



FY23 Diligent social impact & sustainability report



About this report

The following social impact and sustainability report (“the Report”) was prepared by Diligent Corporation (Diligent) solely for the purpose of describing Diligent’s practices involving the consideration of environmental, social and governance (“ESG”) factors, along with non-ESG factors, in Diligent’s course of business.

The preparation of the Report was not planned or executed in contemplation of the expectations of any third party or any specific investor, and items of specific interest to the recipient may not have been specifically addressed in the Report.

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A message from our CEO

I'm excited to share our second annual Social Impact and Sustainability Report! In year one, we built a repeatable reporting process, implemented new learnings and insights and established baselines to compare data and conduct trend analysis. In our second year, we've established a deeper understanding of our ESG operations and identified ways to work cross-functionally to integrate better business practices into our program. While there are still many areas for continued growth, we're proud of the progress we've made to improve and strengthen our program pillars: People, Planet and Purpose.

The Diligent team is at the center of everything we do. So, it only makes sense that the **People pillar** of our ESG program also focuses on the development and diversity of our team and enriching the communities we work and live in. In 2023, we took proactive steps to further embed talent best practices into our organization by collecting more robust data, analyzing trends and gathering insights to help inform outreach and retention efforts and identify employee engagement opportunities.

Our commitment to environmental sustainability is rooted in the **Planet pillar** of the program. Utilizing our solutions, we have calculated our carbon footprint over two years, providing us a baseline and more information to plan our glidepath to net-zero. In 2023, the Planet pillar of our ESG program focused on behavioral and operational changes we can make in our business to prioritize environmental sustainability such as updating our travel policy to encourage team members to choose eco-friendly options while traveling for work. Our journey to achieving net-zero carbon emissions by 2040 is not just a goal; it's our responsibility to future generations.

Over the past year, we strengthened our **Purpose pillar** by establishing a repeatable process to capture program data, conduct due diligence and inform meaningful policies. In using our technology, we were able to enhance our measures and quantify our social and environmental impact; align our practice to prepare for compliance and regulatory changes; and outline accountability when reporting our ESG metrics to key stakeholders.

Our ESG journey is a **collective, ongoing effort**, and I invite you to explore the full report for more insights. Thank you for being part of our journey. Together, we can create a world where people, planet and purpose thrive.



Brian Stafford
President & CEO, Diligent

People



Values at Diligent

At Diligent, we recognize that our commitment to social responsibility extends far beyond our business operations. It encompasses our dedication to the people who make our company thrive, the communities we serve and the broader global society. Our **People pillar** embodies this ethos, serving as a testament to our steadfast commitment to fostering a positive impact on the individuals and communities touched by our work.

Within this section, we explore the diverse range of initiatives and programs that underpin our People pillar. These programs champion diversity, equity and inclusion, prioritize employee well-being and engagement, and

foster a culture of philanthropy. Through these efforts, we cultivate meaningful connections and empower our team members, ultimately extending our positive influence into the communities we serve.

We are proud of the progress we've made on our "People" initiatives this year. Read ahead to learn more about our accomplishments alongside the challenges we're actively addressing to ensure continuous improvement. Through transparent reporting and a dedication to progress, we remain committed to driving positive change for our employees, stakeholders and society at large.



This section includes the following information:

Workforce metrics



Diversity, equity, inclusion & intersectionality at Diligent



Employee-focused initiatives



Social impact at Diligent



Progress & ambitions

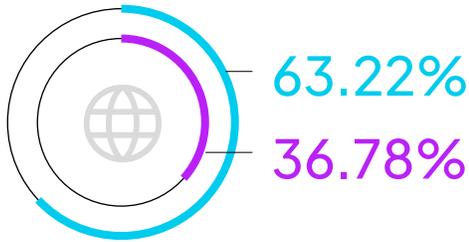


Workforce metrics: Gender

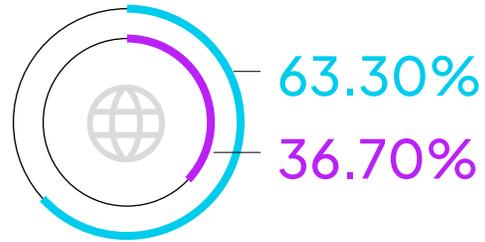
Global

■ Male ■ Female

Employees

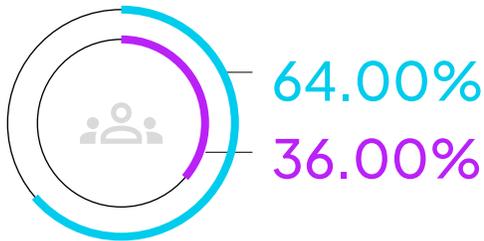


2022 representation %

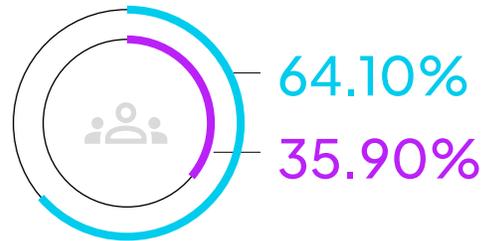


2023 representation %

People manager



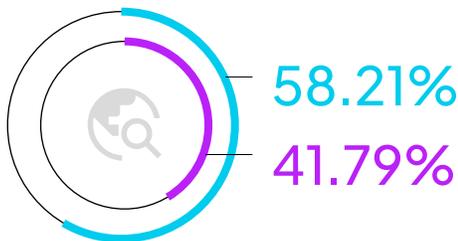
2022 representation %



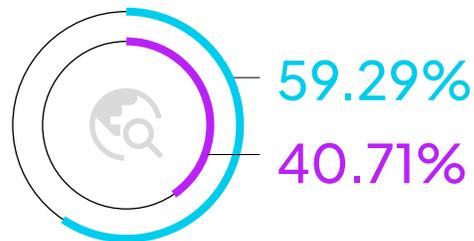
2023 representation %

By region

AMER¹



2022 representation %



2023 representation %

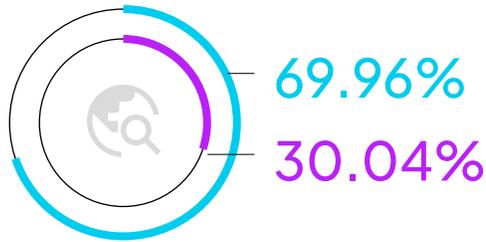
¹ Diligent's 2023 AMER region includes Brazil, Canada, Mexico and the U.S.

