Inogen, Inc.

Report of Environmental, Social, and Governance Practices

Dated July 20, 2021

Table of Contents

Table of Contents (continued) Page

Report Scope and References

This Report on Environmental, Social, and Governance (ESG) Practices encompasses the global operations, impact and compliance of Inogen, Inc. and its subsidiary (Inogen or the Company).

This report focuses on the three years ended December 31, 2020, 2019, and 2018 and should be read in conjunction with documents filed with the Securities and Exchange Commission, including our most recent 2020 Annual Report on Form 10-K and our DEF 14A proxy statement for 2021 Annual Meeting of Stockholders, which can both be found on the Investor Relations section of Inogen's website at: http://investor.inogen.com/.

All references to years are to fiscal years ended December 31st, unless otherwise noted. All references to dollars are US dollars, unless otherwise noted. While this report has been prepared with due care, it has not been externally assured. Further information can be obtained by contacting Investor Relations at ir@inogen.net.

Inogen, Inc.
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Goleta, CA 93117

Note About Forward-Looking Statements

This report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and are generally identified by the words "believe," "expect," "anticipate," "intend," "opportunity," "plan," "project," "will," "should," "could," "would," "likely" and similar expressions and include statements about our strategies, markets, business, and opportunities. Any statements contained in this report that are not statements of historical fact may be deemed to be forward-looking statements. Forward-looking statements in this report include, but are not limited to, statements regarding our current and future compliance initiatives and expected environmental, social and governance policies and practices, policies and practices with respect to our suppliers, and policies and practices with respect to information security. Forward-looking statements are based on current assumptions that are subject to risks and uncertainties. Our expectations and beliefs regarding these matters may not materialize, and actual results in future periods are subject to risks and uncertainties that could cause actual results to differ materially from those projected. Actual results may differ materially from those indicated by these forward-looking statements as a result of various factors, including risks relating to our planned sales, marketing, and research and development activities; complications in the supply of components or materials for, or manufacturing of, our products; unanticipated increases in costs or expenses; and risks associated with international operations. Information on these and additional risks, uncertainties, and other information affecting our business and operating results is contained in our Annual Report on Form 10-K for the year ended December 31, 2020, our Quarterly Report on Form 10-Q for the quarter ended March 31, 2021 and our other filings with the Securities and Exchange Commission. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for us to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. The forward-looking statements made in this report relate only to events as of the date on which the statements are made. Except as required by law, we assume no obligation to update these forward-looking statements, or to update the reasons actual results could differ materially from those anticipated in these forward-looking statements, even if new information becomes available in the future.

Our Approach to ESG

Inogen's purpose of *improving lives through respiratory care* is supported by our vision to be a global market leader with innovative, evidence-based chronic respiratory care solutions.

We have compiled this summary report of our ESG activities and results as evidence of our commitment to what we believe is important to our customers, patients, employees, suppliers, and investors. While this is our second report on our ESG program, we plan to expand our activities in future years as we further enhance our ESG scope, particularly as it relates to environmental items.

Our ESG strategy is grounded in business sustainability, our Core Values, and our Code of Ethics and Conduct. We are committed to diversity, equity, and inclusion in hiring and developing our talent, which we believe is critical to our future growth and success.

Inogen was founded in 2001 to help patients who require long-term oxygen therapy live their lives to the fullest without having limited mobility as a result of using other oxygen delivery modalities. Our compact, lightweight, and travel-approved portable oxygen concentrators are designed to help patients improve ambulation and regain some of their freedom back while meeting their oxygen therapy needs. Past studies have shown that mobility combined with compliant oxygen therapy reduces hospital stays and extends the life of patients with chronic respiratory conditions, which contributes to better health outcomes.[1] We are proud of the cumulative impact we have had on the patients using the over one million systems we have sold or rented worldwide since our inception.

We are committed to research and development to stay at the forefront of respiratory therapy treatments and to driving the penetration of portable oxygen concentrators for the benefit of the largest possible patient population worldwide.

We look forward to continuing to expand our ESG program while also helping thousands of patients every year.

Sincerely,

Nabil Shabshab
Inogen, Inc.
Chief Executive Officer and President
Goleta, California

[1] Retrospective Review of the 1980 Nocturnal Oxygen Therapy Trial Group led by Dr. Tom Petty published in 2000

Table 1: Key ESG Indicators

Table 1 captures our significant data. We present more detailed data throughout this report.

Economic Performance	2020	2019	2018
Economic value generated and distributed (dollar amounts in thousands)[1]			
Revenue	$308,487	$361,943	$358,111
Cost of revenue[2]	$170,307	$190,082	$179,531
Salaries and wages	$49,322	$47,855	$45,405
Interest paid to lenders	$0	$0	$0
Total cash paid for income taxes, net of refunds received	($713)	$239	$1,653
Investment in research and development	$14,080	$9,401	$7,029
Social Performance	**2020**	**2019**	**2018**
Annual voluntary employee turnover	19.5%	23.5%	27.3%
Fatalities	0	0	0
Lost time injuries	2	1	2
Lost time injury rate (injuries per million employee hours worked)[3]	0.19	0.09	0.18
Total recordable injury rate[4]	0.68	1.36	0.89
Percentage senior (director or above) executives female	16%	20%	22%
Known material breaches of marketing and labeling regulations[5]	0	0	0
Monetary value of material fines and sanctions for production or market-related non-compliance	$0	$0	$0

[1] Detailed financial accounts are disclosed in our 2020 Annual Report on Form 10-K on the Investor Relations section of Inogen's website at: http://investor.inogen.com/

[2] Includes all payments to third parties for materials and services used in production

[3] Full-time regular employees only

[4] Per million employee hours worked

[5] Marketing and labeling as defined by applicable Food and Drug Administration (FDA) regulations

Inogen in Brief

Inogen, Inc. (Nasdaq: INGN) was incorporated in Delaware on November 27, 2001. We are a medical technology company that primarily develops, manufactures, and markets innovative portable oxygen concentrators used to deliver supplemental long-term oxygen therapy to patients suffering from chronic respiratory conditions. Traditionally, these patients have relied on stationary oxygen concentrator systems for use in the home and oxygen tanks or cylinders for mobile use, which we call the delivery model. The tanks and cylinders must be delivered regularly and have a finite amount of oxygen, which requires patients to plan activities outside of their homes around delivery schedules and a finite oxygen supply. Additionally, patients must attach long, cumbersome tubing to their stationary concentrators simply to enable mobility within their homes.

Our proprietary Inogen One systems concentrate the air around the patient to offer a single source of supplemental oxygen anytime, anywhere with a single battery and can be plugged into an outlet when at home, in a car, or in a public place with outlets available. Our Inogen One systems reduce the patient's reliance on stationary concentrators and scheduled deliveries of tanks with a finite supply of oxygen, thereby improving patient quality of life and fostering mobility.

More comprehensive information on Inogen is provided at our website: www.inogen.com and in our most recent 2020 Annual Report on Form 10-K, proxy statements for our 2021 annual stockholder meeting, and our other filings with the Securities and Exchange Commission, which can be found on the Investor Relations section of Inogen's website at: http://investor.inogen.com/.

Locations and Businesses

Our principal global operations are summarized in Table 2 and discussed by functional areas below. We generally lease our premises, except for our facility in Manitowoc, Wisconsin, which we own. We have entered into operating leases primarily for commercial buildings. As of December 31, 2020, we leased approximately 46,000 square feet of manufacturing and office space at our corporate headquarters in Goleta, California under leases that expired in October 2020 and are considered month-to-month; approximately 54,000 square feet of office space in Plano, Texas under a lease that expires in April 2031; approximately 60,000 square feet of manufacturing and repair space in Richardson, Texas under leases that expire in January 2022 and March 2022; and approximately 94,000 square feet of office space in Cleveland, Ohio under a lease that expires in September 2024. In addition, we lease approximately 4,000 square feet of office space in Smyrna, Tennessee; Huntsville, Alabama; Aurora, Colorado; and Breukelen in the Netherlands with lease terms of 3 years. We also own land and office space in Manitowoc, Wisconsin.

We also have additional operating leases for our corporate headquarters in Goleta, California that commenced in April 2021 and industrial space in Plano, Texas that commenced in January 2021 with approximately 50,000 square feet and 100,000 square feet, respectively, of manufacturing and office space. We believe that our existing facilities and the facilities under the recent leases that commenced in 2021 are adequate to meet our current business requirements and that if additional space is required, it will be available on commercially reasonable terms. In addition, we believe that our properties are in good condition and are adequate and suitable for their intended purposes. In addition, we expect to see reductions in our energy consumption due to the improved energy efficiency of our new corporate headquarters, and we have also implemented multiple improvements to increase employee

engagement on energy efficiency including electric vehicle charging stations, priority electric vehicle, clean air, and vanpool parking spots, and reimbursement for public transportation.

Table 2: Summary of Primary Inogen Locations as of December 31, 2020

Regions	Primary Locations	Employees in Region as of December 31, 2020	Roles
United States	Goleta, CA Richardson, TX Plano, TX Brooklyn, OH*	929	Assembly, repairs, sales and marketing, customer service, order and patient intake, clinical services, quality assurance, regulatory affairs, product development, and administration (human resources, information technology, medical billing, accounting, and finance)
Europe	Netherlands	9	Sales, customer service, and administration

*We also have smaller facilities in Smyrna, TN, Aurora, CO, and Huntsville, AL that include clinical, medical billing and order intake staff as well as a facility in Manitowoc, WI, which includes product development staff. These employees are included in the United States region total listed above.

Manufacturing Operations

We assemble our products at our facilities in Richardson, Texas and Goleta, California and through our contract manufacturer in the Czech Republic. During 2019, we signed leases for new facilities to expand our facility footprints and consolidate multiple sites. These new leases are for properties located in Plano, Texas (replacement of our Richardson, Texas leased properties) and Goleta, California. The Plano, Texas lease and the Goleta, California lease for manufacturing operations space commenced in 2021.

