IMB PARTNERS

Partnership and People First

October 2026

# 2025 Responsible Investing Report

Proprietary and Confidential

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# Section 01:
# Executive Summary



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# Reflections from the Partnership

To Our Investors, Partners, and Community,

We are pleased to present the IMB Partners 2025 Responsible Investing Report, which reflects the ongoing commitment we made to integrate environmental, social, and governance ("ESG") principles across our portfolio.

At IMB, we believe responsible investing drives both stakeholder value and lasting community impact. In 2025, we remained focused on improving data collection, enhancing governance and accountability standards, and supporting leadership development across our portfolio companies.

This year marked the completion of our third full year of ESG data collection, during which there have been zero reported data breaches across the portfolio.

We are also proud of the continued progress our portfolio companies have made in strengthening governance practices. Today, all portfolio companies report maintaining a Code of Ethics, Conflict of Interest Policy, Whistleblower Policy, and Data Security Training programs.

Additionally, we've seen meaningful growth in charitable giving across our companies, which more than doubled year-over-year to $555,876, and the total energy consumed by our portfolio companies decreased 5.7% from the previous reporting period.

As IMB continues to grow its utilities and infrastructure investment strategy, we remain committed to building resilient businesses, supporting operational excellence, and creating sustainable long-term value for our investors and the communities we serve.

We are grateful for your partnership and proud to share this year's Responsible Investing Report as a reflection of our commitment to responsible, inclusive growth.

With appreciation,



**Tarrus Richardson**
Founder & CEO



**Kelvin Pennington**
Sr. Managing Director & CIO



**Lenora Robinson Mills**
COO



**Chris Bushey**
CFO

# IMB at a Glance

Founded in 2010, IMB Partners (“IMB”) is a private equity firm focused on acquiring and growing attractive lower middle market companies with a focus on businesses that support the U.S. utilities and infrastructure services sector and niche government contractors (“GovCon”) that support federal, state and local government agencies. As of December 2025, the IMB portfolio includes eight different lower middle market companies in both sectors.

IMB takes an entrepreneurial approach where partnership and people are prioritized first.

## By the Numbers

**PORTFOLIO EMPLOYEE COUNT**
824

**ASSETS UNDER MANAGEMENT**
$237M

**PORTFOLIO COMPANIES**
8

**REVENUE ACROSS PORTFOLIO**
>$650M

# Our Responsible Investing Mission

IMB is dedicated to enhancing its ESG practices and reporting transparency, with a focus on fostering equitable opportunity and representation across our portfolio. We will continue to refine our data collection efforts and provide our management teams with actionable data to create operational efficiencies, cultivate strong company cultures, better serve customers, and positively impact the communities where we operate.

# Responsible Investing Report Overview

At IMB Partners, we take great care in investing responsibly using methods that will not only benefit shareholders, but positively impact the world around us. The IMB Partners' 2025 Responsible Investing Report was created to demonstrate how IMB works alongside its partners to implement environmental, social, and governance standards within its portfolio.



IMB is dedicated — especially as it relates to all Utilities investments — to **improving energy usage, waste, pollution, and natural resource conservation** to combat climate change.



We strive to have **above-average impact on communities** in which we are located, which includes a strong focus on charitable giving and community support.



And we look to run our businesses with integrity, pursuing **ethical policies, proper security standards for both employees and customers, and systematic risk management.**

# Our Impact

IMB strives to have a direct and positive influence on the communities where we operate. Highlights include:

## Demographic Snapshot

**39%** of employees and **33%** of leadership across our portfolio identify as part of an underrepresented group

## Job Creation & Economic Growth

By investing in small businesses, IMB Partners helps **create high-quality jobs** and **expand economic opportunities** in underserved communities

## Governance, Structure & Impact

IMB's Two-Step Buyout™ strategy ensures **fair transactions for business owners**, allowing them to retain a stake in their companies while benefiting from long-term growth

## Responsible Corporate Leadership

The firm emphasizes strong governance practices, ensuring that portfolio companies implement **transparent decision-making and accountable leadership structures**

# IMB's Responsible Investment Approach

IMB's ESG Integration & Investment Process below outlines the firm's systematic approach for screening, assessing, and managing ESG risks and opportunities through the investment lifecycle by utilizing tools such as an Exclusions List, ESG Due Diligence Questionnaire, and a monitoring framework.