Workforce metrics: Gender

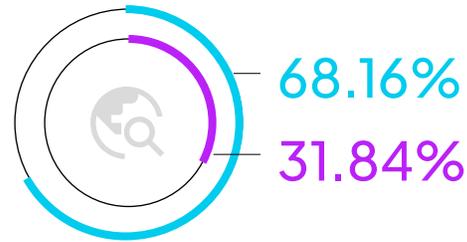
By region (continued)

■ Male ■ Female

APAC²

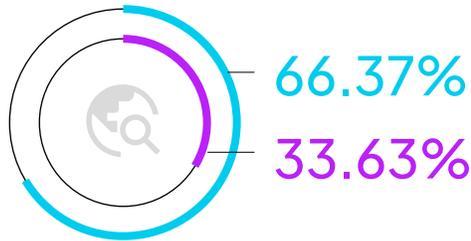


2022 representation %

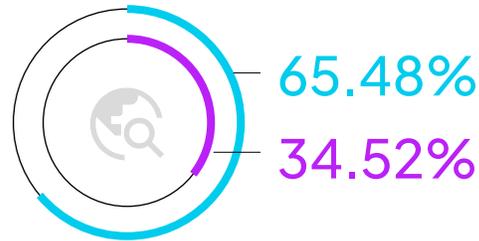


2023 representation %

EMEA³



2022 representation %



2023 representation %

What the numbers show:

- Globally, gender representation remained relatively flat from 2022 to 2023 with a .08% increase in male representation, indicating stability in gender distribution over the two years.
- The AMER region experienced a 1.08% decrease in female representation from 2022 to in 2023.
- Across regions, notable increases in female representation were observed in APAC, a 1.8%, highlighting progress towards gender balance in that region.
- Among people managers globally, gender representation remains relatively consistent with a slight uptick of 0.1% in male managers from 2022 in 2023.
- When comparing gender representation within regions, APAC demonstrated positive trends with increases in female representation, while the AMER region saw a slight decline, underscoring regional variations in gender diversity efforts and outcomes within the company.

Overall, the data points to consistent gender representation across different regions and on par with industry trends.

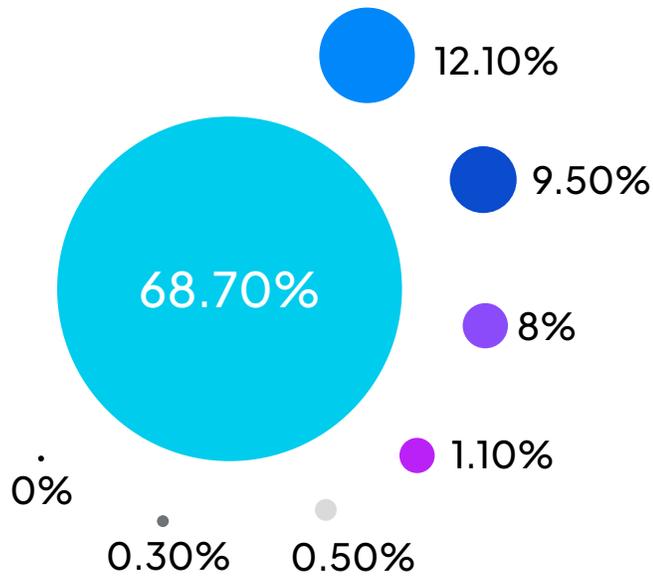
² Diligent's 2023 APAC region includes Australia, Hong Kong, India, Japan, New Zealand and Singapore.

³ Diligent's 2023 EMEA includes France, Germany, Hungary, Ireland, Netherlands, South Africa, Spain and the UK.

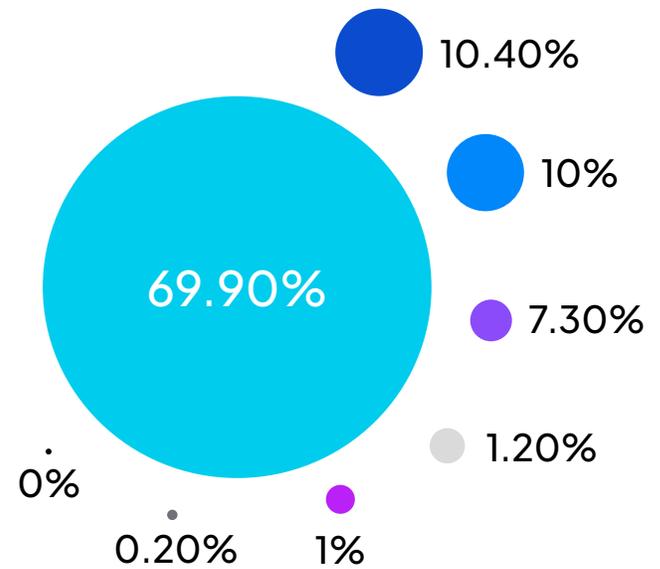
Workforce metrics: Diversity

U.S. only

2022 representation percentage



2023 representation percentage



- Not disclosed
- American Indian or Alaska Native
- Unspecified
- Two or more races
- Hispanic or Latino
- Black, African or African American
- Asian
- White

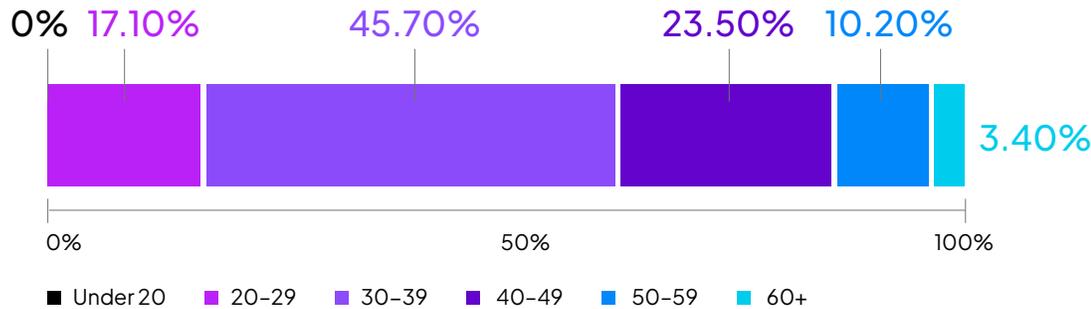
What the numbers show:

- White ethnicity remains the majority demographic in the U.S. workforce, with a slight increase of 1.2% from 2022 to 2023, indicating continued majority within the company’s workforce composition.
- Asian representation saw a decrease of 2.1% from 2022 to 2023 along with a slight decline in Hispanic or Latino representation of 0.7% in the past two years.
- Black, African or African-American representation increased 0.9% in 2023, indicating progress toward greater inclusion and representation of this ethnic group within the company.

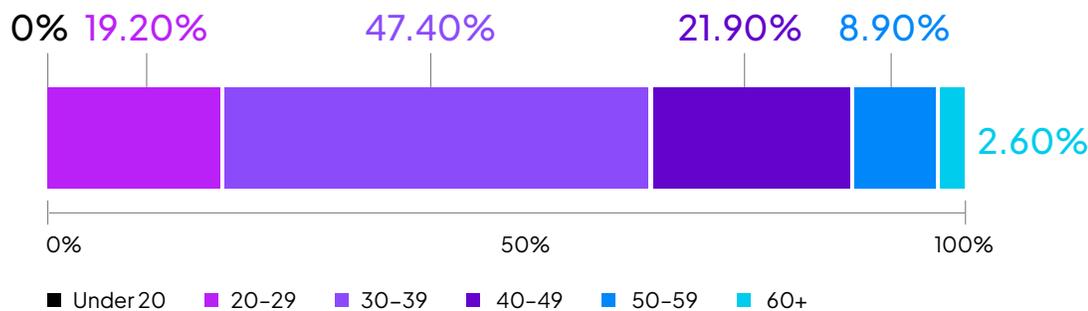
While white ethnicity maintains its majority status with a slight increase, there were notable shifts in Asian and Black representation. Despite these changes, it’s important to note that Diligent’s U.S. workforce population decreased by over 23% at the end of 2023, which could have implications for ethnic representation trends. This underscores the need for ongoing monitoring and targeted diversity initiatives to ensure an inclusive and representative workforce.