Sales and Marketing

We currently sell and market our products in 59 countries worldwide through our direct sales force, and business-to-business partnerships, including relationships with distributors, key accounts, resellers, our private label partner, traditional home medical equipment providers, and charitable organizations.

United States Revenue (Approximately 79.9% of 2020 revenue). In the United States, we market and distribute our products directly to consumers through a wide variety of direct-to-consumer sales and marketing strategies including consumer advertising, an inside-sales staff, and a physician referral model. Patients who choose to use their Medicare or private insurance benefits typically rent our systems. We also sell to resellers, traditional homecare providers, and distributors in the United States. These customers market the benefits of our products to oxygen therapy patients through consumer advertising and/or retail locations or to physicians through field-based sales representatives.

Europe Revenue (Approximately 17.3% of 2020 revenue). Outside of the United States, we sell our products to resellers, traditional homecare providers, and distributors with most of those sales occurring in Europe. In 2017, we added a European customer support site in the Netherlands after acquiring a previous distributor, MedSupport Systems B.V., now operating under Inogen Europe B.V. This site offers multilingual customer service and sales support to improve our European customer support at lower cost. Also, in support of our European operations, we use a contract manufacturer located in the Czech Republic to manufacture the Inogen One G3 and Inogen One G5 products and perform repair processing and accessory shipments to improve our ability to service our European customers.

All other (Approximately 2.8% of 2020 revenue). Outside of the United States and Europe, we have minimal sales through distributors, resellers, and home medical equipment providers in certain markets within Canada, the Asia-Pacific region, Latin America, the Middle East, and Africa.

Governance

Inogen's standards for corporate governance and business integrity are set by corporate and listed company regulation, and by the Corporate Governance Principles and the Code of Ethics and Conduct adopted by our Board of Directors (Board) and published on the Investor Relations section of Inogen's website at: http://investor.inogen.com/.

Corporate Governance

Our Board has adopted Corporate Governance Principles to assist in exercising our responsibilities in accordance with all applicable laws and regulations. These include the regulations of the Securities and Exchange Commission (SEC) and the rules of the Nasdaq Stock Exchange on which Inogen is listed. The Corporate Governance Principles are published on the Investor Relations section of Inogen's website at: http://investor.inogen.com/.

Our Board will continue to evaluate its governance structures as Inogen's business evolves, to ensure that we manage the business for the long-term interests of our stockholders and other stakeholders. For example, in 2020 the Board decided to separate our Compensation, Nominating, and Governance committee into two committees (Compensation Committee and Nominating & Governance Committee). A more detailed review of our governance is provided in our most recent annual proxy statement to stockholders, issued under section 14(a) of the Securities Exchange Act.

Governance Structure

Our business affairs are managed under the direction of our Board, which is currently comprised of eight members. In the first quarter of 2021, our Board determined that seven of our eight directors are independent within the definition of the independent director requirements of the NASDAQ Global Select Market. As of December 31, 2020, the Board had three committees: Audit Committee (currently three directors), Compensation Committee (currently three directors), and Nominating and Governance Committee (currently two directors). Each committee is comprised solely of independent directors.

Our Corporate Governance Principles require that the positions of chairperson of the Board and Chief Executive Officer must be held by separate persons and that the chairperson of our Board must be independent, as determined in accordance with the rules of the NASDAQ Global Select Market. Dr. Heath Lukatch currently serves as the chairperson of our Board. Our Board believes the current board leadership structure provides effective independent oversight of management while allowing our Board and management to benefit from Dr. Lukatch's leadership and years of experience as a venture capital investor in the biotech industry. Dr. Lukatch is best positioned to identify strategic priorities, lead critical discussion, and execute our strategy and business plans. Dr. Lukatch possesses detailed in-depth knowledge of the issues, opportunities, and challenges facing us. Independent directors and management sometimes have different perspectives and roles in strategy development. Our Board believes that Dr. Lukatch's role enables strong leadership, creates clear accountability, facilitates information flow between management and our Board, and enhances our ability to communicate our message and strategy clearly and consistently to stockholders.

Table 3: Summary of Inogen Board of Directors

The following table sets forth the names and ages as of March 12, 2021, as filed in our proxy statement to stockholders for our 2021 annual stockholder meeting and certain other information for each of the directors. Since the publication of such proxy statement, in May 2021 R. Scott Greer resigned and was replaced with Elizabeth Mora as a Class I Director. As a result of this change, Loren McFarland became the Chairperson of the Audit Committee and Elizabeth Mora joined the Audit Committee. These changes are not reflected in the table below.

Name	Class	Age	Position(s)	Director since	Current term expires
R. Scott Greer[(1)]	I	62	Director, Chairperson of the Audit Committee	2015	2024
Heather Rider[(2) (3)]	I	61	Director, Chairperson of the Compensation Committee	2014	2024
Kristen Miranda[(2)]	I	59	Director	2021	2024
Loren McFarland[(1)]	II	62	Director	2013	2022
Benjamin Anderson-Ray[(1) (3)]	II	66	Director, Chairperson of the Nominating and Governance Committee	2013	2022
Nabil Shabshab	II	55	Director, Chief Executive Officer and President	2021	2022
Heath Lukatch, Ph.D.[(2)]	III	53	Director, Chairperson of the Board	2006	2023
Raymond Huggenberger	III	62	Director	2008	2023

(1) Member of our Audit Committee

(2) Member of our Compensation Committee

(3) Member of our Nominating and Governance Committee

Director Independence

Our common stock is listed on the NASDAQ Global Select Market. Under the rules of the NASDAQ Global Select Market, independent directors must comprise a majority of a listed company's Board of Directors. In addition, the rules of the NASDAQ Global Select Market require that, subject to specified exceptions, each member of a listed company's Audit and Compensation, Nominating and Governance Committee be independent. Under the rules of the NASDAQ Global Select Market, a director will only qualify as an "independent director" if, in the opinion of that company's Board of Directors, that person does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director.

In the first quarter of 2021, our Board undertook a review of its composition, the composition of its committees and the independence of each of our directors and considered whether any director had a material relationship with us that could compromise his or her ability to exercise independent judgment in carrying out his or her responsibilities. Based upon information requested from and provided by each director concerning his or her background, employment and affiliations, including family relationships, our Board determined that none of Mr. Anderson-Ray, Mr. McFarland, Mr. Greer, Dr. Lukatch, Ms. Rider, Mr. Huggenberger and Ms. Miranda, representing seven of our eight directors, had a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and that each of these directors was "independent" as that term is defined under the rules of the NASDAQ Global Select Market.

Our Board also determined that Mr. Greer (Chairperson), Mr. McFarland and Mr. Anderson-Ray, who comprise our Audit Committee, Ms. Rider (Chairperson), Dr. Lukatch and Ms. Miranda, who comprise our Compensation Committee, and Mr. Anderson-Ray (Chairperson) and Ms. Rider, who comprise our Nominating and Governance Committee, satisfy the independence standards for those committees established by applicable SEC rules and the listing standards of the NASDAQ Global Select Market. In connection with Ms. Mora's appointment to the Board in May 2021, the Board undertook a corresponding review of Ms. Mora's background, employment and affiliations, including family relationships, and determined that Ms. Mora did not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director, that she was "independent" as that term is defined under the rules of the NASDAQ Global Select Market and that she satisfied the independence standards for the Audit Committee as established by applicable SEC rules and the listing standards of the NASDAQ Global Select Market.

Board Performance

Our Nominating & Governance Committee has the following delegated purposes in regards to Board performance, among other responsibilities set forth in the committee's charter:

- evaluates and proposes nominees for election to our Board;
- assesses the performance of members of our Board and makes recommendations regarding committee and chairperson assignments;
- recommends desired qualifications for our Board membership and conducts searches for potential members of our Board;
- reviews and makes recommendations with respect to our Corporate Governance Principles; and
- evaluates and makes recommendations regarding the organization and, governance of our Board and its committees.

The committee oversees an annual formal review of these matters, concentrating on the performance of the Board. The Nominating and Governance committee follows a process of regularly reviewing board composition and board refreshment, with a long-term perspective, and maintains a database of desired director skills and experience. The performance of directors who are seeking re-election at the end of their three-year appointment is ultimately reviewed by stockholders through their votes at the annual

stockholder meeting. Our independent directors review the performance of the Chief Executive Officer annually.

Board and Executive Renumeration

Our Board's Compensation Committee reviews the cash and equity compensation of directors and senior management, including target and actual incentives.

The committee's in-depth review of executive and director compensation is published in our proxy statement to stockholders. Our compensation philosophy and related corporate governance policies and practices are complemented by several specific compensation practices designed to align our executive compensation with long-term stockholder interests, including:

- ✓ Compensation At-Risk. Our executive compensation program is designed so a significant portion of compensation is "at risk" based on our performance through our short-term cash and long-term equity incentive compensation opportunities;
- ✓ No Tax Reimbursements. We do not provide any tax reimbursement payments (including "gross-ups") on any severance or change-in-control payments or benefits;
- ✓ No Special Retirement Plans. We do not offer, nor do we have plans to provide, pension arrangements, retirement plans or nonqualified deferred compensation plans or arrangements exclusively to our executive officers;
- ✓ No Special Health or Welfare Benefits. Our executive officers participate in the same company-sponsored health and welfare benefits programs as our other full-time, regular employees;
- ✓ Hedging and Pledging Prohibited. We prohibit our employees, including our Named Executive Officers and directors, from pledging our securities or engaging in hedging transactions;
- ✓ Multi-Year Vesting Requirements. The long-term equity awards granted to our Named Executive Officers generally vest over three one-year performance periods with respect to performance-based awards or a four-year period with respect to time-based awards, consistent with current market practice and our retention objectives; and
- ✓ Compensation Recoupment Policy. In 2019 the Board implemented a Compensation Recoupment Policy applicable to our executive officers that provides for the potential recovery of incentive compensation in the event of a financial restatement under certain circumstances.