## Sourcing

**EXCLUSIONS LIST**

IMB actively excludes investments that breach our Exclusions List, upholding strict standards



## Pre-Investment

**ESG DUE DILIGENCE CHECKLISTS**

IMB utilizes an ESG due diligence framework to identify potential risks and opportunities, focusing on long-term investment value



## Ownership

**MATERIALITY DATA COLLECTION & REPORTING**

IMB annually evaluates portcos' ESG performance on material topics via a digital questionnaire, providing insight for continuous improvement in ESG practices



## Exit

**COMPREHENSIVE MATERIALITY REPORTING**

IMB ensures the transfer of comprehensive ESG performance data upon investment exit, reflecting our commitment to transparency and responsible investing



# 2025 Growth Areas & Priorities

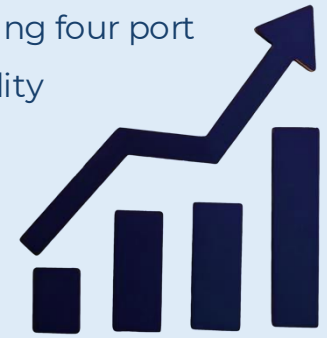
IMB Partners is dedicated to responsible investing, integrating ESG principles into our investment strategy. In 2023, we launched ESG monitoring in partnership with Novata, refining data collection processes to drive meaningful change across our portfolio.

## 2025 ACCOMPLISHMENTS

- In all three years of data collection through Novata, there have been zero reported data breaches
- Charitable giving across the portfolio more than doubled from 2024 to 2025 (up $284,000+)
- Total energy consumption across the portfolio has decreased 5.7% YoY
- All companies maintain a Code of Ethics Policy, Conflict of Interest Policy, Whistleblower Policy, and Data Security Training

## 2025 GROWTH AREAS

- Implement employee satisfaction surveys at the remaining five portfolio companies to ensure measurement of employee engagement
- Improve Board and C-Suite gender diversity with the addition of female directors
- Formalize ESG committees at the remaining four port cos to strengthen oversight and data quality
- Increase effectiveness of cybersecurity programs by implementing mandatory training completion targets



# 2025 Highlights

## Report Overview

**REPORTING PERIOD**
Jan 1 2025 – Dec 31 2025

**METRICS REPORTED**
48

**PORTFOLIO COMPANIES**
8

**EMPLOYEES ACROSS PORTFOLIO**
824

**61,268** tCO2e

**3,948,866** kWh

**59%** Board Diversity
*(People of Color)*

**51%** Leadership Diversity
*(Women or People of Color)*

**$555,876**
Annual Charitable Giving Across Portfolio

# 2025 Data Collection

In our third year of formal ESG data collection, IMB increased the number of categories that the firm reported on from 32 in 2024 to 50 in 2025. The below areas are where the firm collected data for this report.

## ENVIRONMENTAL



Scope 1 Emissions

Scope 2 Emissions

Scope 3 Emissions

Total Energy Consumed

GHG Emission Reduction Target (short- and long-term)

Decarbonization Strategy

Renewable Energy Consumed - All Sources (including market instructions)