Workforce metrics: Age

Age groups 2022 representation percentage



Age groups 2023 representation percentage



What the numbers show:

- In both 2022 and 2023, the majority of the Diligent workforce falls within the 30–39 age group with an increase of 1.9% from 2022 to 2023.
- The 20–29 age group shows a slight increase of 2.1% from 2022 to 2023, indicating a growing presence of younger employees within the workforce.
- The 50–59 age group experienced a slight decrease of 1.3% over the last two years.

The data indicates a younger Diligent workforce but relatively stable age distribution with minor fluctuations between 2022 and 2023. Diligent’s recruitment and retention strategies will continue our commitment to finding talent and retaining valuable employees across all age groups. Our commitment to effective onboarding and strong succession planning for employees will help build a resilient and well-balanced workforce for the future.

Diversity, equity, inclusion & intersectionality (DEI&I) at Diligent

Diligent has remained dedicated to fostering a workplace culture that celebrates diversity, promotes equity, ensures inclusion and fosters a sense of belonging for all employees.

From establishing employee resource groups (ERGs) and implementing unconscious bias training to enhancing recruitment practices and fostering inclusive leadership, we have taken proactive steps to embed diversity, equity, inclusion and belonging into the fabric of our company. As we continue our journey, we remain committed to listening, learning and evolving our approach to ensure that every individual feels valued, respected and empowered to contribute their unique perspectives and talents to our collective success.

Diligent, in our role as a leading governance company, recognizes the critical importance of fostering diversity and inclusion at all levels. We understand that a truly diverse workforce thrives when a culture of open communication and appreciation for varied perspectives is present. This environment not only fosters a sense of belonging but also fuels innovation through the inclusion of diverse ideas.

Since 2021, Diligent has shared diversity statistics and actions underway as well as long-term ideas to drive lasting change. In 2023, our key focus areas were:

Diligent Academy ▶

Employee-led DEI&I taskforce ▶

Education & training through Paradigm REACH ▶

Employee Resource Groups ▶



Diligent Academy

Established in 2022, Diligent Academy was created in partnership with SV Academy, the largest learning community of diverse sales professionals. This transformative initiative aims to bridge the gap between education and employment by providing individuals from diverse backgrounds with the skills and opportunities needed to thrive in the tech industry. Through rigorous training, mentorship and hands-on experience, Diligent Academy participants gain valuable insights into the world of SaaS and emerge as highly skilled professionals ready to make an impact.

We selected Baltimore for Diligent Academy because it's an underinvested market with a diverse and highly talented workforce. The city's proximity to Washington, D.C. and New York, as well as a shared vision of building a more diverse tech ecosystem, made Baltimore the perfect location to host this initiative.

In 2023, we trained 13 participants and placed 11 graduates in Sales Development, Customer Support and Customer Success roles.

Since its inception, the Diligent Academy has graduated 30 individuals, with 91% of program participants successfully placed within various roles across our commercial organization, reaffirming our commitment to fostering diversity and inclusion in the SaaS industry.

Graduates from the program bring a wide range of skills, experiences and perspectives to their roles, which benefits Diligent, other Baltimore-area employers and the tech ecosystem as a whole.

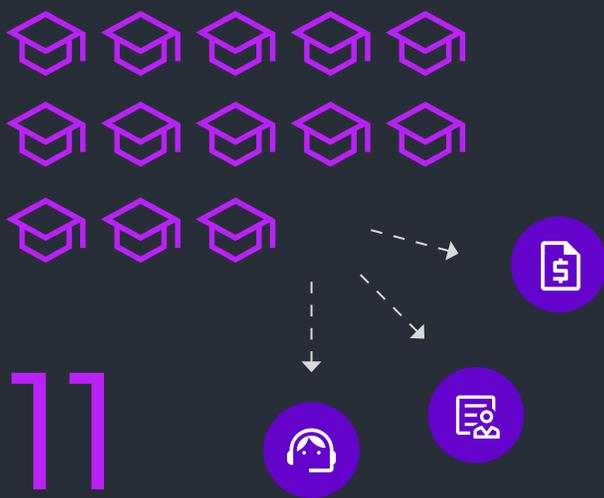


SV Academy is on a mission to create \$100B of wealth expansion for under-represented jobseekers. Founded in 2017, SV Academy prepares job seekers from different backgrounds for entry level positions in Sales or Business Development in weeks. Graduates start new careers sooner and employers hire top talent faster. The company's platform offers skills building, mentoring, job placement assistance and post-hiring support such as networking events and coaching.

To learn more, visit
sv.academy.com

13

The number of participants trained in 2023.



11

The number of graduates who were placed in Sales Development, Customer Support and Customer Success roles.

30

The number of individuals who graduated from Diligent since its inception.



91%

The percentage of program participants successfully placed within various roles across our commercial organization, reaffirming our commitment to fostering diversity and inclusion in the SaaS industry.

Education & training through Paradigm REACH

DEI&I education is foundational to our talent retention efforts.

In 2022, we launched our global DEI&I training program via the Paradigm REACH platform to support the education of our global team, to facilitate dialogue and to develop a shared language around — and understanding of — these important topics. REACH is an innovative, scalable platform that provides a blended learning approach including courses, micro-learning, literary resources and live training options, which has empowered us to fast-track our DEI&I training efforts in service of building a more inclusive organization.

In 2023, our program offered the following trainings:

-  Inclusion at work: managing unconscious bias
-  Creating an inclusive culture
-  Inclusive hiring for people managers
-  Practicing allyship

An audit conducted at the end of last year found that approximately 75% of our employees had completed DEI&I trainings through the Paradigm REACH platform.



The percentage of employees who completed DEI&I trainings through the Paradigm REACH platform.

Based on the results of our audit, the People team will expand its collaborative approach, working across the business to unify and enhance DEI&I knowledge. Paradigm REACH will serve as the central hub and guide, providing a comprehensive foundation for learning. We'll complement these courses with targeted content from our Compliance Wave product and relevant DEI&I-focused LinkedIn Learning resources.

To ensure widespread adoption, we'll partner with the DEI&I Taskforce, our ERGs and the ESG Team. This collaboration will integrate DEI&I learning into existing initiatives, including:

- Global cultural celebrations: These events will now incorporate activities and discussions that reinforce DEI&I principles.
- Yearly ESG data reporting: The report will be enriched with insights and data points reflecting the company's progress on DEI&I initiatives.
- Company-wide discussion groups: These forums will be facilitated with a focus on DEI&I topics, creating a space for open dialogue and learning.