Risk and ESG Oversight

While our full Board retains general risk oversight, our Board committees oversee particular risks, periodically updating the full Board. As of December 31, 2020, the primary risk responsibilities for the committees are:

Audit Committee	Overseeing financial risk, capital risk, regulatory compliance risk, and financial compliance risk, and internal controls over financial reporting
Compensation Committee	Overseeing our compensation philosophy and practices and the balance between risk-taking and rewards to senior officers.
Nominating and Governance Committee	Evaluating each director's independence and the effectiveness of our Corporate Governance Principles and Code of Ethics and Conduct, overseeing management's succession planning, and overseeing material environmental and social risks.

These are in addition to the Board's oversight process for standard business risks such as threats from competition, reimbursement changes, the challenge of supporting continued growth and business acquisitions, disruptions to supply, and intellectual property claims listed in our 2020 Annual Report on Form 10-K.

Business Integrity

The best protection of integrity is to instill a culture that values honesty and ethics, which is why integrity is one of Inogen's five core values. We expect our employees to honor commitments and take ownership of mistakes and we expect our employees to always do the right thing not the easy thing. All our directors, officers, and employees are guided by our Code of Ethics and Conduct, which is published on the Investor Relations section of Inogen's website at: http://investor.inogen.com/. The Code of Ethics and Conduct summarizes the compliance and ethical standards we expect of our employees and directors, the procedures for a suspected breach, and the consequences of any substantiated breach. The Code of Ethics and Conduct also constitutes Inogen's Code of Ethics and Conduct under US law and the NASDAQ exchange's listing standards. It deals with conflicts of interest, confidential information, fair dealing with customers, suppliers, competitors, and healthcare professionals, and compliance with financial reporting, insider trading, and other financial market regulation.

The Code of Ethics and Conduct is not intended to be a comprehensive rulebook and cannot address all situations that may arise. It provides contacts for our Audit Committee and appropriate management should any employee requires assistance beyond an immediate supervisor. We also have a toll-free hotline to an independent company for employees or others who want to report concerns but prefer to remain anonymous. It is against Inogen policy and the Code of Ethics and Conduct to retaliate in any manner against any person who has in good faith reported a suspected violation of the Code of Ethics and Conduct or who has participated in good faith in an investigation.

Ethics and Corruption

The Code of Ethics and Conduct insists on compliance with laws and regulations covering bribery and gratuities, political contributions, medical sales, and kickbacks. Under the Code of Ethics and Conduct, client meals or refreshments should not exceed reasonable and customary business practice where allowed, and in any case, employees should not provide meals, refreshments, or other benefits that could be viewed as an inducement to or a reward for customer purchase decisions. Facilitating and expediting payments are prohibited unless pre-approved by the Chief Financial Officer or Chief Executive Officer.

All employees are required to undertake business ethics training relevant to their position through our online learning management system. Many positions also receive additional guidance materials and competency training for the US Foreign Corrupt Practices Act, European General Data Protection Regulation (GDPR), California Consumer Privacy Act (CCPA), Global Anti-Corruption, Health Insurance Portability and Accountability Act (HIPAA) privacy and security, preventing discrimination and harassment, avoiding insider trading, and cyber security.

We take seriously, investigate, and respond appropriately to any potential breaches of the Code of Ethics and Conduct. Internal audits of compliance standards, processes, practices, behaviors, and outcomes continue throughout the business as informed by our enterprise-wide risk assessments with oversights from our Audit Committee. We revise the subject matter of audit and training as part of the annual planning for internal audit and for our controls and compliance process, and additionally on the advice of our legal counsel and external advisors.

We also require our domestic brand authorized internet resellers to sign a Reseller Code of Conduct, which outlines required compliance with laws and regulations, asset and information protection requirements, compliance monitoring, and compliance with the Inogen Code of Ethics and Conduct.

Intellectual Property

We rely on a combination of patents, trade secrets, copyrights, trademarks, and non-disclosure agreements to protect our proprietary technology and rights.

As of December 31, 2020, we own or have licensed rights to approximately 59 patents and 29 pending patent applications.

Information Security

We believe protecting our information systems is of critical importance to our employees, our customers, and our shareholders. We have an Information Security Management System (ISMS) Policy designed with the goal of protecting Inogen's informational assets against reasonably foreseeable internal, external, and accidental threats. Information can exist in a variety of forms, including data stored on computers and associated devices, transmitted over the network infrastructure, printed on paper, sent by fax, stored on portable devices and magnetic media, or discussed during verbal or telephone conversations.

Our ISMS policy is designed to help ensure that:

- Information will be protected against unauthorized access;
- Confidentiality of information will be protected;
- Integrity and accuracy of information will be maintained;
- Availability of information for business processes will be maintained;
- Legislative and regulatory requirements will be met;

- Data is collected only for specified and legitimate business purposes;
- Business continuity plans will be developed, maintained and tested to ensure business information is available when needed;
- Information security training will be available to all employees and temporary workers;
- All actual or suspected information security breaches will be reported to the Information Security Officer and thoroughly investigated;
- Procedures exist to support the policy, including malware control measures, business continuity plans, Sarbanes-Oxley IT general controls and information technology use policies;
- Business requirements for availability of information systems and data will be met;
- All managers are directly responsible for implementing the policy and ensuring staff compliance in their respective departments; and
- Compliance with all ISMS policies is mandatory.

In addition, employee training is a critical part of our information security management system covering both information security and compliance topics. Employees undergo regular training on information security best practices, including interactive training to confirm understanding and test skills. We also employ security breach and penetration testing designed to help ensure systems are appropriate to respond to information system threats.

Information security practices are also critical to our Board, and the Audit Committee oversees a review of the Company's cyber security practices at least annually regarding controls, training, compliance, and the results from penetration testing.

Table 4: Inogen Information Security Breaches, 2018-2020

	2020	2019	2018
Total Known Information Security Breaches	0	0	1
Consumers Impacted by Information Security Breaches	N/A	N/A	30,000
Cost of Information Security Breach ($ in thousands)	N/A	N/A	$147

On April 13, 2018, we announced that messages within an employee's email account were accessed by unknown persons outside of our company without authorization. Some of the messages and attached files in that email account contained personal information belonging to our rental customers. We immediately took steps to secure customer information and hired a leading forensics firm to investigate the incident and to bolster our security. The unauthorized access of the potentially impacted email account appears to have occurred between January 2, 2018 and March 14, 2018. We notified approximately 30,000 current and former rental customers of this incident as well as the applicable regulatory authorities. We also provided resources, including credit monitoring and an insurance reimbursement policy, to assist potentially affected individuals. During the 2018 information security breach, Inogen had a cyber security insurance policy that covered a portion of the costs incurred. Inogen incurred costs related to its deductible of $0.025 million, and the insurance policy covered additional costs of $0.122 million.

Our People

At Inogen, we believe our employees are critical to our success and our ability to focus on quality care, continuous improvement, and outstanding customer satisfaction. We seek the best people we can find and support them to be productive and engaged at Inogen. These factors are reinforced in our Code of Ethics and Conduct, our core values, and by formal policies on workplace behavior, discrimination and harassment, health and safety, career development and employee benefits programs. We strive to ensure our measures of safety, remuneration and employee engagement are in line with industry benchmarks.

Throughout this report, we have provided high-level summary statistics on pay as a function of gender and race, as we strive to improve reporting on these key metrics and eliminate potential pay gaps. However, we note that the information provided in these statistics does not provide more granular, one-to-one role comparisons that are needed to assess similarly-situated employees based on their specific roles, skills, and experience. As part of our commitment to diversity, equity, and inclusion, we perform affirmative action reviews by job role, and we seek to address any pay or promotion discrepancies found that are not based on experience or skill.

Table 5: Inogen Employees as of December 31, 2020

As of December 31, 2020, we employed ***938*** people worldwide, of which ***99%*** were full-time regular employees. Full-time is defined as any employee who works 30 or more hours a week. In addition, we had 94 temporary workers as of December 31, 2020, primarily in operations, to support spikes in demand.

	Total	Full-time Total	Male	Full-time Male	Female	Full-time Female
Total Employees	938	924	476	472	462	452
USA	929	915	471	467	458	448
EU	9	9	5	5	4	4

	Number of Employees and Temporary Staff			
Year	**Full-Time**	**Part-Time**	**Temporary**	**Total**
2020	924	14	94	1,032
2019	1,006	14	91	1,111
2018	1,085	14	75	1,174

Diversity, Equity and Inclusion

Diversity, equity and inclusion are essential elements of Inogen's business practices. We are committed to creating and maintaining a workplace in which all employees and board members have an opportunity to participate and contribute to the success of the business and are valued for their skills, experience, and unique perspectives. The collective sum of the individual differences, life experiences, knowledge, inventiveness, innovation, self-expression, unique capabilities and talent that employees invest in their work represents a significant part of our culture as well as our reputation and achievements. We embrace employees' and board members' diversity of background, experience, culture, and other characteristics that make employees unique. All employees are expected to exhibit conduct that reflects inclusion during work, at work functions on or off the work site, and at all other company-sponsored and participative events.

Inogen is committed to compliance with all applicable federal and state laws prohibiting discrimination in employment and, therefore, prohibits discrimination against its employees or applicants based on any legally recognized "protected class". Consistent with the Americans with Disabilities Act and similar state and local laws, we work with qualified employees and applicants with disabilities in order to identify and provide reasonable accommodations that can enable them to perform their jobs. Inogen's equal employment opportunity philosophy applies to all aspects of employment with Inogen including recruiting, hiring, job assignment, training, promotion, job benefits, compensation, discipline, and dismissal. Inogen has implemented policies, procedures, and trainings to help ensure that any reports of potential discrimination or harassment are appropriately investigated and corrected.

