

Daycos, Inc.
Annual Benefit Corporation Report 2021

daycos4good

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Dear Stakeholders,

2021 marks our fifth year as a certified B Corp and Nebraska Benefit Corporation. As a benefit corporation, we voluntarily meet standards of corporate purpose, accountability, and transparency. Benefit corporations' purpose focuses on creating a material positive impact on society. As such, they are required to consider their impact on stakeholders and must report annually on their efforts to do good with their businesses.

The following annual report demonstrates Daycos' commitment to creating public benefit and sustainable value, in addition to generating profits.

In reflecting on our 2021 do-good-be-good efforts, we continue to be aware of the effects of the pandemic on our efforts to be a force for good. And while the challenges were not as significant as we encountered in 2020, the investments we made in our stakeholders were still negatively impacted.

We are consistently reminded that while doing good may be easier when things are going well, it is even more important to continue doing good when things are not. Our stakeholders have all been impacted by the pandemic's continuing presence in our lives. Causing the investments we did make to have an even greater impact in most cases because they were bright spots in an otherwise uncertain and stressful year.

2021 proved that Daycos could successfully operate with purpose and stakeholder balance, no matter the circumstances. Rooted in the underlying belief that business is about more than making money, Daycos continued to do right by its stakeholders - our company, customers, employees, and community. As we navigated the second year of the pandemic, we worked hard to make investments in our stakeholders that mattered.

Our traditional monetary investments and service opportunity numbers for 2021 are still lower than pre-pandemic times as we curtailed, canceled, and modified volunteer outreach events and activities to protect our stakeholders. And we also had fewer opportunities to partner with nonprofit organizations, who were themselves still in a retracted state due to ongoing COVID-19 disruptions. But we were still able to do a whole lot of good.



Brandon Day
Owner & CEO



Tammy Day
Owner and Benefit Officer

WE ARE A CERTIFIED B CORPORATION



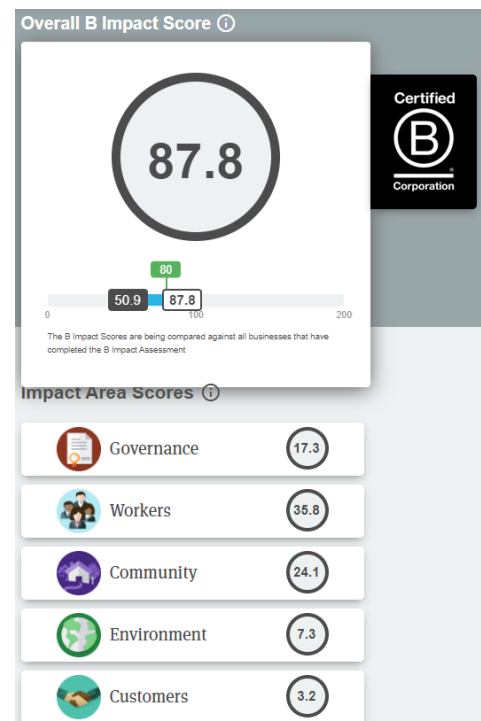
Daycos became a certified B Corp in 2016. A “B Corp” is a for-profit company certified by the nonprofit B Lab as having met rigorous standards of social and environmental performance, accountability, and transparency. It’s a designation that says our company is about more than making money; it is about being a force for good.

To become a B Corp, companies complete an assessment that measures them in governance, workers, community, and environment categories and provides an overall score indicating the company has practices and procedures in place to support the B Corp standards.

The B Impact Assessment is rigorous. To be eligible for certification, businesses must score a minimum of 80 points. According to B Lab, the average score by ordinary companies is 51 points, and many companies don’t receive the required baseline the first time they complete the assessment.

Daycos is proud of our 2018 Best for the World designation, ranking us in the top 10th percentile of all certified B Corps worldwide in how we treat our workers and the overall work environment within the company.