DEI&I Taskforce

The DEI&I Taskforce — a dynamic team of passionate advocates committed to championing diversity, equity and inclusion throughout our organization — serves as the voice of our employees and plays a pivotal role in shaping our DEI&I strategy, guiding the implementation of meaningful programs and policies, and fostering a culture where every voice is heard and valued.

In 2023, the Taskforce identified projects within select programmatic focus areas to help mobilize our efforts:

- 1. Education and awareness:** Leveraging the Paradigm REACH tool, the DEI&I Taskforce designed monthly topical lunch-and-learns to encourage dialogue and communication among employees based on a set curriculum. However, the platform went through operational changes before the series could be launched. We will be revisiting this project as part of our larger education and training program.
- 2. Communities:** Through cross-functional collaboration bolstered by the Taskforce, the ESG and People teams were able to track our volunteer efforts during our Global Day of Service to capture key metrics like the type of nonprofit employees supported, whether they volunteered individually or in a group, and how many hours they volunteered in the day. This helped inform our social impact strategy for the following year.
- 3. Policies and programs:** As the Diligent Academy program continues to successfully graduate and place individuals into promising careers within Diligent, the Taskforce recognized the importance of onboarding and integrating participants with care. With support from the People Team, the Taskforce developed a pilot mentorship program to launch in 2024, matching new graduates with current Diligent employees to help foster a culture of collaboration and continuous learning to drive employee satisfaction and retention.

While its main focus will be on the Diligent Academy mentorship program in 2024, the Taskforce will continue to identify initiatives and opportunities that support DEI&I efforts within Diligent.



Diversity is a core principle of our culture, and we are constantly seeking ways to foster a workplace that **celebrates** and **values** it. Through initiatives like the Diligent Academy and Paradigm REACH training, we are **empowering our employees** to develop their skills and contribute their unique perspectives to our success.”



Greg Vargas
VP, Talent and DEI&I

Employee Resource Groups

At Diligent, Employee Resource Groups (ERGs) play a vital role in making Diligent a more inclusive and engaged community by providing a platform for employees to come together, share experiences and drive positive change within our organization.

In 2023, ERGs remained one of the longest-standing and strongest DEI&I programs. These voluntary, employee-led groups bring together individuals with shared identities, backgrounds and interests, serving as a catalyst for a more inclusive workplace culture where every voice is heard and valued. Through networking, mentorship, professional development and advocacy, ERGs at Diligent empower members to drive meaningful impact, promote awareness and champion diversity across all levels of the organization.

We have **eight ERGs**, all of which play an important role in creating a sense of **community** and providing an **opportunity** for our Diligent colleagues to discuss and raise the profile of DEI&I topics across the organization.

Black @ Diligent ERG focuses on increasing engagement of Black employees, while supporting and encouraging the career development of Black employees across the Diligent organization.

The Generational ERG provides networking and mentoring opportunities in addition to sharing skills across generations to boost professional productivity and personal advancement.

The Mental Health ERG was rebranded to the **Wellness** ERG which provides an opportunity to advance mental health wellbeing within our global community.

Our **Multicultural** ERG aims to increase awareness of the cultural diversity inside and outside of the company, by promoting and celebrating the ethnicity of our employees.

The Village ERG group serves as a support network for employees who are parents or caregivers who are juggling their careers with caregiving responsibilities.

PRIDE ERG at Diligent engages with LGBTQIA+ employees and allies in meaningful and relevant activities while providing information that promotes equality through education and participation.

The Remote / Work from Home ERG connects employees across the globe through the innovation and ingenuity of skill sharing, tool testing, and embracing flexibility.

Finally, **Women in Tech** ERG strives to close the gender gap in technology-focused roles while supporting and encouraging the career development of women across the business.

562

The number of **employees** who have been involved with our ERGs.



Major ERG events & highlights

Juneteenth celebrations

To celebrate Juneteenth, the Black at Diligent ERG hosted a chat with Dr. Beau Gaitors, professor and historian at The University of Tennessee on significance of the Jubilee milestone and its continued relevance in today's society.

Diligent at AfroTech

For the first time, Black at Diligent sponsored members to attend the largest Black technical conference in Austin, Texas, AfroTech 2023.

Monthly salons

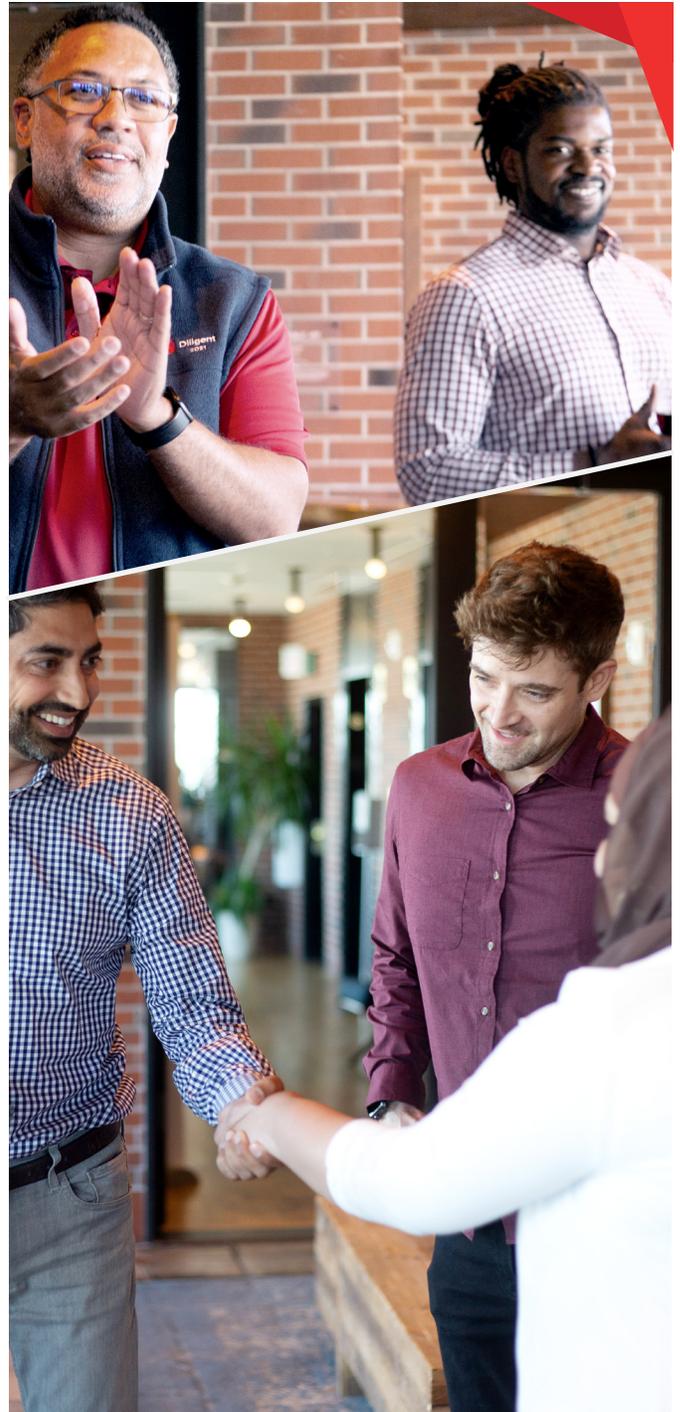
The Women in Tech ERG kicked off monthly fireside chat-style webinars, informal virtual gatherings where employees could learn about the career journeys, obstacles, and more from women leaders across Diligent.