Diversity at the top sets the expectation for inclusion throughout the organization. As a result, we are disclosing specific diversity-related metrics, including self-identified sex, race, and sexual orientation for our board of directors. An "underrepresented minority" is defined as an individual who self-identifies in one or more of the following groups: Black or African American, Hispanic or Latinx, Asian, Native American or Alaska Native, Native Hawaiian or Pacific Islander or Two or More Races or Ethnicities. An "LGBTQ+" individual is defined as an individual who self-identifies in one or more of the following groups: lesbian, gay, bisexual, transgender, and queer or questioning in regards to their sexual orientation. As of the date of this report, three of the eight board directors self-identified with one or more diversity characteristic.

Self-Identified Diversity Characteristics		
Female	Underrepresented Minority	LGBTQ+
3/8	1/8	1/8

The collective sum of the individual differences, life experiences, knowledge, inventiveness, innovation, self-expression, unique capabilities and talent that employees invest in their work represents a significant part of the Inogen culture as well as the reputation and the Company's achievement. Inogen embraces employees' diversity of background, experience, culture, and other characteristics that make employees unique, as discussed further below.

All employees and board members are expected to exhibit conduct that reflects inclusion during work, at work functions on or off the work site, and at all other company-sponsored and participative events. Inogen's equal employment opportunity philosophy applies to all aspects of employment with Inogen including recruiting, hiring, job assignment, training, promotion, job benefits, compensation, discipline, and dismissal.

Inogen has implemented policies, procedures, and trainings to help ensure that any reports of potential discrimination or harassment are appropriately investigated and corrected. Inogen encourages employees to report instances of illegal discrimination or harassment to their supervisors, other members of management, or human resources. Employees are also made aware of their rights to report complaints of harassment and discrimination to the appropriate government agencies. Each manager is responsible for ensuring that equal employment opportunity policies are implemented.

1. **Employee gender profile by job level:**

	Total		Executives, Director & Above		Manager		Professional		Hourly	
	Female[1]	Salary[2]	Female	Salary	Female	Salary	Female	Salary	Female	Salary
2020[3]	49%	88%	16%	98%	38%	91%	44%	94%	52%	102%
2019	47%	90%	20%	94%	37%	88%	42%	94%	50%	102%
2018	45%	94%	22%	94%	42%	95%	41%	91%	46%	102%

[1] Only full-time regular employees captured; percent of females vs. total within each category

[2] Average of female base salaries vs. total within each category

[3] Data as of December 31 in each of the respective years

2. **Employee diversity profile by job level:**

	Executives, Director & Above		Manager		Professional		Hourly	
	Non-Caucasian[1]	Salary[2]	Non-Caucasian	Salary	Non-Caucasian	Salary	Non-Caucasian	Salary
2020[3]	24%	76%	38%	96%	45%	99%	61%	80%
2019	16%	78%	31%	94%	33%	104%	60%	102%
2018	9%	74%	30%	100%	35%	104%	55%	103%

[1] Only full-time regular employees captured; percent of non-Caucasian vs. total within each category

[2] Average of non-Caucasian base salaries vs. Caucasian males within each category

[3] Data as of December 31 in each of the respective years

Health and Safety

Our approach to health and safety uses both our management systems and our quality culture to minimize workplace incidents and maximize the care taken for employees who suffer from a workplace incident, per our health and safety policy. In each major facility, safety walks, team briefings and risk assessments identify risks to minimize incidents and prevent accidents. Inogen has appointed Safety Officers and Safety Teams in each major facility, and those teams track safety incidents, monitor safety training company-wide, and conduct audits of our health and safety program. Employees are encouraged to report any unsafe work practices or safety hazards encountered on the job. All accidents/incidents (no matter how slight) are to be immediately reported to the supervisor on duty. Inogen also has a corporate wellness program to promote improved physical and emotional wellbeing.

In response to the COVID-19 pandemic and related PHE and as part of our commitment to work to ensure the safety and well-being of our employees, our employees who are able and choose to work from home have done so since mid-March 2020. However, as an "essential business", certain of our employees were required to be onsite at our manufacturing facilities. For those employees required to be at the workplace and the field, we have also taken additional safety measures, including implementing occupancy limits, restricting business travel, providing and requiring the use of personal protective equipment, temperature screening and COVID-19 testing to access our workplaces. Through the date of this report, there have been no reports of employee-to-employee COVID-19 transmissions.

Injury Rates

The number of incidents requiring time off work for rehabilitation (lost time injuries) has stayed relatively flat from 2018 to 2020 and better than industry injury rates, indicating an effective management system and sustained focus on continuous improvement. See table 6.

Table 6. Inogen Injury Rates, Global, 2018-2020

	2020	2019	2018
Fatalities	0	0	0
Lost time injuries	2	1	2
Lost time injury rate (injuries per million employee hours worked)[1]	0.19	0.09	0.18
Total recordable injury rate[2]	0.68	1.36	0.89

[1] Full-time regular employees only

[2] Per million employee hours worked

Career Development and Learning

Inogen employees have specific career and development pathways, which are designed in consultation with the employees' operational management and human resources. We encourage employees to take advantage of learning opportunities, and we provide financial support through a tuition reimbursement program to help employees complete their college education and be prepared for higher level positions. As part of our commitment to career development and learning, we perform affirmative action reviews by job role, and we have a policy to address identified pay or promotion discrepancies that are not based on experience or skill.

Employee Consultation and Communication

Our management and labor workforces communicate effectively, including via informal committees and regular team briefings and meetings. We track concerns as they arise, and our executives also take questions and concerns from employees directly at our townhall events twice a year. We conduct bi-annual employee satisfaction and engagement surveys to understand employees' concerns and opportunities for improvement.

Employee Security and Responsible Workforce Restructuring

At Inogen, we are committed to treating our workforce responsibly.

In situations necessitating a reorganization, we apply various measures on a case-by-case basis and depending on local conditions. For example, the various measures include internal mobility, transfer, re-training, financial compensation, advanced notification, and/or outplacement services.

In the past three fiscal years, there were no significant reorganizations at Inogen affecting more than 1,000 employees or more than 5% of the total global workforce.

Table 7: Inogen Significant Reorganizations, 2018-2020

	2020	2019	2018
Inogen Significant Reorganizations[1]	0	0	0

[1] Significant reorganizations are defined as any reorganization affecting more than 1,000 employees or greater than 5% of the total global workforce

Employee Turnover

We track employee turnover and address specific concerns by location and department, as necessary. We have seen a consistent decline in annual voluntary turnover from 2018 through 2020, which we believe is due to our culture and employee engagement.

Table 8: Inogen Staff Voluntary Turnover, % of Total, 2018-2020

	2020	2019	2018
Annual voluntary employee turnover	19.5%	23.5%	27.3%

Freedom of Association Policy

By striving to provide equal access and fair treatment to our employees based on merit, the Company believes it improves its success while enhancing the progress of individuals and the community. Inogen is also committed to compliance with applicable labor and employment laws, including the observation of those laws that pertain to freedom of association, collective bargaining, privacy, and recognition of the right to form and join worker organizations or to refrain from doing so, and those laws that pertain to the elimination of any improper employment discrimination.

Human Rights Policy

We respect the human rights and dignity of people throughout our operations and global supply chain. We believe in treating everyone with respect and fairness at all times. We value the varied experiences and backgrounds of individuals from around the world, different walks of life, and orientation. We support the United Nations Universal Declaration of Human Rights and the United Nations Guiding Principles on Business and Human Rights. All employees of Inogen, as well as its business partners, are expected to comply with the Company's principles.

Principles

We have initiatives in place designed to help ensure our own compliance with and we expect our suppliers to comply with, laws that promote safe working conditions and individual security; laws prohibiting forced labor, the employment of underage children, and human trafficking; and laws prohibiting harassment or discrimination on the basis of gender, race, color, religion, age, disability, ethnic or national origin, gender identify, pregnancy, marital status, sexual orientation, or any other legally protected status. We believe it is our duty to provide fair remuneration to our employees, a living wage and an existence with human dignity; we believe in arranging the working time of our employees in full compliance with applicable law; we strive to protect the privacy of employees, customers, and patients; we have instituted grievance mechanisms for employees and other parties to file complaints anonymously; we have put measures in place to avoid exploitation of vulnerable groups such as migrant workers, indigenous people, or local communities takes place within our supply chain; and we aim to comply with all laws that ensure freedom of association and the right to form and join worker organizations of their own choosing, including labor unions, or to refrain from forming and joining such organizations, for purposes of bargaining collectively and to engage in peaceful assembly.

Human Rights Due Diligence (HRDD)

Inogen takes a systematic approach to managing corporate responsibility risks, both in its supply chain and its own operations. We are committed to aligning our HRDD process with the United Nations Guiding Principles on Business and Human Rights. Our aim is to conduct HRDD throughout our business and to

assess, identify, prevent and mitigate actual and potential adverse human rights impacts on potentially affected stakeholders within our operations and global supply chain.

Assessments

During the calendar year 2020, no known concerns were raised relating to human rights violations. No operations or suppliers were identified to us as posing significant risk for incidents of child labor, forced or compulsory labor, or illegal labor. Consequently, no remediation or mitigation actions were needed.

Training

We have instituted a mandatory training program for members of Inogen's management staff on the Company's Human Rights policy through our training management system.

Open Door Policy

We welcome employees' suggestions for improving Inogen, including concerns, suggestions, or questions about their jobs. As further detailed in the Inogen employee handbook and related policies, steps for raising any concerns include, but are not limited to, first bringing the situation to the attention of an immediate supervisor, who will investigate and provide a solution or explanation.

If the situation persists, or if the employee is not comfortable addressing the issue with their immediate supervisor because it directly concerns the supervisor, the employee may describe the issue in writing and present it to the Human Resources Department, which will review the matter.