Daycos completed the B Corp reassessment during the fall of 2019 and was recertified in spring 2020 with a score of 87.8, up from our previous assessment of 84.4. We will reapply again in 2023.



We Focus on Stakeholders, Not Shareholders

The work of Daycos benefits its stakeholders, not just its shareholders. At Daycos, our stakeholders are the customers who hire us to provide an excellent service, the employees who spend their days doing the work to serve our customers, the community our business is in, and the company that makes this all possible. Our stakeholders not only help us become a force for good but are the reason we do it in the first place.

These stakeholders are interdependent and share equal importance in the system – the better we do at creating and sustaining great services and relationships with our customers, the more revenue that is generated to be invested in our employees and our community. Better business equals more investments in people. More investments in people and the community result in better business.

Therefore, our Annual Report continues to focus on how our benefit corporation status propels us to invest in our stakeholders and create a public benefit through those efforts.



Community Impacts 2021

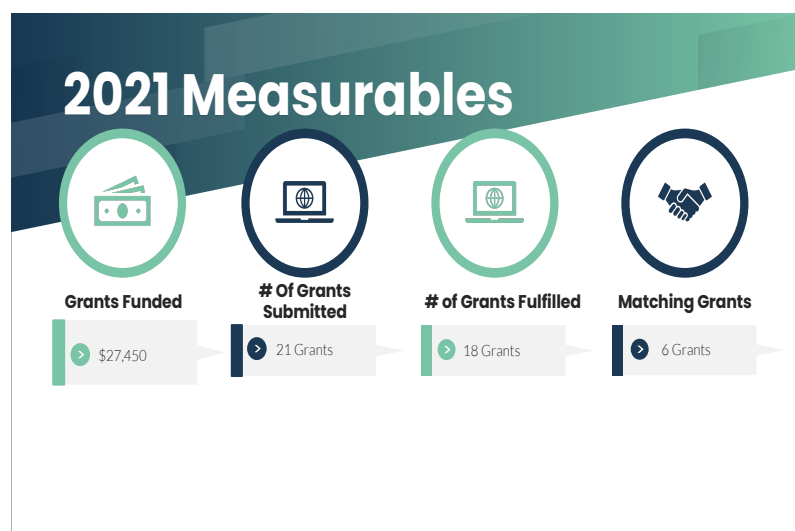
Our community is the setting for our business and the place where we live, work, and raise our families. As an integral part of this community, we believe we have a responsibility to help to ensure a bright future for this place.

Here are some of the highlights from 2021:

- Daycos4Good Endowment grew to **\$182,628.35**.
- Charitable sponsorships, memberships, and campaign pledges totaled **\$53,239.37**.
- **\$3,362.09** of employees' personal charitable contributions were matched by Daycos.
- Daycos employee total volunteer hours for this year = **160.5**.
- Other Goodness – Big Give, Toys for Tots drive, Norfolk Food Pantry Souper Bowl, blood drives, and partnering with Jefferson Elementary School.

Daycos Community Investment Committee invested **\$27,450 in 18 community projects:**

