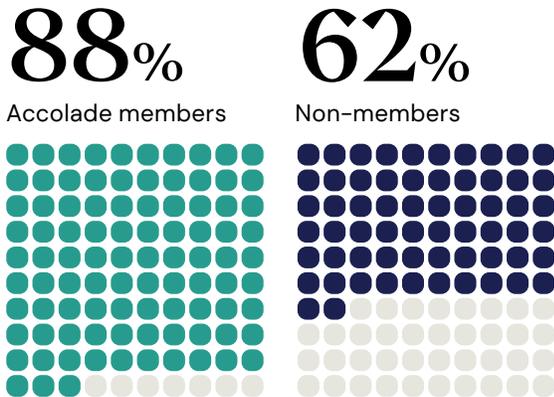
Value-based care

We believe that healthcare costs should reflect the quality and success of the care delivered.



Health plan perception

88% of Accolade members versus 62% of non-members believe that their health plan is better than other companies' health insurance providers, and 91% of members believe that it saves them time.

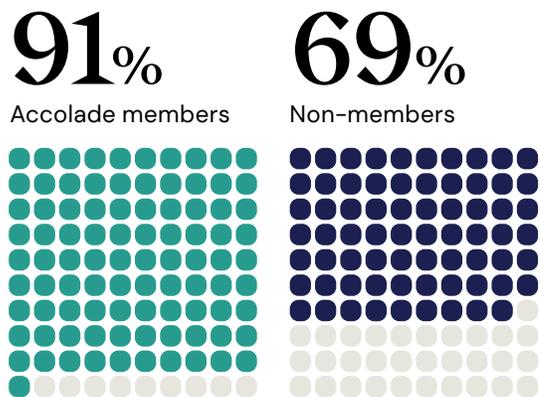


[Savanta Research](#) March 2022



Managing claims

91% of employees with Accolade said managing insurance claims was easy compared with 69% for non-members.



Starting with this first Impact Report, we will demonstrate how we live up to those beliefs, and how the core principles of ESG are woven throughout our business. Our commitment to improving the world around us is seen in our people, our purpose and our mission.

This report is built on three key pillars:

1. [Health Equity](#)
2. Culture of Health for Business Framework
3. Corporate stewardship as measured through quantitative and qualitative metrics, including Diversity, Equity and Inclusion

Additionally, in conjunction with the publishing of this report, we have expanded the [corporate governance](#) section of our website to provide greater transparency into the policies that govern our conduct, including Human Rights, Vendor Diversity and Conduct, and an expanded Code of Conduct to include important matters such as our environmental impact policies and our electronic waste recycling program.



Health equity



While the pandemic has shone a light on gaps in how people of different backgrounds experience the healthcare system, health inequities have been present in our healthcare system for decades, driven by social determinants of health, including by race, ethnicity, gender identity, sexual orientation, disability and geography. That inadequacy is reflected in less access to healthcare, worse experiences, higher rates of disease and disability, and lower life expectancies. Since our founding, we've aimed to make healthcare work better for every individual, no matter what community they come from or the health challenges they face.

A single approach or initiative won't create health equity. That's why health equity is built into everything we do. It's included in our clinical and engagement models, our solutions, technology, and artificial intelligence (AI). It's reflected in our diverse care teams, who get to know each and every person we serve. Representation and Inclusion are in our DNA, from our Leadership Team and Board of Directors to all our Accolade teams. Our clinical approach to health equity has three areas of focus: Concordant Care, Contextual Care, and Social Determinants of Health.

How we define these three areas:

Concordant Care - When people connect with Accolade, we work to provide them with a care team that speaks their language and understands their culture.

Contextual Care - We understand not just who we're caring for, but what their life looks like and what barriers to care they are experiencing.

Social Determinants of Health - The non-medical factors that influence health outcomes, including race and ethnicity, housing, financial barriers, healthcare access, and psychosocial factors.



Our clinical model

Our clinical approach to health equity has three areas of focus:

Concordant Care

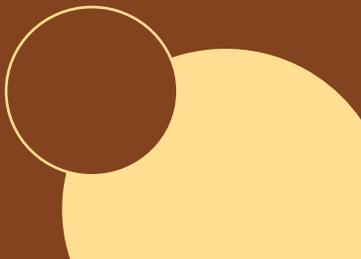


01 Our diverse 24/7 Care Team supports every person's needs with empathy and understanding, meeting people where they are and connecting them with who they're most comfortable. We measure our capacity to deliver concordant care by closely managing the diversity of care teams.