Navigating career and family

The Village ERG hosted a global panel featuring our CEO, Brian Stafford and his wife, his wife, Celine Dufétel, President and Chief Operations Officer of Checkout.com, a leading payment processing company. Brian and Celine shared their candid experiences of raising a young family while running successful businesses and growing their careers.

Helping caregivers lean-in

Village ERG also introduced Lean-In Circles; these small groups meet regularly to support one another and gain new information or skills.



Employee-focused initiatives



Employee-focused initiatives aimed at promoting people development, wellness and well-being are crucial for fostering a positive work environment and supporting employees' physical, mental, and emotional health. By prioritizing these initiatives, Diligent hopes to not only enhance individual health and happiness but also contribute to a more engaged and resilient workforce.

In 2023, Diligent implemented the following employee-focused initiatives:

Diligent Compass: Launched in 2023, our new people development resource site embodies Diligent's commitment to continuous learning and professional growth. This centralized space provides employees with resources and support to develop their skills, advance their careers, and achieve their goals.

Recharge Week: From August 7–11, 2023 Diligent paused non-essential business operations to give employees time to disconnect, rest and recharge. Recharge Week is paid and is over-and-above annual paid time off for employees.

Internal Meeting Free Days: One day a month, Diligent called for no internal meetings to help facilitate workload management for our employees. An MIT Sloan Management study found that companies implementing meeting-free days experienced improvements in employee autonomy, communication, engagement, and satisfaction. These factors contributed to a noticeable increase in productivity. We will continue to evaluate and evolve this initiative to meet our employees' needs.

By prioritizing these initiatives, Diligent hopes to not only enhance **individual health** and **happiness** but also contribute to a more engaged and resilient workforce.



Social impact at Diligent

Building on the foundation laid in 2022, Diligent’s multi-pronged social impact strategy aims to drive positive change and create a more equitable world.

Rooted in the principles of modern governance and purpose-driven leadership, this strategy not only underscores our dedication to responsible corporate citizenship but also serves as a guiding force in our efforts to create value for our business, employees, and the communities we serve.

In the past year, we have continued to leverage our social impact initiatives to formalize and expand our corporate philanthropic efforts, ensuring that our contributions are aligned with our values and strategic priorities. These initiatives include:

Global Day of Service 2023

Since 2021, Diligent employees across the globe spend a day giving back to their local communities through a range of volunteer activities. Team members volunteer with a charity, non-profit or community group of their choosing either through organized activities or individually.

On April 20, 2023, Diligent employees spent over 1000 hours volunteering to support local organizations ranging from food banks to animal shelters to water conservation projects. Employees provided feedback on their volunteer efforts through the [Diligent One Platform](#) where we were able to analyze the results to inform our program for the following year.





Giving at Diligent

Diligent has a robust history of charitable donations, employee-led initiatives, and crisis response.

At Diligent, we embraced the spirit of Giving Tuesday in 2023 by empowering our employees to make a difference in their communities. Recognizing the diverse needs

and priorities of our global workforce, we provided our offices with the autonomy to choose local organizations to support. From nonprofits addressing hunger and homelessness to organizations promoting education and environmental sustainability, our employees rallied behind causes that resonated with them personally.



Charitable Giving

Diligent continued its robust history of charitable donations, employee-led initiatives, and crisis response, donating over \$100,000 to various organizations including:



Youth for Seva, a nation-wide volunteering movement in India



Lambano Sanctuary, which provides medical care for all children who suffer from life-limiting and life-threatening illnesses in South Africa