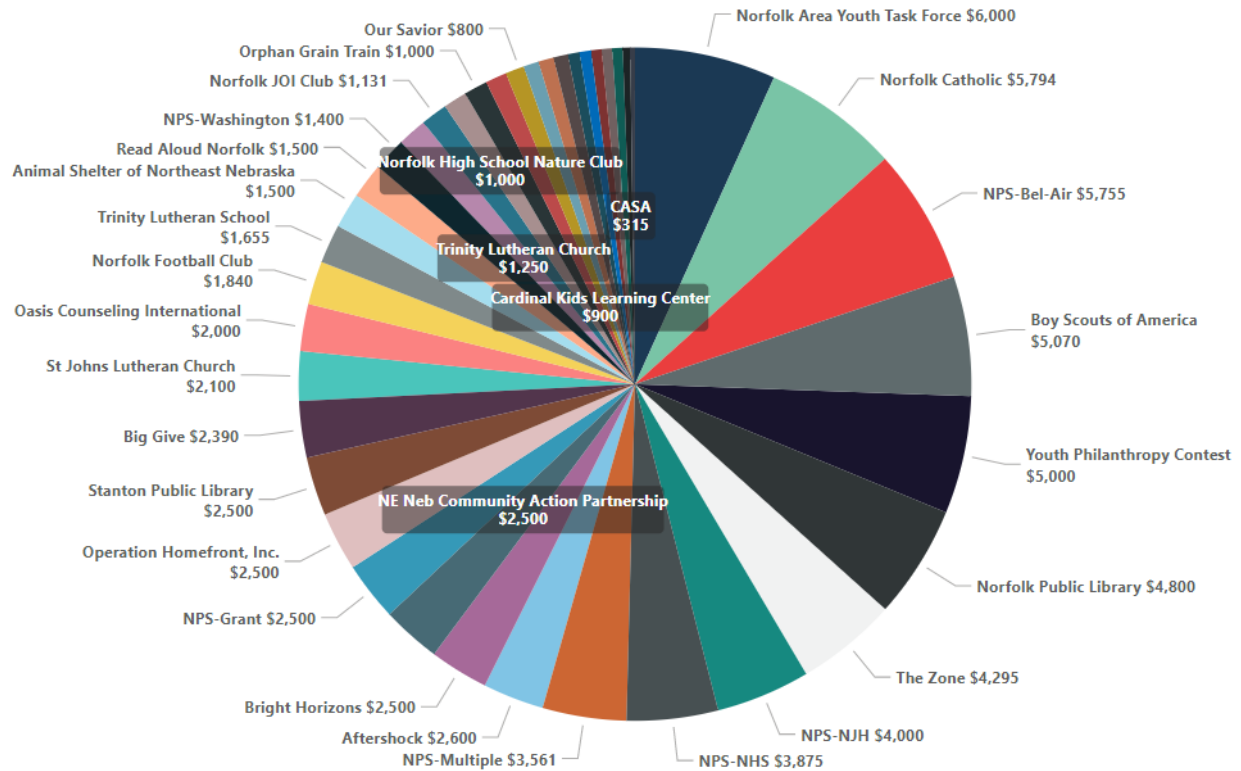
- Westside Elementary Stop Before You Pop
- NE Nebraska Community Action Partnership Standing with our Military
- Owens Educational Services Car Seats for Transport
- Wausa Public Schools STEM for Little Learners
- Bel Air Elementary Osmos for Learning Part 2
- Washington Elementary Projecting Our Panther Pride
- NE Nebraska Community Action Partnership NENCAP Food Pantry
- Bel Air Elementary Technology Accountability and Feedback
- Norfolk Public Library Hot Spots
- Multiple Organizations Big Give Employee Match