If the situation is not resolved, the employee may present the issue in writing to a member of the executive team who will attempt to reach a final resolution.

Although Inogen cannot guarantee that every problem will be resolved to the employee's satisfaction, Inogen values these observations, and employees should feel free to raise issues of concern, in good faith, without the fear of retaliation. Further, as discussed above, for issues or concerns regarding unlawful discrimination or harassment, we also direct employees to the Inogen policies on Diversity, Equity, and Inclusion, as well as Inogen's employee handbook and other related policies for procedures to follow in reporting concerns about discrimination or harassment.

Grievance Mechanisms

Inogen believes that any employee complaints should be taken seriously. The Human Resources department is responsible for addressing individual grievance cases. Employees are also advised that if, for any reason, they are not comfortable reporting any complaint to Human Resources, they have additional options, including, but not limited to, the following, which are further detailed in the Inogen employee handbook and other related policies, including with respect to ethics and conflicts of interest:

- Writing to Inogen's General Counsel, Chief Financial Officer, or Executive Vice President of Human Resources;
- Calling Inogen's toll-free whistleblower hotline or submitting a report using the Inogen whistleblower reporting web site; and
- Writing to the Audit Committee of the Inogen Board of Directors.

All reports, whether or not made anonymously, will be treated as confidentially as possible, consistent with applicable law and to the extent practicable consistent with the Company's need to investigate such reports.

Appropriate corrective action will be taken as warranted in Inogen's judgment and consistent with applicable law. It is against Inogen policy to retaliate in any manner, including harassment or threats, against any person who has in good faith reported a suspected violation of law or who has participated in good faith in an investigation related to potential violations.

Work-Life Balance

Inogen values work-life balance for our employees as we believe it increases employee engagement, results, and employee morale. In some roles, we offer flexible work schedules to meet our employees' needs. In 2020 and 2021 due to the COVID-19 pandemic, we have made appropriate changes to our business including expanding telecommuting and flexible work schedules for a large portion of our employees, increasing social distancing, limiting travel and visitors to our sites, and implementing mask requirements and temperature monitoring to reduce the risk of spread of COVID-19.

Our Products

We are committed to our mission of improving lives through respiratory health. We maintain our belief that the need and patient preference for our best-in-class portable oxygen concentrators (POC) remains strong, and we plan to extend our POC leadership through an expanded, high quality, connected, and innovative portfolio that strengthens our differentiation. We are focused on product quality and innovation not only to meet our customer requirements for our products and services, but in our vigilance in meeting our safety and marketing obligations.

Quality Policy

Inogen provides innovative and efficacious respiratory products for use in the home care setting to improve the health, well-being and independence of patients. Inogen is committed to understanding and meeting customer needs, providing reliable quality products, sustaining an effective quality system and maintaining regulatory compliance.

Inogen Executive Staff establishes and communicates measurable long-term and short-term goals and objectives for the Company, including maintenance of an effective quality system. Status and progress are reviewed on a regular basis in executive staff meetings, monthly business review meetings, and department staff meetings, and communicated to employees in all-employee meetings and other intra-company communications.

Departments establish and monitor additional performance indicators that support our goals and objectives, which are reviewed bi-annually by our management review committee. Additionally, key performance indicators may be reviewed and reported more frequently in other cross-functional meeting venues, as established by the Executive Staff.

Upon joining Inogen and annually, our employees are trained to ISO13485:2016 and the U.S. FDA's Quality System Regulation. The annual training is performed at all sites and includes a comprehensive assessment aligned to the category of the job function performed by the employee. This level of training is used to develop awareness, and substantiate competency, consistent with education or equivalent skill, and experience, to work in Inogen's cGMP medical device design manufacturing, and distribution centers. The manufacturing sites perform general manufacturing in an ISO Class 9 facility.

Quality, Innovation and Continuous Improvement

Our people work to high operational standards, and we are committed to quality, innovation, compliance, and continuous improvement. We have a global quality policy as part of our Quality Management System that is integral in reinforcing and maintaining our commitment to quality.

Research and Development

We have a strong track record of innovation in oxygen concentrators since our first product was introduced in 2004. We continually seek to improve the features of our products, identify new applications for our technology, and expand our technology portfolio. New product ideas are driven by our patients, physicians, our employees, and our customers.

For our products to remain leaders in competitive markets, we invest appropriately in innovation, with approximately 3% of our employees devoted to research and development activities as of December 31, 2020. In 2020, we invested $14.1 million in research and development.

Table 9: Inogen Expenditures on R&D, 2018-2020

	2020	2019	2018
R&D / revenue	4.6%	2.6%	2.0%
Revenues ($ in thousands)	$308,487	$361,943	$358,111
R&D expense ($ in thousands)	$14,080	$9,401	$7,029
Product development and manufacturing engineering staff	36	37	34

Product Quality

Inogen's Quality Management System engages our employees and suppliers to help ensure our expected product quality. Inogen has comprehensive systems and processes to help ensure our products are designed to meet patient needs and performance requirements. We use engineering and scientific principles to design and manufacture our products. We design manufacturing processes to consistently meet product quality attributes. We apply these principles from product conception through commercialization and for the product's life.

We have established data sources and metrics in several quality sub-systems including product development, supplier performance, manufacturing process controls, equipment controls, field performance and complaint systems, internal, external, and supplier audits and product risk assessment. We monitor data trends and take appropriate action based on those trends.

We acknowledge the need for our products to work safely, effectively, and efficiently. Our product quality is underpinned by our Quality Management System, which takes into account the requirements of ISO 9001 and ISO 13485 standards, the European medical device directive 93/42/EEC, the European medical device regulation 2017/745, the US FDA Quality System Regulations for medical devices (21 CFR Part 820), and other regulations in our target markets for certain Inogen products. Inogen's Quality Management System provides an integrated quality plan covering quality practices, resources, and activities. The main systems include management responsibility, design control, change control and document management, and improvement management (including corrective and preventative action, risk management and post market surveillance). The Quality Management System is certified by an independent notified body.

All of our employees complete training in relevant Quality Management System areas. We also train employees in good manufacturing practice, which guides everyday behaviors in a medical device manufacturing operation, such as personal hygiene, protective clothing, and documentation standards.

We implement a comprehensive internal audit program across the entire business to help ensure compliance with the Quality Management System and to help identify improvement opportunities.

Supplier Standards

Critical and major suppliers (46 suppliers out of our total approximately 120 supplier base) agree to Inogen's Supplier Code of Conduct. Our Supplier Code of Conduct includes requirements to respect human and labor rights, protect the environment, and comply with the United States Foreign Corrupt Practices Act (FCPA). In accordance with these commitments and its principles of action, Inogen expects that each of its suppliers, their parent companies, subsidiaries and affiliated entities, employees, temporary or not and interns thereof, suppliers' own suppliers and subcontractors, as well as anyone who has a business relationship with an Inogen company, comply with the principles of our Supplier Code of Conduct.

The Covid-19 pandemic did and continues to also impact our suppliers globally, and we are working with our supply chain partners to mitigate risk where possible. We remain committed to using only those suppliers that can commit to our compliance policies, even though such commitment will result in increased costs to us.

Compliance with Laws and Regulations

We expect Inogen suppliers to comply to all applicable international and local country laws, regulations and international treaties concerning in particular:

- human, social and labor rights;
- respect for the environment;
- patent and design confidentiality;
- business ethics practices including anti-corruption, competition law and international trade compliance; and
- assets protection, including information and data.

Human, Social and Labor Rights

In accordance with the Global Compact principles, the Universal Declaration of Human Rights, the International Labor Organization, and its own ethical principles, Inogen expects its Suppliers to:

- support and respect the protection of internationally proclaimed human rights;
- make sure that they are not complicit in human rights abuses;
- uphold the freedom of association and the effective recognition of the right to collective bargaining;
- contribute to the elimination of all forms of forced and compulsory labor including involuntary prison work;
- contribute to the effective abolition of child labor. The age of admission to employment or the minimum working age may not be lower than the compulsory schooling age under applicable laws (generally 15 years of age);
- contribute to the elimination of discrimination in respect to employment and occupation;

- guarantee that all of their employees are able to work in a safe environment where they are free from the risk of harassment in any form.

Health and safety in the workplace

Considering that all employees have the right to a safe and healthy work environment, free of the risk violations to their personal integrity, Inogen expects its suppliers to agree to enforce the laws and regulations aimed at protecting the human rights, health and safety of their employees, and to help ensure the safety of Inogen personnel at their facilities.

We expect certain suppliers to agree to put in place and maintain an occupational health and safety policy or when appropriate a safety management system. We also expect certain suppliers to also agree to track the number of employee complaints, lost time accidents and implement all measures aimed at reducing this number.

Respect for the Environment

In the frame of the COP21 Agreement, Inogen strives to contribute to a more sustainable world, respectful of the environment while preserving natural resources. That is why Inogen expects its suppliers to contribute to the efforts and commitments of Inogen by complying with all applicable environmental protection regulations and by identifying their societal and environmental risks.

Consequently, Inogen expects its suppliers to agree to preserve natural resources and biodiversity, structuring their activities and their supply chain, to avoid or minimize negative environmental impacts (greenhouse gas and pollutants, emissions, wastes, etc.) by endeavoring to continuously improve their products, processes and services with the goal of making them more environmentally friendly.

Avoiding conflicts of interest

Our employees are expected to avoid any situation that involves a conflict between their personal interests and the interests of Inogen. Working simultaneously for a customer, supplier, or competitor could constitute a conflict of interest for an employee, as could directly or indirectly holding significant interests in such companies. Inogen expects its Suppliers to strictly respect these principles during their contact with Inogen employees.