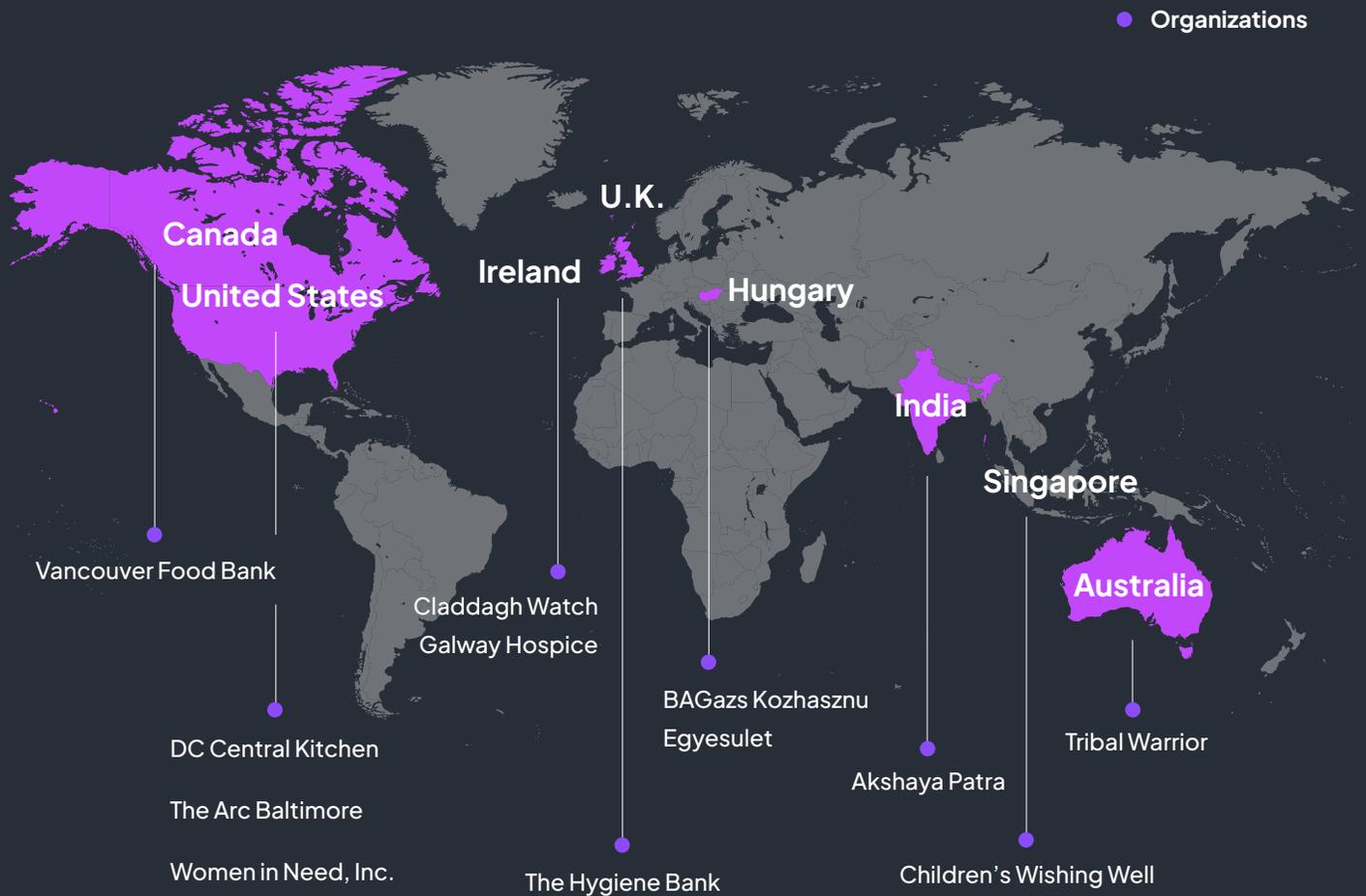


Community Vision Inc., in the U.S. which provides services, education, and advocacy to ensure that people with disabilities direct their own lives.

As we look to the future, we remain committed to driving meaningful change and making a lasting difference in the world around us. Through our ongoing commitment to social impact, we will continue to uphold the highest standards of corporate citizenship, empower our employees to give back to their communities, and demonstrate the power of purpose-driven leadership in action. By establishing a robust framework for corporate giving and community engagement, we have been able to act as a responsible organization for all of our stakeholders, including our employees and the communities where we live and work.



\$60,000 donated to 13 organizations in 8 countries for Giving Tuesday.



- Doctors Without Borders & World Central Kitchen

Progress & ambitions

Our 2023 commitments were developed with an aim to continually evaluate our employees' needs and evolve our People-focused initiatives to meet them. Despite shifting priorities throughout the year, we remained committed to what matters most—our team members and the communities we serve:

- To address operational challenges in launching the Self-ID campaign, the People team has rescheduled the launch of the campaign to occur in Q3FY2024. The campaign will encourage employees to provide their demographic data to help Diligent identify necessary improvements and opportunities to explore to continue to foster a workplace of inclusion.
- The People team conducted its audit of the Paradigm courses and will expand its offerings. Paradigm REACH will serve as the central hub and guide, providing a comprehensive foundation for DEI&I learning.
- Employee Wellness offerings were expanded through the Guidance Resources digital platform to include self-care tools and content to help tackle common mental health issues with resources like cognitive behavioral therapy and mindfulness exercises as well a wellbeing coaching program aimed at addressing health and wellbeing issues through one-on-one coaching.
- In 2023, we revised our social impact strategy to address streamlining charitable donations, empower employee-led social impact initiatives, and develop a corporate cause for the company. We identified how best to operationalize a product donation program at Diligent as our corporate cause and are excited to bring this to life in 2024.

As we look to the future of our workplace, Diligent remains committed to transparency and accountability in reporting progress. In 2023, our metrics showed a decline in U.S. based Asian and Hispanic or Latino employees and we are actively analyzing the contributing factors, such as reorganizations, voluntary attrition, and operational changes.

Diversity is more than just a metric; it's a core principle of our culture and a driver of innovation and success. We are proactively developing comprehensive initiatives and setting measurable goals to ensure we're building a workplace that celebrates and values diversity in all its forms. Our strategies encompass various areas of focus including:

- Retention and representation rates among underrepresented groups
- Access and awareness of leadership opportunities for all employees
- Employee engagement and satisfaction

By prioritizing these initiatives and fostering a culture of inclusion and belonging, we are confident in our ability to make meaningful progress toward building a more diverse and equitable Diligent.

Planet



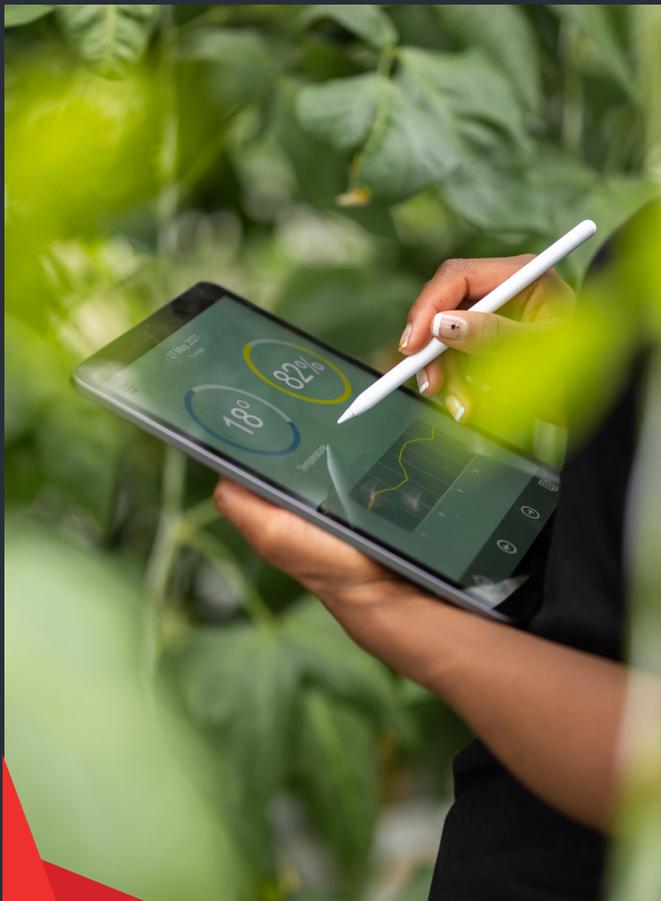
Environmental stewardship & sustainability

At Diligent, we recognize our responsibility to safeguard the environment for future generations. Our commitment to environmental sustainability is ingrained in our core values, reflected in our actions, and demonstrated through our ESG initiatives.

In this section, we delve into our efforts to understand our environmental footprint and contribute positively to the world under the framework of our **Planet pillar**. Through rigorous analysis, strategic planning, and collaborative partnerships, we aim to pave the way towards a more

sustainable future. This is, in part, powered by **Diligent ESG** which calculates Scope 1, 2, and 3 emissions, which allows us to collect and evaluate critical emissions information across stakeholders, and provides submission-ready reports instantly. We also focused on behavioral and operational changes like policy changes and promoting eco-friendly travel options to bake sustainability into the business.

Our efforts in 2023 held firm in our resolve to nurture and protect the planet for current and future generations.