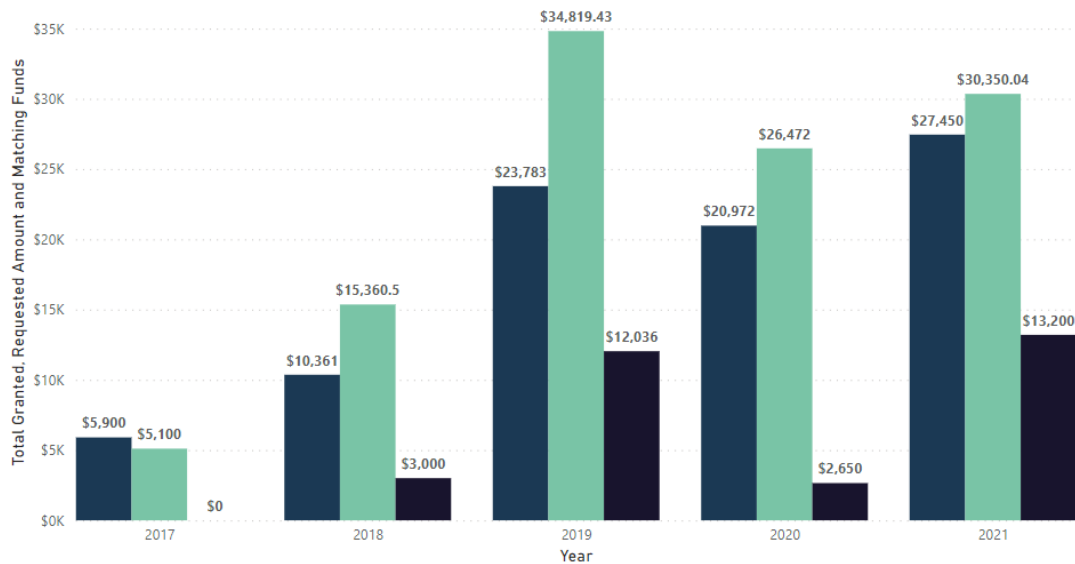
- Boy Scouts of America Eagle Scout Bench Project
- Stanton Public Library ADA Renovation
- Bel Air Elementary Third to Be Heard
- Norfolk Public Schools Turkey Dinners for Students (in partnership with Midwest Bank)
- Norfolk Senior High Dress for the World of Work
- Norfolk Senior High Kaup's Corner
- Norfolk Senior High Core Strength and Balance
- Norfolk Junior and Senior High Panther Pantry

Five Year Look Back on Community Investments

Total Investments Made by Organization



● Total Granted ● Requested Amount ● Matching Funds



Community Investment Focus Areas

- Developing Inspiring and Building Capacity in Leadership
- Growing Our Future Through Our Youth
- Using Innovative Technology to Equalize and Improve Lives
- Serving Those Who Serve (military, veterans, first responders, and law enforcement)

- **5 Year GRAND TOTAL of All Focus Areas – \$88,466.17**



Employee Impacts 2021

Investments in the personal and professional lives of our employees, their work environment, and their families have a direct impact on employees and demonstrate that they are valued members of this company and community.

To continue protecting our employees as the pandemic bled into year two, Daycos:

- Continued to offer the option to work from home through August 2021.
- Adopted a hybrid work model with three days in office and two days remote starting in September 2021.
- Extended COVID flexibilities for pandemic related obligations, illness, and hardship.
- Maintained virtual and outdoor options for employee and family events.



2021 Employee Investments:

- Launched a new employee development effort that combines organization level development opportunities with individual growth opportunities.
 - Organization development – Emergenetics helps employees, teams, and the company discover and understand their individual and collective strengths and potential obstacles.
 - Individual growth opportunities – Daycos launched its “all employees will have a personalized development plan” goal with ten employees kicking off their growth plans in 2021.
- The Employee Investment Committee invested **\$22,494** to fund initiatives and amenities beyond “standard benefits.”
 - Full payment of all Simple IRA Fees
 - Alternative Seating Options/Balance Board
 - Garden supplies for Daycos Garden Green Thumbs
 - Patio Updates
 - Nursing Room
 - 4th Quarter Investment Experiment
 - Continued promotion and support of previous investment initiatives, such as:
 - SmartDollar
 - Bereavement pay
 - Short-term loans
 - Will review/creation
 - Dual-credit class reimbursement
 - NEST 529 Match
 - Student loan payment match
 - Parental leave

Wellness Committee

The Wellness Committee invested **\$18,809.33** in wellness bonuses and activities such as:

- Employee Copay Reimbursement
- Healthy Food and Snacks
 - Wolff Farms fresh veggie subscription for families
 - Weekly fresh fruit and veggies in the breakroom
 - Monthly Healthy Lunches
- Biometric Screenings
- Employee Assistance Program
- Daycos Golf Outing
- Virtual/Online Nutritionist
- Wellness Equipment and Supplies
 - Ninja Foodie for the breakroom
 - Basketball hoop on site