## SOCIAL



Gender & Race/Ethnicity by Category

Reports of Near-Miss Incidents

Total Recordable Incidents

Employees in Low-to-Moderate Income Areas

Employee Satisfaction

Employee Turnover Rates

Number of Data Breaches

Charitable Giving

## GOVERNANCE



Board Member Racial/Ethnic Group Representation

Total Number of C-suite Employees

Under-represented Groups in C-Suite

IT Security Management System

Data Security

Code of Ethics Policy

Whistleblower policy

Conflict of Interest Policy

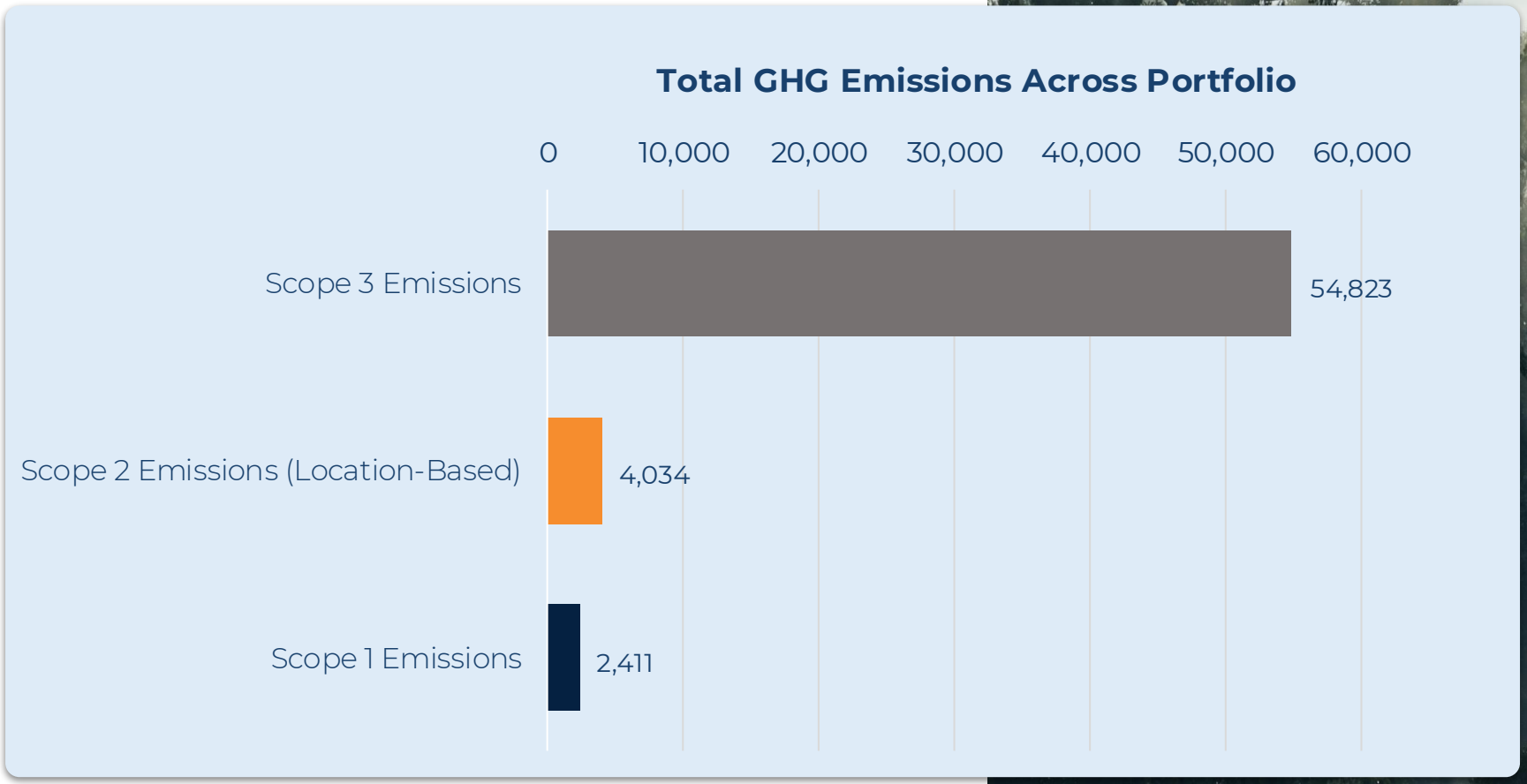
# Section 02: Our Impact



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# Scope 1, 2, and 3 Emissions Tracking

## Greenhouse Gas Emissions



# Social Impact – At a Glance

**59%** diverse board representation (PoC)

**51%** combined leadership diversity (women or PoC)

**39%** employees identifying as people of color across the portfolio

**85.5%** employee satisfaction rating across participating companies

**0** # of data breaches across portfolio

**<2** avg Total Recordable Incident Rate (“TRIR”) across portfolio

**$555,876** Annual Charitable Giving Across Portfolio



# Equitable Processes

We value the perspectives and experiences of individuals from diverse backgrounds; we believe that all differences matter, and the full participation of diverse individuals creates stronger institutions. Differences can include thinking style, leadership style, gender, abilities/disabilities, country of origin, location, race, ethnicity, education and work experience, religious background, sexual orientation, generation, socioeconomic background, and many others. Below are IMB's Diversity and Inclusion Pillars.