Accolade doctors 62% female | 40% BIPOC

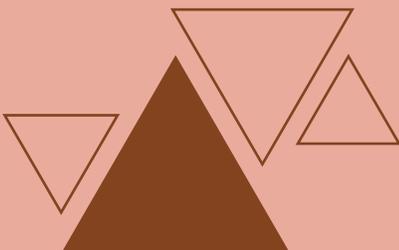
Health assistants 65% BIPOC

Contextual Care



02 Our providers actively ask members about life circumstances that are relevant to their care. A [study published](#) in the journal BMJ Quality & Safety shows that Accolade is more than 30% more likely than traditional providers to incorporate contextual factors into care plans.

Social determinants of health



03 We currently examine 19 social determinants of health (SDOH) traits, many of which can be identified using claims data. Access to care is one of the greatest challenges facing marginalized groups. According to the Association of American Medical Colleges (AAMC), the U.S. could face a critical shortage of primary and specialty care doctors by 2034. Our acquisition of PlushCare in June 2021 added virtual primary care to our offering, enabling Accolade to meet our most vulnerable members wherever they live.



Culture of Health for Business



In 2019, a group of leading companies, nonprofits, and academia developed the Culture of Health for Business (COH4B) Framework with support from the Robert Wood Johnson Foundation. The Framework is built on four core principles and 16 strategies to encourage businesses to recognize the health of their employees as a core strategic priority to be integrated consistently across all aspects of their business. In addition to providing the services and support for our customers to meet these objectives, Accolade has identified the most relevant business practices within the framework to serve our own employees and their families.

COH4B PRACTICE

APPROACH

Strategy

- | | COH4B PRACTICE | APPROACH |
|---|---------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Health culture:
Promoting an organizational culture of health (over and above wellness and health promotion program). | At Accolade, we're trying to fix a broken healthcare system, empower every person to live their healthiest life and help address disparities in the communities we serve. People excel when they feel fulfilled by their role and the team surrounding them. We have consistently been named a Top Employer by Inc.com, Built In Seattle, and the Philadelphia Business Journal and run a WayUp Top 100 Internship Program. |
| 2 | Responsible marketing practices:
Commitments to responsible marketing including labeling transparency. | Our members, employer customers, care workers, partners and ecosystem expect Accolade to help them solve their healthcare challenges. They expect us to deliver against our promises. Our beliefs define what our stakeholders can expect from us. We put a portion of revenues at risk to back up our promises to our customers and create alignment between our shared goals. |



Policies and benefits

COH4B PRACTICE

APPROACH

1	<p>Health promotion & wellness: Health initiatives that generally offer screening, prevention, and health promotion.</p>	<p>We offer programs and resources to inspire, empower and encourage employees to take control of their health and well-being and engage in healthy behaviors. For example, we provide our employees with access to our own advocacy, expert second opinion and virtual primary care services, as well as our partner solutions such as mental health, musculoskeletal and diabetes management to better manage their and their families' health.</p>
2	<p>Paid family and medical leave: Allowing employees to earn pay while attending to illness, a family member or new child.</p>	<p>We maintain a comprehensive suite of benefits designed to help make life easier and reduce stress, such as employee assistance programs, Covid-19 support, enhanced parental leave, maternity management and fertility support.</p>
3	<p>Providing employer-based health insurance.</p>	<p>We offer a comprehensive set of health insurance, dental and vision to all employees and their dependents.</p>
4	<p>Equality, diversity & impartiality: Managing inequality, discrimination and diversity, including disability.</p>	<p>We believe that our teams should reflect the diversity of our members. We are committed to workforce diversity, creating equity across our systems and fostering and advancing a culture of inclusion. Understanding different life experiences and points of view informs how we build our solutions and how we help each unique individual get to the right healthcare. As of February 2022, 70% of our company is female and 43% are people of color.</p>
5	<p>Financial literacy: Providing financial literacy resources.</p>	<p>We maintain a comprehensive suite of benefits including an Employee Assistance Program, Brightside Financial Assistance, Fidelity 401K resources and education, MetLife legal assistance and employee discounts on a number of everyday living expenses. We also provide help for students through tuition assistance and GradFin student loan refinancing services.</p>