Preventing corruption

Our employees are prohibited from allocating, offering, or granting unwarranted advantages in any form, directly or through an intermediary, to a private individual or a representative of public policy makers in any country, for the purpose of obtaining favorable treatment or influencing the outcome of a negotiation involving an Inogen company.

Furthermore, our policies prohibit our employees from offering or accepting any form of payment or renumeration to or from a supplier. The value of any gifts, invitations, or benefits must be nominal and consistent with customary business practices and must not violate the laws or regulations of the country.

Suppliers of Inogen are expected to agree to comply with these principles during their contacts with employees of Inogen as well as with their own sub-contractors. They agree to implement a compliance program aiming at detecting and preventing corruption, including internal rules prohibiting and sanctioning corruption practices, employees awareness-raising campaign, third parties assessment and appropriate control systems.

International Trade Compliance

Inogen expects its suppliers to be complaint with all applicable international and local country trade regulations including export controls, embargoes and sanctions, and to disclose any restrictions that may be imposed on the export or re-export of their supplies of products or services. Inogen expects its suppliers to identify any party of the delivery or service that is subject to export regulations at the time of the signature of a contract or the receipt of an order, to provide an amendment to such information in the event of a change in export regulations or classifications, and to provide Inogen with all information concerning such applicable export regulations.

Suppliers agree to identify the source and trace the chain of custody, insofar as this is possible, of certain minerals such as tantalum, tin, tungsten, and gold used int eh manufacture of products supplied to Inogen. These control measures will be made available to Inogen on request.

Competition Law Compliance

Inogen requires all of its suppliers to agree to adhere strictly to the fair trade/competition laws applicable in the countries in which they operate. As a general rule, these laws forbid understandings or maneuvers that could limit or distort competition or trade.

In particular, price-fixing agreements, the manipulation of tender processes, collusion with respect to markets, territories or clients between competitors, as well as the boycotting or unequal treatment of certain clients or suppliers without valid cause. Moreover, the exchange or disclosure of sensitive business information concerning competitors, clients, or suppliers is forbidden.

Protecting Intellectual Property

Inogen expects each of its suppliers to respect all local national laws and international treaties in force pertaining to intellectual property and to respect the intellectual property rights of Inogen and third parties.

Use of the Name of Brands of Inogen

Suppliers are expected not to make their involvement with Inogen public or use the brand Inogen, or other brands owned by Inogen, without the prior written consent of Inogen. If consent is given, suppliers are required to comply with all related instructions and directions.

Protecting Information and Data

Inogen expects its suppliers to respect and reasonably secure the confidentiality of shared non-public information/data, which includes, without limitation, respect of non-disclosure agreements in effect, and to properly protect and refrain from disclosing any strategic, financial, technical, or commercial data or documents communicated by Inogen and not in the public domain to unauthorized parties or

employees. Inogen suppliers commit to protecting Inogen information with a level of security proportionate to the value of the information for Inogen. Likewise, any nominative, professional or private information pertaining to individuals must be protected by all necessary precautions to prevent alteration or disclosure and in respect of the local government and international regulations. The obligation of confidentiality also applies to information provided in confidence by the partners and customers of Inogen. In case of an incident impacting Inogen's, its partners', or its customers' information in terms of confidentiality and/or integrity, the supplier must inform Inogen promptly without delay. These obligations remain in effect even if business relations between the supplier and Inogen are terminated.

Protecting Assets and Resources

Inogen suppliers are expected to be responsible for protecting the assets and resources provided to them by Inogen, such as installations and equipment. These assets and resources must be used in accordance with their business purpose and within the framework established by Inogen. They may not be used for other purposes without the prior consent of Inogen. It is up to each supplier to maintain and protect the assets and resources of Inogen against all unreasonable deterioration, fire or other disaster, loss or theft.

Compliance with the Inogen Code of Ethics and Conduct

We further require that our suppliers cause their own suppliers and subcontractors to comply with our Code of Ethics and Conduct.

We reserve the right to verify compliance with the rules set forth in our Code of Ethics and Conduct with each supplier in any form we choose: including a supplier employee questionnaire or a facility audit by Inogen or a third party. Inogen expects its suppliers to provide complete and accurate information, including access to their documentation, notably relevant safety, compliance, quality and financial documentation.

In case of non-compliance by a supplier with any of the terms of our Code of Ethics and Conduct, and as concerns about obligations concerning anti-corruption, Inogen reserves the right to terminate at its sole discretion any business relationship with a supplier.

In addition, all suppliers receive our Terms and Conditions that are submitted with our purchase orders when purchasing product, which includes terms outlining requirements respect to with hazardous materials handling and compliance. Specifically, our Terms and Conditions outline that if materials in the Purchase Order are covered under provision of the OSHA Hazard Communication Standard (29 CFR 1901.1200), a Safety Data Sheet (SDS) must be provided to Inogen prior to shipment of the materials. In addition, all Inogen suppliers who supply parts or materials used in the manufacturer of Inogen products must provide an attestation of compliance with the following:

- RoHS (Restriction of Hazardous Substances) in accordance with the must current European Union RoHS Directive.

- REACH (Registration Evaluation Authorization and Restriction of Chemicals) compliance in accordance with the must current list of Substances of Very High Concern (SVHC) as published by the European Chemical Agency (ECHA).
- California's Proposition 65 officially known as the Safe Drinking Water and Toxic Enforcement Act of 1986, compliance in accordance with the current list of chemicals to cause cancer or reproductive toxicity published by the California Office of Environmental Health Hazard Assessment (OEHHA).

In addition, we require our suppliers to represent and warrant that the goods and/or services being supplied were manufactured and/or performed, and are being sold, performed and/or priced, in compliance with all laws, ordinances, directives, executive orders, rules or administrative rulings of any court, agency, or authority of any nation, state, country, locality, or city, including the United States, including without limitation: (1) The Federal Food, Drug and Cosmetic Act, as amended, and all applicable regulations and Executive Orders issued thereunder; (2) the Civil Rights Act of 1964, as amended, and all applicable regulations and guidance issued thereunder; (3) the Fair Labor Standards Act, as amended and all applicable regulations and Executive Orders issued thereunder; (4) FAR [48 C.F.R.] 52.222-26 and 41 C.F.R. 60-1.4, relating to Equal Opportunity; (5) FAR 52.222-35 and 41 C.F.R. 60-250.5, relating to Affirmative Action for Disabled Veterans and Vietnam Veterans; (6) FAR 52.222-36 and 41 C.F.R. 60-741.5, relating to Workers with Disabilities; (7) FAR 52.222-41, relating to the Service Contract Act, as amended; and (8) the United States Foreign Corrupt Practices Act, the United Kingdom Bribery Act and any other applicable anti-corruption laws..

Quality with Suppliers

Inogen produces its products with individual components or materials from approximately 120 approved suppliers. We have a comprehensive supplier approval process, with assessment tools that include on-site audits according to the assessed risk of the component or service. We establish standards for supplier communication, responsibilities, quality systems, and traceability. We require suppliers to have ISO 9001, ISO 13485, or equivalent quality management systems, to be certified by an acceptable third party, and to adhere to the applicable JEDEC, IPC, ANSI, J-SSTD and SAE standards for electronic components. In some cases, we may approve a supplier that is not ISO 9001 or ISO 13485 certified, based on our own audit of their quality system, with agreed and documented controls.

We conduct ongoing supplier audits based on our initial assessment of a supplier, their subsequent performance, and the nature of the supplied goods. Corrective actions are specified for any quality defects, escalating through to termination of contract for failure to address defects.

As outlined in our Conflict Minerals Policy, which can be found on the Investor Relations section of Inogen's website at: http://investor.inogen.com/, we are committed to limiting the use of conflict minerals throughout our supply chain.

Warranties

We provide a 3-year, 5-year, or lifetime warranty on Inogen One systems sold and a 3-year or lifetime warranty on Inogen At Home systems sold. The Tidal Assist Ventilator system has a 1-year and a 3-year

warranty. Our accessories generally have a 1-year warranty. Business-to-business customers who are trained and certified in Inogen repairs can repair our products with parts supplied by Inogen. All other customers can arrange shipment of products to our facilities for repair or replacement.

Customer Satisfaction

We value customer satisfaction with our products and sell our products to both consumers (US only) and businesses (worldwide). In wholesale markets, health, marketing, and privacy regulations limit the extent to which we can engage directly with users. Product quality and customer satisfaction data is derived from customer surveys of both end consumers and businesses, as applicable in a specific market. We believe this gives us a well-rounded view of customer satisfaction from our multiple constituents.

Product Safety

We take our product safety obligations seriously and rely on our Quality Management System to oversee efforts to meet or exceed regulatory standards in all our markets. We apply risk management principles from product design through commercialization. We continually monitor the field performance and safety of released devices and work with regulators in our efforts to ensure safety and effectiveness for the product's life.

Recall Management

Our Quality Management System requires that we establish a standard operating procedure on Complaints and Recalls. Our ISO 13485 Certification and compliance to the Quality System Regulation has been in effect for over 15 years and includes recall management.

An important part of recall management is to recover potentially defective devices that have been shipped to distributors, home care providers and/or patients, primarily due to some risk to patient health. Based on the specific technical issue, we may decide to have devices returned for modification, modified in the field, exchanged, or destroyed, in accordance with instructions contained in an Advisory Notice. We report all recalls to the FDA and other regulatory authorities as required.

We have a standard operating procedure applicable to situations which could conceivably result in a recall, product retrieval action, product correction, market withdrawal, and where the FDA requires reporting in line with 21 CFR Part 806. The procedure applies to medical devices manufactured by or for Inogen after they have been placed on the market, where there has been a malfunction or deterioration in the performance and/or characteristics of a subject device as well as an inadequacy in labeling or operating instructions, which led or could lead to death or serious injury.

We have established a recall review board and have standard procedures to evaluate the health hazard. If a recall is recommended, we have a recall strategy to outline the depth of the recall, the need for public and customer warnings, the notification of regulatory bodies, the disposition of products, and the

closure of the recall. We have not had any products recalled in the periods presented, as noted in Table 10 below.