This section includes the following information:

Diligent's carbon footprint analysis & trends ▶

FY23 carbon footprint ▶

Updated FY22 carbon footprint ▶

Trends over time ▶

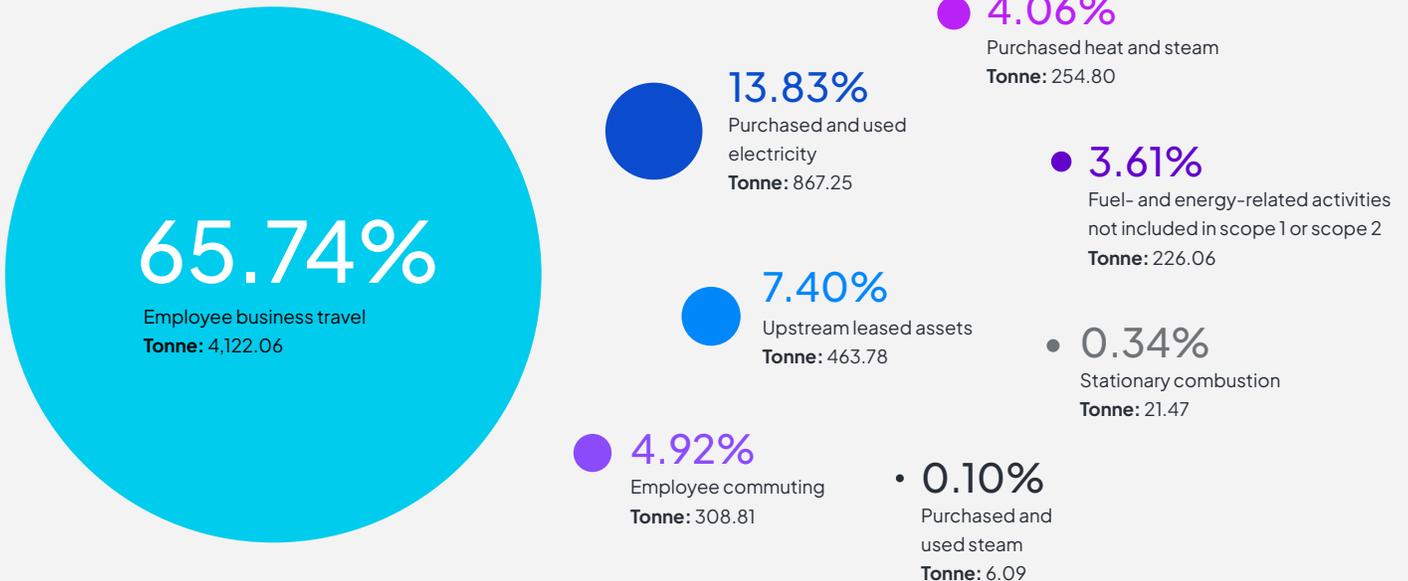
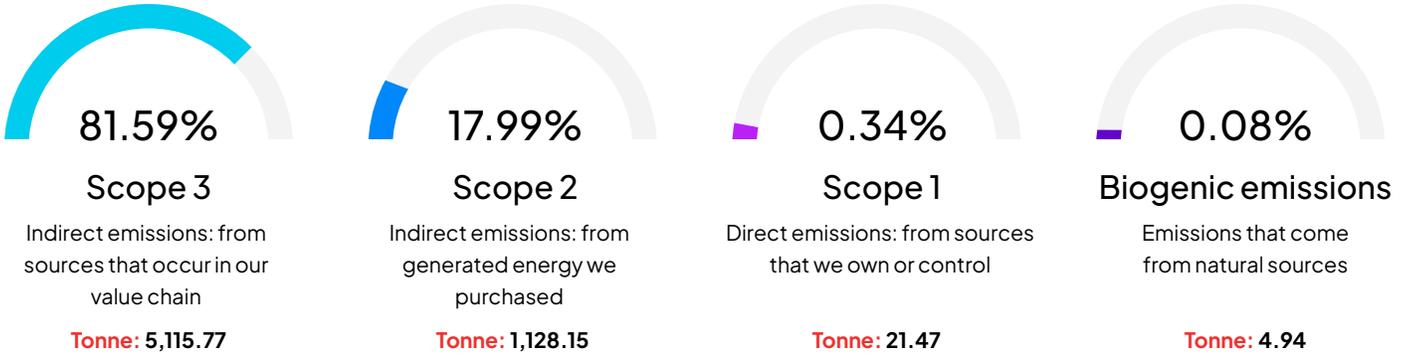
Progress & ambitions ▶

Diligent's carbon footprint analysis & trends

In 2022, Diligent conducted its inaugural carbon footprint assessment, identifying key areas of emissions through [Diligent ESG](#). Business travel emerged as Diligent's primary contributor and in 2023, we took proactive measures to set the stage for a "Greener Diligent" paving a path to curtailing emissions while fostering a culture of sustainability within our workforce:

- **Internal audit:**
 - In the summer of 2023, Diligent conducted an internal audit of our 2022 footprint which revealed minor gaps in our data collection. Previously unavailable information, specifically emissions from select data centers and offices, were collected and closed the gaps. As a result, our 2022 carbon footprint saw minor increases in Scope 1 and 2, owing to increases in Purchased and Used Electricity and Upstream Leased Assets. However, Business Travel remained our largest contributor to our emissions.
 - The audit was critical to ensuring integrity and accuracy in our data collection efforts and offered lessons that informed our carbon footprint collection for 2023.
- **Board Update:** Along with our internal audit, we presented our 1H carbon footprint to our Board of Directors last year leveraging our [Diligent ESG](#) solution. Providing semi-annual updates of our Diligent's ESG program and carbon footprint to the board is crucial for maintaining transparency, accountability, and tracking progress towards our environmental goals.
- **Sustainable Choices in Travel:** Diligent partnered with our travel vendor to deploy a sustainability module that will encourage employees to book more eco-friendly travel methods, hotels, and rental cars. The technology will guide employees to consider more sustainable options by providing information on the emissions of travel methods, offering less carbon intensive options and analysis of the journey's environmental impact. The module will be deployed in 2024.
- **Updated Travel Policy:** In partnership with our Procurement and Finance teams, Diligent updated its travel policy to include language that would encourage employees to seek out the most eco-friendly travel methods available when traveling for work including booking fuel-efficient ride-shares, alternatives to flights for short distance travel, and to bundle trips for multiple events. The new travel policy took effect in 2024.

FY23 carbon footprint



In Scope:
Jan 1, 2023 – Dec 31, 2023

Diligent gathered data on energy consumption in across all of our major offices including:

- New York, New York
- Washington, DC
- Vancouver, Canada
- Galway, Ireland
- Edinburgh, UK
- London, UK
- Budapest, Hungary
- Bangalore, India