## WORKFORCE

Inclusion begins with representation, participation, and intentionality

## SUPPLY CHAIN

Diverse supplier participation creates economic and social value

## MARKETPLACE

Diversity is a growth strategy and competitive advantage

## COMMUNITY

Give back and support our colleagues' and partner companies' community service, nonprofit board service, and charitable giving activities

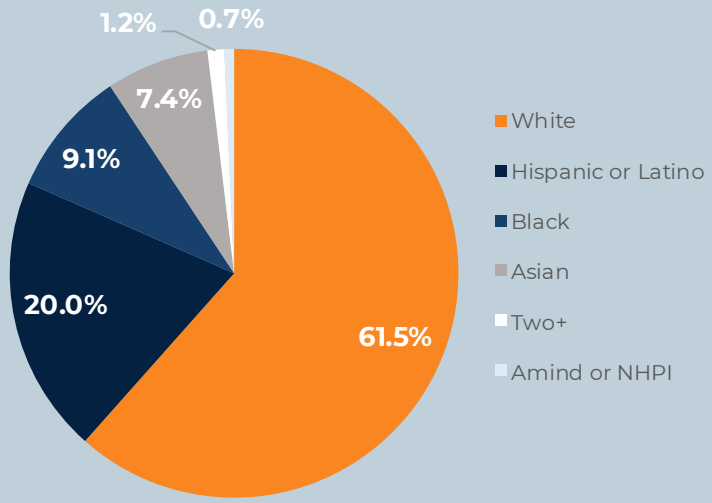
## ACCOUNTABILITY

Include discussion and relevant metrics on D&I Pillars at IMB strategic planning meetings and in annual reporting in partnership with management teams

# Inclusive Workforce Makeup

Companies reported demographic data by cross-referencing race/ethnicity (White, Black, NHPI, Asian, Amind, Two+, Hispanic or Latino, Not disclosed)

**TOTAL EMPLOYEES ACROSS ALL PORTCOS**




## Portfolio company demographic snapshot:

| COMPANY | White | Black | Asian | Hispanic or Latino | AMIND or NHPI | Two+ |
|---|---|---|---|---|---|---|
| Alder Foods | 95.7% | 4.3% | | | | |
| Ashburn Consulting | 54.4% | 17.5% | 21.1% | 5.3% | | 1.8% |
| Carr & Duff | 85.9% | 8.1% | 1.8% | 3.2% | 0.4% | 0.7% |
| e&e IT | 76.7% | 4.7% | 14.0% | 4.7% | | |
| e&e Tech | 70.3% | 8.1% | 10.8% | 8.1% | 2.7% | |
| Elite Brands LLC | 86.4% | 13.6% | | | | |
| eTel | 28.0% | 12.0% | 52.0% | 8.0% | | |
| Farwest Corrosion Control Company | 36.7% | 3.3% | 3.3% | 52.8% | 1.7% | 2.2% |
| Richmond Wholesale Meat Co | 23.6% | 20.0% | 8.2% | 44.5% | 0.9% | 2.7% |

# Workplace Safety

## Total Recordable Incident Rate (TRIR) & Near-Miss Reporting

| COMPANY | TRIR | Near-Miss Reports |
|---|---|---|
| Farwest Corrosion Control | 1.96 | 5 |
| Richmond Wholesale Meat Co. | 1.00 | 0 |
| Carr & Duff | 0.77 | 17 |
| All Others | 0.00 | 0 |

*Carr & Duff reported 17 near-miss incidents this year alongside a low TRIR of 0.77 — a combination that reflects strong safety performance rather than a cause for concern.*

High near-miss reporting is widely regarded as a leading indicator of a mature safety culture: it means employees feel empowered to flag potential hazards before they escalate into actual injuries.

Paired with a TRIR well below industry benchmarks, this suggests Carr & Duff's safety programs are effectively catching risks early, translating proactive hazard identification into fewer recordable incidents on the ground.

OSHA

# Section 03: Corporate Leadership, Culture, and Community Impact



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# Corporate Leadership: EOS Highlight

IMB implements the Entrepreneurial Operating System (EOS) firmwide and offers it as a tool for our partner companies to enhance company operations, improve workforce opportunities, and drive business growth.

EOS is a comprehensive set of simple, practical tools designed to help businesses clarify, simplify, and achieve their vision. EOS focuses on strengthening six key components of any organization:

» Vision: Ensuring everyone in the organization is **aligned on the company's direction** and the means to get there.