In 2019, one field action was reported to Health Canada as required in that jurisdiction but was determined to not be reportable to the FDA due to the risk profile of this issue, and no action was required in the field. This field action was for 7,576 portable oxygen concentrators because a failure investigation determined that during initialization of the motor power circuit, the input surge current peak could cause a battery fault to occur, which may lead to abrupt shutdown of the oxygen concentrator. To prevent recurrence, the motor control software was modified to reduce the power delivered during initialization, limited the input surge current peak, and eliminated the shutdown issue.

Table 10: Inogen Recalls, 2018-2020

	2020	2019	2018
# of Products Recalled	0	0	0

Marketing and Labeling

Product marketing and labeling requirements are set by medical device regulators in all countries in which our products are sold (for example, the FDA in the US). Products are not be marketed until an assessment verifies that these requirements are met. All marketing material must be consistent with approved labeling. Our quality management system incorporates elements to help ensure compliance with labeling requirements, including translations. Our internal quality audit processes are designed to capture flaws in product marketing, user guides and clinical guides, including translations.

Security of Electronic Systems

Inogen takes the security of its electronic systems very seriously. Cyber-security audits are performed by independent third parties to help ensure a high level of security. We also have policies in place designed to help ensure we adhere to Sarbanes-Oxley compliant controls of our accounts and access control policies including the principle of lowest required access. Inogen plans to continue to improve upon its existing security measures by establishing an ISO 27001 compliant IT management system and including annual internal IT systems audits in addition to its current annual external audits.

Our products themselves meet the recognized FDA and ISO requirements for medical device software development and controls and are integrated with our quality management and design control systems in compliance with the FDA QSR and ISO 13485.

Ethical Research and Development

We are committed to our mission to improve the freedom and independence of respiratory therapy patients through innovative products and services, and a key element to that is ethical research and development activities. We are actively dedicated to innovation and research in oxygen therapy and non-invasive ventilation products, initiatives, and clinical research.

We believe it is our fundamental responsibility to ensure the safety and well-being of our patients by following existing principles, regulations, and internal guidelines in our efforts to ensure the highest ethical standards in our research and development.

Inogen does not use animal testing, human biological samples, or human embryonic stem cells in its research and development activities.

Inogen occasionally performs clinical trials through qualified third-party investigators after laboratory tests indicate promising human interventions. Clinical trials are used to validate the benefits of its products (both pre- and post-commercial launch) per US regulations approved by an institutional review board to determine whether they are ethical, and the participants' rights are protected. Inogen requires that the participants give informed consent before participation in a trial. Informed consent involves disclosing study information and potential risks to the participant so that he or she has sufficient knowledge to make an informed and voluntary decision to participate or continue to participate in the research.

Inogen sometimes outsources part or all its research and development activities in global clinical trials to contract research organizations (CROs). However, even in such cases, we require CROs to comply with Inogen policies and global standards and regulations for clinical trials. For this reason, we assess CROs as part of the selection process before outsourcing to determine if they have the necessary capabilities to perform trials in adherence with this policy, and CROs are selected based on the results of these assessments. After contracts have been executed, we continue monitoring their performance at regular meetings as well as maintaining oversight of their services.

Community

Inogen's purpose is *improving lives through respiratory care*. As part of this commitment, we support activities within our communities focused on finding opportunities for the Company and its employees to have a positive impact on people affected by respiratory and/or lung disease. This is accomplished by participating in community outreach, making equipment donations, and partnering with community agencies.

We have established a Community Outreach Committee made up of a cross-section of employees who meet regularly to evaluate support opportunities. Our community support effort is primarily focused on non-profit organizations and needy individuals in close proximity to our principal places of business and on non-profit organizations that focus on respiratory or lung diseases such as chronic obstructive pulmonary disease, or COPD. In addition, we will also look to support local groups that have national and global relief efforts that contribute specifically to the aid of those with respiratory illnesses. We are supportive of our employees who wish to participate in such efforts as well as contribute capital and equipment for selected programs. We also provide employees with paid time off through our volunteer time off policy to support community activities for up to 8 hours per year per employee.

We further respect our communities by our efforts to be vigilant in meeting our product quality, safety, and marketing obligations as well as protecting our customers' data privacy.

Table 11: Inogen Contributions Table, 2018-2020

($ in thousands)	2020	2019	2018
Political Contributions	$0	$0	$0
Lobbying Contributions	$0	$0	$0
Industry Membership Dues Paid[1]	$50	$50	$50

[1] Industry membership dues were paid to the American Association of Homecare (AAH)

Political Transparency

Inogen's policy on political contributions, public policy, and lobbying activities is published on the Investor Relations section of our website at http://investor.inogen.com.

Political Contributions, Public Policy, and Lobbying Activities

Inogen encourages the advancement of sound public policy that supports our mission to improve freedom and independence to respiratory therapy patients through innovative products and services.

Inogen also encourages our employees to be active in civic and community activities, including participation in political and democratic processes. All political, lobbying, and civic activity by our employees conducted on our behalf must comply with applicable laws and our Code of Ethics and Conduct.

Political Contributions

It is our policy to comply with applicable law in any support for political candidates. Federal law prohibits corporations from making political contributions to federal candidates or party committees, but corporations may establish political action committees (PAC) funded solely through voluntary employee contributions. Some jurisdictions permit corporate contributions to state and local candidates. Inogen has not established a PAC and does not plan to create one in the foreseeable future.

Inogen does participate in some trade associations to support the home medical equipment provider industry. In 2018 through 2020, Inogen paid membership dues to the AAH per the amounts listed in Table 10. Inogen pays its membership dues with corporate funds.

Inogen does not allow contributions to state or local candidates or party committees as a matter of practice, even though these are allowed in some jurisdictions.

It is Inogen's policy to comply fully with all local, state, federal, foreign, and other applicable laws, rules, and regulations regarding political contributions. Inogen's funds or assets must not be used for, or be contributed to, political campaigns or political practices under any circumstances without the prior approval of Inogen's Chief Financial Officer.

Public Policy & Lobbying Activities

Inogen infrequently uses independent lobbyists to address public policy concerns for respiratory therapy patients, Medicare policies, and Durable Medical Equipment, Prosthetics, Orthotics, and Supplies policies, including the competitive bidding program. Inogen believes in certain cases lobbying can provide decision-makers with valuable insights and data, as well as grant stakeholders access to the development and implementation of public policies.

It is Inogen's policy to comply fully with all local, state, federal, foreign, and other applicable laws, rules, and regulations regarding lobbying. Inogen's funds or assets are not used for, or contributed to, lobbying under any circumstances without the prior approval of Inogen's Chief Financial Officer who will confirm lobbyist activities are appropriate, align with Inogen's mission and goals, and are designed to be in compliance with all applicable regulations.

Payments to Government Sources

Table 12: Inogen Payments to Government Sources, 2018-2020

($ in thousands)	2020	2019	2018
Total cash paid for income taxes, net of refunds received	($713)	$239	$1,653
Total cash paid to governments, excluding income tax payments	$6,504	$6,703	$6,506
Total payments to governments, net	$5,791	$6,942	$8,159

Our total payments to governments is listed in the table above. We note that the cost of medical care, including the use of our products, in many of the countries in which we operate is funded in part by government and private insurance programs.

Total cash paid to governments, excluding income tax payments includes payroll taxes, property taxes, sales and use taxes, Delaware franchise taxes, business licenses, and miscellaneous state taxes/fees.

Payments Received from Government Sources

Table 13: Inogen Payments Received from Government Sources, 2018-2020

($ in thousands)	2020	2019	2018
Provider Relief Fund (CARES Act 2020)	$6,200	$0	$0
State rebates and tax incentives	$1,073	$1,265	$2,971
Total payments received from governments	$7,273	$1,265	$2,971

Our total payments received from governments is listed in the table above. The state rebates and tax incentives include research and development tax credits, foreign tax credits, and state or local employer tax credits associated with job creation.

Privacy

We take privacy and security seriously and appreciate the trust our patients and customers place in us. Our information governance and data security policies and procedures are designed to ensure that our patients' and customers' privacy is respected, and their data is maintained securely. These policies and procedures include our internal Code of Ethics and Conduct and a written Information Security Policy that governs how data is protected on our systems. We also outline our commitment to privacy and security in our public Privacy Policy which can be found on Inogen's website at https://www.inogen.com/privacy/, which defines with transparency the information we collect, and how we use and share this information.

It is Inogen's policy to comply with all applicable privacy and security regulations, including HIPAA and the California Consumer Privacy Act in the US and GDPR in the EU. All employees likely to handle personal information receive training on our privacy commitments, and we regularly review our privacy policies in an effort to ensure that our standards are in line with industry best practices and applicable regulations. Finally, we maintain administrative, technical, and physical safeguards designed to protect the personal information we collect against accidental, unlawful, or unauthorized destruction or access.

Anti-Trust Behavior

No government anti-trust agency has filed a lawsuit or initiated any public proceeding on anti-trust grounds against Inogen from inception in 2001 through 2020.

Our significant oxygen therapy manufacturing competitors are Respironics (a subsidiary of Koninklijke Philips N.V.), Invacare Corporation, Caire Medical (subsidiary of NGK Spark Plug), DeVilbiss Healthcare (a subsidiary of Drive Medical), O2 Concepts, Precision Medical, Resmed, Gas Control Equipment (subsidiary of Colfax), and 3B Medical. The markets for our products are highly competitive.

Responsible Sales and Marketing

We are committed to responsible, ethical and patient-centric sales and marketing practices for our products that are intended to meet the standards set by both our Code of Ethics and Conduct and external regulations and codes of practices, in particular:

- all applicable laws and regulations dealing with marketing practices;
- all applicable global, regional, and local industry codes relevant for our business;
- applicable regulations related to privacy of customer and consumer information and data protection; and
- recommendation and promotion only of lawful uses, e.g., no off-label promotion for medicinal products.