COH4B PRACTICE

APPROACH

Workforce and operations

- 1 Work time:**
Managing working hours, schedules and schedule control.
We strive to ensure that we comply with all applicable laws and regulations in every country in which we operate, including those concerning hours of work and rest. We respect limits for overtime work and irregular work hours, including weekends and national or religious holidays.
- 2 Job security:**
Managing job insecurity as perceived (by employee) or attributed (by researchers).
We aim to attract and retain our employees for the long term, and engage with all our employees to provide job continuity and growth, facilitating learning and development for each. We track Employee Engagement with monitoring and improvement plans, supporting an ever-changing experience of work.
- 3 Pay practices:**
Managing wage policies, minimum wages, wage satisfaction.
We support the right of individuals to fair compensation for their work and aim to provide competitive compensation and valuable benefits for employees at all levels. We always observe legal minimum wage provisions and often exceed these.
- 4 Physical environment:**
Managing air quality, lighting, green buildings, attempts to promote health through the built environment other than through occupational health and safety.
We maintain workspaces designed to promote physical and emotional health and collaborative working, including elements such as quiet rooms for nursing mothers, rooms for counseling and employee assistance, and kitchen and break rooms. We adopt green building requirements for offices that we occupy or seek to lease, such as LEED-certification or high Energy Star rating.

Community

- 1 Social capital & cohesion:**
Encouraging links, shared values and understanding.
Through our DEI work, we focus on key educational opportunities throughout the course of the year, hosting training and sharing sessions, coaching people leaders, giving space and time for colleagues to express their lived experience.
- 2 Community involvement:**
Investments in programs to benefit communities, including disaster response and recovery.
We provide paid time off for employee volunteer efforts, and Accolade employees committed nearly 4000 volunteer hours last year. Our teams worked at Covid vaccination clinics, election day polls, and a number of diverse organizations focused on veteran support, animal shelters and child support. Lead by our Prague office, Accolade has donated and fundraised to support Ukraine refugees.



Diversity, equity, and inclusion



At Accolade, we believe that our teams should reflect the diversity of the people we help every day. Understanding different life experiences and points of view informs how we build our solutions and how we help each unique individual get to the right healthcare.

Race and ethnicity

	Overall			Executive Leadership			Leaders/Managers			Professionals			FLCT/Other		
	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021	2019	2020	2021
American Indian or Alaska Native	0.2%	0.3%	0.3%	–%	–%	–%	–%	–%	–%	–%	0.2%	0.3%	0.3%	0.5%	0.4%
Asian	5.9%	5.6%	7.1%	23.5%	18.2%	13.6%	6.0%	6.0%	9.9%	10.4%	8.3%	10.4%	2.4%	2.5%	3.9%
Black/African American	19.6%	18.3%	20.8%	–%	4.5%	2.3%	7.3%	6.6%	10.3%	5.2%	7.5%	8.7%	32.9%	31.4%	32.4%
Hispanic	5.4%	5.6%	10.1%	–%	–%	4.5%	1.3%	4.2%	7.1%	2.6%	3.0%	4.8%	8.5%	8.4%	14.9%
Two or More Races	3.2%	3.8%	3.6%	–%	–%	–%	1.3%	3.0%	2.8%	2.3%	3.6%	3.5%	4.4%	4.3%	3.9%
White	65.3%	66.2%	53.2%	70.6%	77.3%	77.3%	83.3%	79.6%	68.1%	79.3%	76.8%	68.7%	51.3%	52.9%	37.7%
Not Declared	0.4%	0.3%	4.9%	5.9%	–%	2.3%	0.7%	0.6%	1.8%	0.3%	0.6%	3.7%	0.2%	–%	6.7%

Nasdaq Board Diversity Matrix (As of April 18, 2022)		
Total Number of Directors	9	
	Female	Male
Gender:		
Directors	4	5
Number of Directors who identify in and of the categories below:		
African America or Black	1	0
Asian	0	1
White	3	4
LGBTQ+	0	

71%  **47%**
Females People of color

As of December 2021, 71% of our company is female and 47% are people of color.





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