» Building a team of the **right individuals in the right roles** to drive the organization forward.

» **Utilizing objective metrics** to provide a clear pulse on the company's performance.

» Issues: Developing the ability to **identify, discuss, and resolve problems** effectively throughout the organization.

» Process: **Systemizing operations** by documenting core processes to ensure consistency and scalability.

» Traction: **Instilling discipline and accountability** to execute the company's vision and achieve real results.

By focusing on these components, EOS aims to create a healthy, well-run business where all team members are on the same page and working collaboratively toward common goals.

# IMB Culture

## Culture Highlight: Giving Back

At IMB Partners, we are committed to giving back to the communities where we live and work. We support charitable organizations that drive positive societal change – especially those aligned with our core values. We also believe in empowering our employees to engage in philanthropy and support causes they care about. To amplify this impact, we established a Charitable Contribution Employee Match Policy to encourage a culture of giving across our team.

Additionally, in 2025, we supported So What Else, a Maryland food rescue bank, thrift store, and community center, that provides vital services in education, health, wellness, and food access. IMB's support included distributing food and clothing to families in need.

## Culture Highlight: Professional Development

At IMB Partners, professional development is integral to our firm culture. We actively encourage and support our team's continuous learning, particularly in our target investment sectors, to foster expertise, fuel innovation, and enable long-term career growth. This commitment enhances individual advancement and drives collective success across our portfolio.

AABE

SBIA SMALL BUSINESS INVESTOR ALLIANCE™

kayo

naic National Association of Investment Companies

NASP National Association of Securities Professionals

NMSDC National Minority Supplier Development Council

# Community Impact - IMB

**$365,449**

In 2025, IMB Partners and its affiliates contributed more than $365,000 to a variety of nonprofit organizations, including the Council of Urban Professionals (CUP), Inspire Access, The Reginald F. Lewis Museum, and Girls Leadership, among others.

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**OUR AFFILIATES:**

IMB » PROFESSIONALS

IMB » FOUNDATION

cup — INSPIRE. ELEVATE. EMPOWER.

Inspire Access

BLACK ECONOMIC ALLIANCE — WORK • WAGES • WEALTH

REGINALD F. LEWIS MUSEUM OF MARYLAND AFRICAN AMERICAN HISTORY & CULTURE

51 VETS

MUDDY WATERS MOJO MUSEUM — THE REAL HOUSE OF BLUES

the WASHINGTON SCHOOL for GIRLS

GIRLS LEADERSHIP

N STREET VILLAGE

Dr. Sachiko Kuno Center of Transformation

MVBBF

E.L. HAYNES

# Community Impact – Portfolio Companies

### CHARITABLE GIVING ACROSS PORTFOLIO

**$555,876**

Average annual giving focused on Community Support, Education, Workforce Development

### HISTORY OF BACKING FOUNDERS

Inc.

Inc. Founder-Friendly Investor List 2025
*Third-Year Running*

### OPPORTUNITY CREATION IN UNDERREPRESENTED COMMUNITIES

BOYS & GIRLS CLUBS OF GREATER WASHINGTON

Boys and Girls Club of Greater Washington D.C.
**Sponsor of the Annual BlueFest Event**

## PARTNERSHIPS

### ENTREPRENEURSHIP THROUGH ACQUISITION

Creating wealth for individuals and opportunities for community re-investment

promise venture

gravy.

### THE ALTERNATIVE ASSET LANDSCAPE

Founding Sponsor of 'Women in Investments'