We aspire to provide the highest level of integrity in our sales and marketing practices by attempting to adhere to all laws and guidelines of the Federal Trade Commission and other relevant governing bodies, marketing information in a responsible and truthful manner and communicating with customers and healthcare professionals with transparency, clarity and truthfulness. That means communicating the benefits, performance, and attributes of our products accurately and directly with claims that are substantiated. All advertising undergoes internal review for accuracy and compliance.

In addition, we are committed to the implementation and monitoring of procedures, systems, and processes. In particular, we:

- Assess risks: follow internal guidelines for promotional communications including review of marketing business programming in an effort to assure compliance with external regulations;
- Prevent: regularly train employees to help understand applicable laws and regulations as well as our internal rules; and
- Act: take corrective actions where required and adapt marketing to the extent required by risk assessments or changes in external regulations.

We believe that our direct-to-consumer (DTC) sales and advertising contribute to greater awareness and education for our customers and access to our products which can benefit public health by increasing the number of patients properly treated. We require our employees to follow industry guidelines on advertising and comply with local laws and regulations for all our DTC sales and advertising programs.

Environmental

We believe compliance with environmental regulations is critical for every company, including Inogen. We have had no known material breaches of environmental laws and regulations since the Company was formed in 2001, and we are not aware of regulatory notices or complaints raised about environmental matters against any of our suppliers in respect of any of the products or services provided to us.

At this stage, Inogen has not put in place a formal environmental sustainability policy or system. Inogen does believe that this is an important and valuable investment, and we are currently evaluating implementation of key environmental reporting metrics. We plan to weigh environmental factors against operational and financial factors in our decision-making in the future, as a part of our existing Quality Management System.

Environmental Management System

We have put an Environmental Management System (EMS) in place that includes a risk analysis of our human resources policies, facilities, goods manufactured, materials usage, energy usage, emissions, chemical/solid waste management, and materials storage and handling. In addition, our EMS includes assessment of environmental incidents / accidents, our environmental training program, and environmental audit summaries. Our regulatory department is responsible for maintaining our EMS including performing necessary audits and establishing targets and objectives. EMS training is required for all employees.

We believe our EMS is operating appropriately to assess and minimize our environmental impact and risks, and that our overall scope of environmental impact is small given the scope of business we are engaged in.

Compliance and Incidents

We have received no regulatory notices on material environmental issues from inception in 2001 through 2020. We are not aware of regulatory notices or complaints raised about environmental matters against any of our suppliers in respect of any of the products or services provided to us.

Land, Water, and Biodiversity Impacts

Our operations are designed to not have a large detrimental impact on the immediate environment. All locations have been built or are leased in existing commercial locations. Our premises feature drought-tolerant landscaping and plantings.

Environmental Impacts of the Product Portfolio

We believe that it is important to have a product portfolio that contributes to reduced environmental impacts. Our products are designed to minimize energy consumption and material usage because these attributes are also beneficial for patient user experience, as patients prefer lightweight and long battery life products. Our products contribute to sustainable energy use by lower power usage compared to traditional stationary oxygen concentrators and do not require regular deliveries like oxygen tanks, which require regular pickup and refilling at the patient's home.

Extension of Useful Product Life

We perform useful product life assessments on all of our products, and our oxygen concentrators are designed to be for a 5-year useful life to minimize waste, except for certain accessories and disposables that need to be replaced more frequently.

We generally provide a warranty against defects in material and workmanship. We provide a 3-year, 5-year or lifetime warranty on Inogen One systems sold and a 3-year and lifetime warranty on Inogen At Home systems sold. The TAV system has a 1-year and a 3-year warranty. We also offer a lifetime warranty for direct-to-consumer sales for our oxygen concentrators. For a fixed price, we agree to provide a fully functional oxygen concentrator for the remaining life of the patient. Lifetime warranties are only offered to patients upon the initial sale of oxygen concentrators directly from us and are non-transferable.

In addition, we have a robust repair program to allow for most service items to be repaired instead of having to be discarded. For example, our products were designed with replaceable sieve beds and batteries which can be replaced in the field instead of having the device be unusable or requiring these items to be returned to the factory for servicing. Most sub-components are designed to be repaired or refurbished in case of defect to minimize scrap and environmental impact. We allow products to be returned to our facilities in the US and our partner in Europe for repair services, and we also have a program to allow our business-to-business customers to be trained on repairs so they can perform these repairs in house instead of having to return them to our facility for processing.

Raw Materials from Controversial Sources

Under the European Union's Registration, Evaluation, Authorization and Restriction of Chemicals (REACH), substances that fall into one of the following categories can be regarded as substances of very high concern (SVHC). The European Chemical Agency (ECHA) requires that on a periodic basis, we report any SVHC that are over the required limits. To create an accurate reporting of these potential materials of concern, we require our suppliers to provide an attestation of the materials used in Inogen product manufacturing, and in the products. The suppliers are also required to provide a Certificate of Compliance that is current and based on the last listing from ECHA for substances for are candidates for REACH. Inogen also required compliance with the current revision of ROHS.

Hazardous Materials

The European Directive on the Restriction of Hazardous Substances (RoHS) in electrical and electronic equipment has applied to medical devices since 2014. The RoHS directive restricts lead, mercury, hexavalent chromium, Polybrominated Biphenyls (PBB) and Polybrominated Diphenyl Ethers (PBDE) to 0.1% of product weight and cadmium to 0.01% of product weight. To our knowledge, all Inogen electrical devices placed on the market after 2015 comply with the RoHS 3 Directive.

Our products contain zeolite, which is a crystalline structure made of minerals containing mainly aluminum and silicon compounds. The use of zeolite is in strict adherence to our FDA regulatory filings. Zeolite can be hazardous if ingested. Our safety testing is designed to confirm there is no known risk of zeolite being ingested by the patient through the intended use of our devices.

In addition, our Inogen One systems contain lithium ion batteries, which, under certain circumstances, can be a fire hazard. All Inogen products come with user manuals that include notations on use and hazardous materials. All disposal of hazardous waste is conducted by professional hazardous waste disposal services that ensure proper disposal of such wastes.

Commitment to Energy Efficiency of Products

Inogen products are energy efficient by design. Our customers demand light weight devices with long battery life. To meet these requirements, our products all utilize highly efficient variable speed brushless DC motors and low power valves. Even our stationary concentrator includes these technologies which reduces power consumption relative to competitive products.

Energy Use by Source

All three of our major corporate sites use a mixture of electricity and natural gas provided by local utility companies. Natural gas is only used for our HVAC systems and hot water production for use by our employees. There is no natural gas consumed within our manufacturing facilities for our product assembly operations. Electrical energy is consumed in all facilities for general purpose lighting, IT systems, and office equipment. In our Goleta, CA facility, electricity is also consumed by our research and development activities for product testing and prototyping (environmental chamber, mill, lathe, 3D printer, air compressor, etc.). Our Goleta, CA and Richardson, TX facilities use electricity for assembly operations to manufacture our products. These uses include running air compressors, assembly tools, material handling equipment such as forklifts, and for powering our products during the test process.

In 2021, our corporate headquarters in Goleta, CA relocated to a state-of-the-art new construction office building that meets the latest energy conservation standards including LED lighting with occupancy and daylight dimming controls, high efficiency HVAC equipment, low-energy window glass, and on-demand water heating systems. The site was also designed to encourage low emission employee transportation options by incorporating electric vehicle charging stations and preferred parking for clean air vehicles and carpools. At the headquarters facility, Inogen also incentivizes and/or reimburses alternative transportation methods such as bike to work and carpools.

Additional facility upgrades are planned for our Texas locations later in 2021 that are expected to have additional positive impacts on our overall energy consumption and emissions. For example, consolidating our operations into a single building will eliminate numerous daily trips between our current warehouse location assembly plant. We plan to focus on reducing our energy use over time in relation to our employee count and production volumes, and plan to increase reporting on these key metrics in future periods.

Climate Change Statement

As a global respiratory therapy and medical device company, Inogen recognizes that greenhouse gas (GHG) emissions affect our climate and pose a serious challenge to the environment—and ultimately to the global economy. We believe that everyone shares responsibility to improve energy efficiency and to reduce GHG emissions in the atmosphere. Inogen supports global and national efforts to mitigate the impact of climate change. Inogen is committed to complying with all applicable laws and regulations that help reduce GHG and encouraging market adoption of low GHG emission technologies. Our position on climate change policy is guided by five principles:

1. We believe that any global or national strategy to address climate change must be environmentally sustainable and economically viable.

2. We believe that any climate change policy should be technology-neutral and designed to encourage private sector innovation and investment so that emissions reductions can be achieved in the most efficient manner possible.

3. We believe that any global or national strategy to address climate change must be developed with input from stakeholder communicates, including the public and private sectors, non-governmental organizations, academia, and investors.

4. We believe that any policy to regulate GHG emissions should provide a clear, stable framework that enables the private sector to invest accordingly, and that minimizes the market imbalances that can result from policies applied unequally within or among nations.

5. We believe that any policy to regulate GHG emissions should fairly account for companies that have already taken voluntary steps to reduce their GHG emissions.

Inogen is a responsible corporate citizen doing business in 59 countries and territories around the world. Our business success and our environmental stewardship both depend on the efficiency of our global distribution network. Our long-term GHG reduction strategy is to optimize the processes that consume non-renewable resources within this network. We also recognize that, as a critical component of our customers' supply chains, Inogen plays an important role in helping them operate in a more environmentally sustainable way.

Ultimately, we believe it will take collaboration among governments, industry, academia, consumers, and communities to develop solutions to climate change. Inogen is committed to helping develop these solutions in an environmentally sound and economically sustainable way.