- Disinfectant wipes for the fitness room
- Wellness Gift Bags
- Burn 30 Challenge
- Wellness Wednesday Challenge
- Walking Challenge
- On site blood drives every 8 weeks
- Blue Light Blocking Glasses
- Yard Game Parking Lot Party
- Vaccine Clinic

Connect Committee Launch

Daycos launched the Connect Committee this year. Connect is a group of employees who bring people at Daycos together through various activities and events. These activities and events had been done by our human resources director, but it made sense to transition to an employee-led effort just like our community investments, employee investments, and wellness initiatives. In 2021, the Connect Committee hosted in person events including miniature golf, an escape room, pumpkin patch outing, and a Christmas party.



The Connect Committee strives to make Daycos one of the top workplaces in Nebraska by creating a fun environment for employees.

Company Impacts 2021

Our company stakeholder is the umbrella under which all work and investments occur. Keeping the company healthy creates a vehicle for us to be a force for good.

In 2021 Daycos:

- Launched the Daycos Teams Evolution effort. This structural shift focused on flattening the Daycos hierarchy, creating a more distributed leadership model, and achieving four aims:
 - Everyone makes decisions, solves problems, and comes up with new ideas.
 - We collaborate across all roles.
 - All employees have an opportunity to grow.
 - We adapt to the changing needs of our stakeholders.
- Celebrated Daycos' 43rd Birthday with an impromptu birthday party. In addition to party hats, horns, and cake, Daycos employees noted what they thought was worth celebrating in 2021. The top three answers were:
 - Hybrid work model
 - Back in the office
 - New team structure
- Opened several in office collaborative spaces to support teamwork, agility, and problem solving.
- Participated in events across the state focused on spreading the word about Daycos' employee-driven do-good work such as the Connecting Young Nebraskans Summit and the Do More Good ROI of Why virtual conference.
- Met with several businesses who are interested in doing more good with their companies to share the Daycos story and offer support and advice.
- Continued to update our branding to better reflect who we are as a company and our purpose to do good and be good.



Customer Impacts 2021

Customers are the reason we exist in the first place. Customers provide the fuel that allows the investments in the other stakeholders. In 2021 Daycos:



- Shared Daycos stories with our customers of being a force for good through our community and employee investments.



- Continued to act as a strong advocate for our industry:
 - Shared information and expertise and attended meetings and conferences to assist with industry advocacy efforts.
 - Published newsletters and blog articles

that help everyone in our industry improve their billing and payment process.

- Supported the Alan F. Wohlstetter Scholarship Fund which seeks to enhance the professionalism of the global household goods moving industry by supporting the professional development and education of students and industry professionals worldwide.
- During the holiday season, Daycos supported Daycos conducted a marketing campaign encouraging customers to take a survey. For every survey completed, Daycos donated to WREATHS ACROSS AMERICA, an organization that coordinates

wreath-laying ceremonies for veterans at Arlington National Cemetery, as well as 2,500 locations across the country, at sea, and around the world.



Where do we go from here?

As COVID-19 becomes more endemic than pandemic, and we begin to move on with our new normal, we remind ourselves that doing business with purpose matters, even in the most challenging times. We continue to use our business as a force for good in a way that is led by employees and focused on making the world a better place.

As we head into 2022 and all the good waiting to happen there, I continue to be inspired in this work by our Daycos4good Philosophy. I hope it inspires you too.

At Daycos, business is about more than just providing services and making money, it's about making a difference and being a force for good. It is important to support the quality of life of our employees, to be an active community partner, and to focus on people through our charitable investments.

We believe that we all have a responsibility and a desire to contribute to something bigger than ourselves. This keeps us focused on the big picture and things that matter. It is the right thing to do.

With gratitude!

A handwritten signature in cursive script that reads "Tammy Day".

Tammy Day
Owner and Benefit Officer