naic National Association of Investment Companies

Ongoing Supporter

TOIGO Bringing Diversity to Life

Founding Board Member

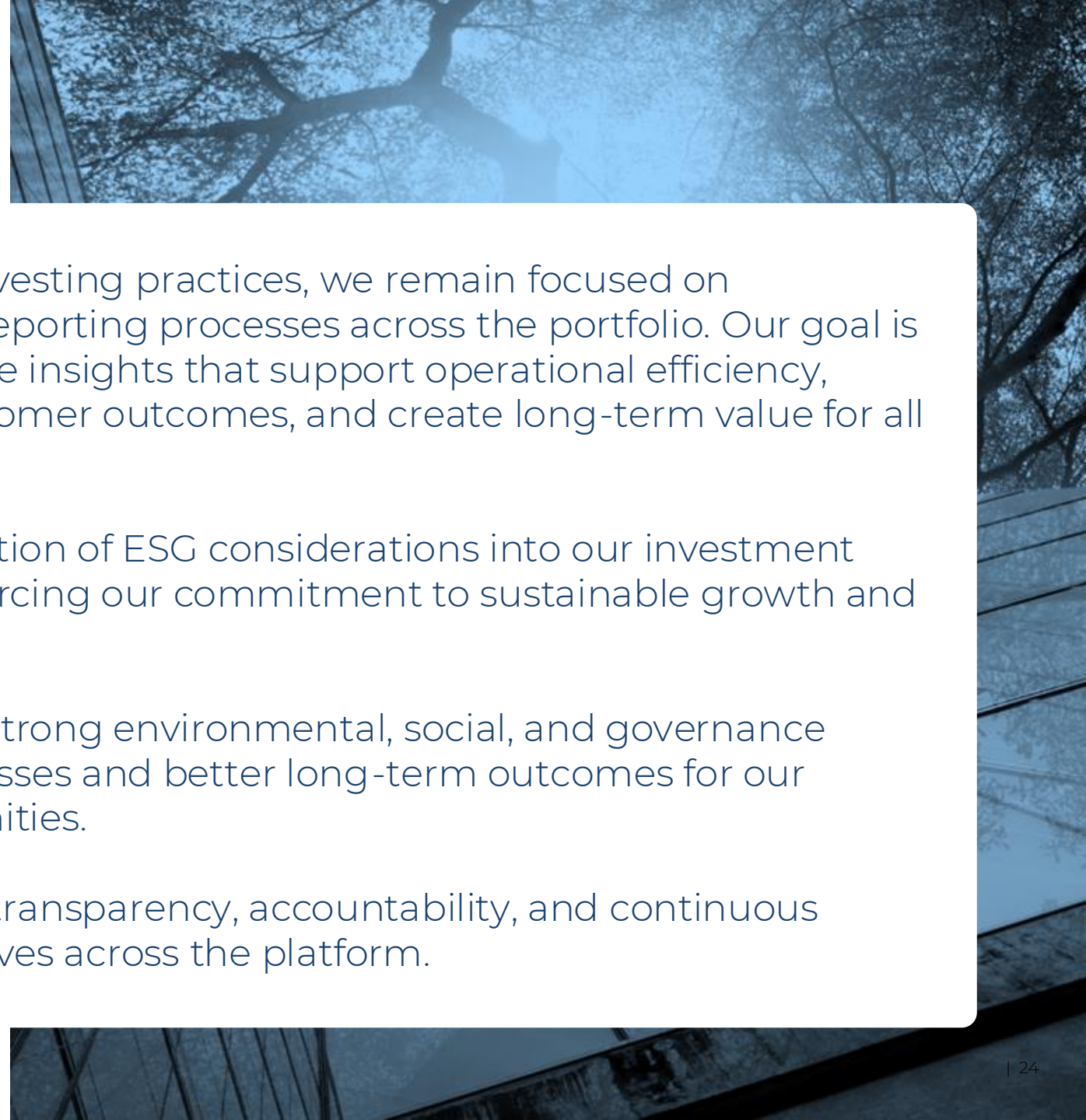
cup INSPIRE. ELEVATE. EMPOWER.

### OUR INVESTMENT FOCUS AREAS

NMSDC National Minority Supplier Development Council

AABE®

# Closing Reflections



As IMB continues to evolve its responsible investing practices, we remain focused on strengthening our ESG data collection and reporting processes across the portfolio. Our goal is to equip management teams with actionable insights that support operational efficiency, strengthen workplace culture, enhance customer outcomes, and create long-term value for all stakeholders.

In 2025, we continued to deepen the integration of ESG considerations into our investment and portfolio management strategies, reinforcing our commitment to sustainable growth and responsible stewardship.

Our ongoing efforts reflect IMB's belief that strong environmental, social, and governance practices contribute to more resilient businesses and better long-term outcomes for our investors, employees, partners, and communities.

As we look ahead, we remain committed to transparency, accountability, and continuous improvement as we advance our ESG initiatives across the platform.

IMB PARTNERS

# Thank you

Please direct any questions to Lenora Robinson Mills at lrobinsonmills@imbpartners.com

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