

State of Inclusion, Inc.

Annual Accountability Report- Fiscal Year 2016

The decision was made to choose a Benefit Corporation structure for State of Inclusion, Inc. to help ensure that, as the company grows, it remains committed to doing good as part of its core mission. Consistent with that structure, State of inclusion has adopted the BCSI Standard for accountability reporting. The reference documents for this standard can be found at:

<http://www.eley.com/bcsi/>

During 2016, State of Inclusion, Inc. fully acted in accordance with its purpose in all material respects. All directors complied with Section 33-38-400.

2016 continued as formation year for State of Inclusion, Inc. Efforts were focused in three key areas:

- Community Education – An initiative known as Community Detox Challenge was launched. This initiative provided content and messaging aimed at assisting individuals and local communities to learn more about implicit bias and how implicit bias along other forms of bias are creating a toxic environment within our communities. This included providing a TEDx talk and establishing a supporting website with educational materials including an informational blog.
- Local Community Data Analytics – This Included speaking, providing consultation as well as developing white papers and data analytics to aid local communities in becoming more informed regarding inclusion and equity as well as effectively using data to drive community progress.
- National Equity Scorecard Development – Conducting Initial benchmarking and developing a conceptual model for a national equity and inclusion scorecard.

To this date, all work has been provided on a pro-bono and speculative basis. 2016 should be considered a year focused on business model design and testing, initial product development, networking and brand building.

The following section reports compliance against the BCSI standard.

Economic Responsibility

C.1 Business Mission

Our Purpose: Provide our clients with diversity and inclusion related information and services in order to expand efforts around the world to build more inclusive communities.

Our commitment is to pursue a double bottom line approach which includes:

- Financial success and sustainability for the organization.
- Contributing at a level equal to 20% of our unrestricted profits each year to directly further designated community-based diversity and inclusion causes. This may be met through documented (1) direct cash contributions (2) donations in kind, or (3) in the form of paid time off for employees to volunteer to support our social causes.

Our Mission is to build a more inclusive world, one community at a time.

Consistent with our commitment to a double bottom line approach,, a portion of our start-up funding included two donations. Cash contributions were made to:

- the International African American Museum in Charleston, SC

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- Greenville Chamber of Commerce Foundation, to assist a joint initiative in support of Upstate Warrior Solution and Rebuild Upstate. Both of these organizations are based in Greenville, S.C. While these contributions were relatively modest, they were intended to establish a cycle of financial commitment to local, national and international projects that are in line with the mission and values of this organization.

C.2 Suppliers and Vendors

Our vendor and supplier policy includes giving selection preference to minority businesses, local businesses and those who themselves demonstrate adherence to a double or triple bottom line business approach, including other benefit corporations or entities that have become B-corp certified.

C.3 Customers

During 2016, State of Inclusion, Inc. did not contract for paid engagements, but did bid on work and provide pro bono services. In all dealings with our customers, we remain committed to operating in a legal, fair and ethical fashion. We will also strive to ensure all of the services, information and advice provided to our customers are done with the intent to improve and benefit their community.

C.4 Salary and Compensation

State of Inclusion, Inc. did not have any employees in 2016.

Environmental Responsibility

E.1 Energy Efficient Facilities and Operations

No new buildings or facilities were constructed during 2016. No new office equipment or electronics were purchased during 2016.

Office facilities make extensive use of daylight lighting to conserve energy and reduce the use of electrical lighting.

A home office is used, which reduces business office footprint.

E.2 Water Efficient Facilities and Operations

Interior office facilities use standard residential level water management approaches to conserve water.

Office landscaping use very limited irrigation, comply with all community water requirements and primarily rely on drip irrigation when irrigation is used. Plantings have been designed to be low water usage, such as reduced lawn size.

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E.3 Materials and Supplies

Low impact and recycled materials are selected and used when feasible, such as with paper.

An effort is made to ensure the majority of waste produced by the operation is either recycled or composted.

E.4 Transportation Needs Generated by Operations

A home office is used, which reduces commuting footprint.

Social Responsibility

S.1 Workforce

State of Inclusion, Inc. did not have any employees during 2016.

S.2 Workplace

Much of this section of the standard does not apply to State of Inclusion, Inc. for 2016 due to company size, number of employees and use of pre-existing facilities.

However, during 2016 State of Inclusions, Inc. remained committed to providing a safe, ergonomic and healthy environment for working and engaging with prospective clients.

For Additional Information regarding this report:

Ame Sanders, serves as Executive Director and Benefit Director. She also is the only shareholder who retains more than 5% of the outstanding shares. She can be reached for questions or comments regarding this statement at:

By email at: amesanders@stateofinclusion.com

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There is no relation between any employees or officers and the accountability standards organization of BCSI.