All active data centers

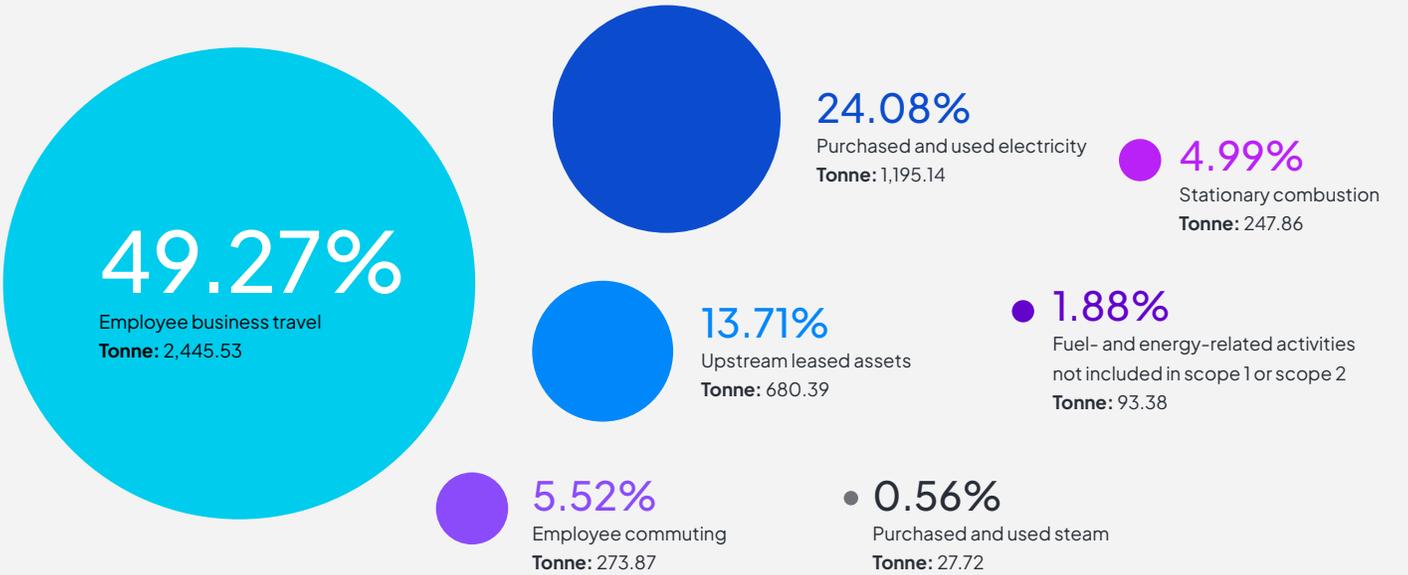
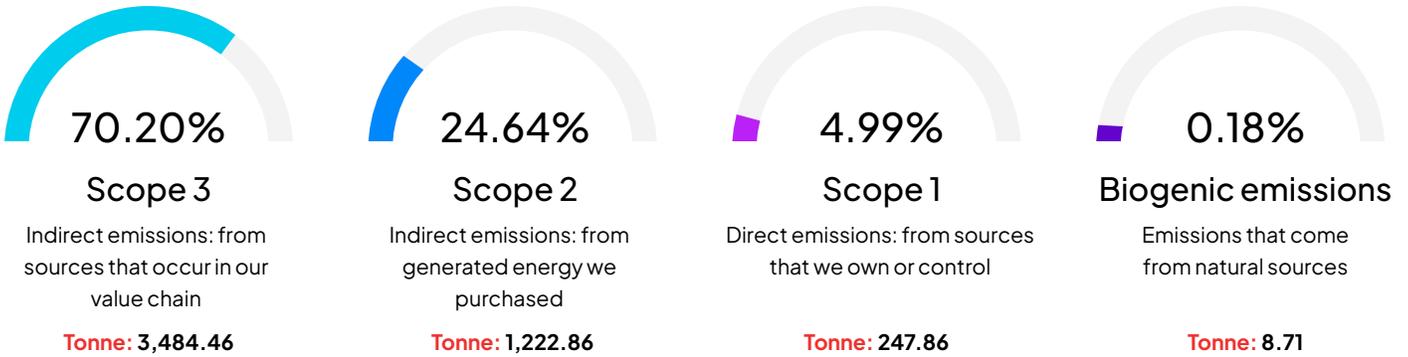
Business travel including flights, car rentals, hotels

Our commuter survey captured commuting habits of 77% of our employees

Total Tonne: 6,270.33

In 2023, our carbon footprint shows that Scope 3, namely business travel, continues to be our largest source of emissions which is on par with other low-impact sectors and the technology sector at large. The increase in our organization’s carbon footprint in 2023 can be attributed to several factors including changes in operations and activities. Increased travel for meetings or client visits, more robust reporting from our facilities, increased participation in our commuter survey, contributed to higher emissions. For our second year of calculating our carbon footprint, Diligent’s priority was to ensure the accuracy and consistency of data collection and reporting to assess emissions trends. By analyzing these factors and establishing a baseline trend over two years, we can identify areas for improvement and develop targeted strategies to mitigate emissions and enhance our sustainability efforts moving forward.

Updated **FY22** carbon footprint



In Scope:
Jan 1, 2023 – Dec 31, 2023

Diligent gathered data on energy consumption in across all of our major offices including:

- New York, New York
- Washington, DC
- Vancouver, Canada
- Galway, Ireland
- Edinburgh, UK
- London, UK
- Budapest, Hungary
- Bangalore, India
- Singapore
- Sydney, Australia

All active data centers

Business travel including flights, car rentals, hotels

Our commuter survey captured commuting habits of 72% of our employees

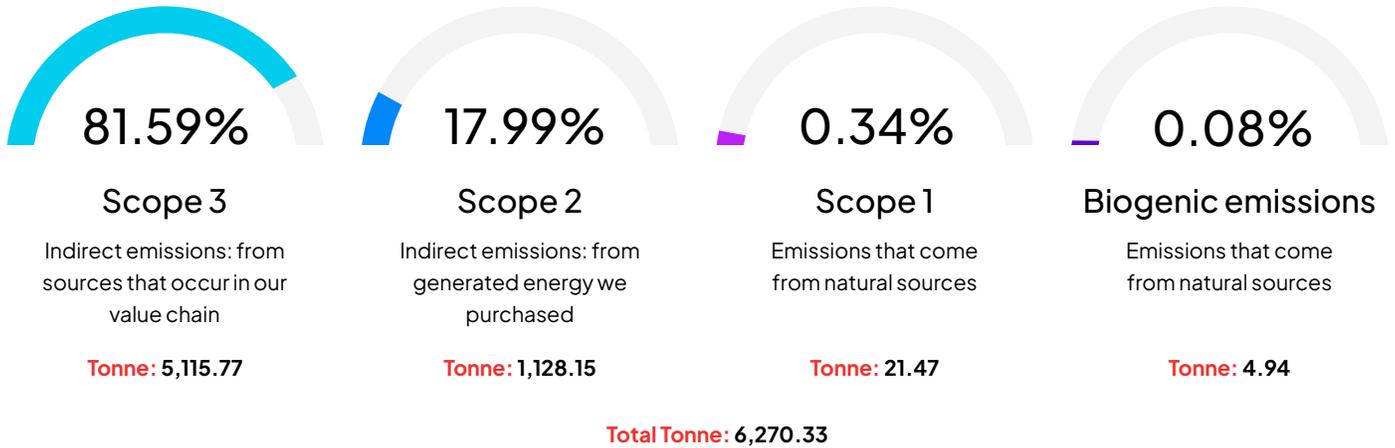
Total Tonne: 4,963.89

After our internal audit in 2023 to find and address data gaps, our updated 2022 Carbon Footprint shows:

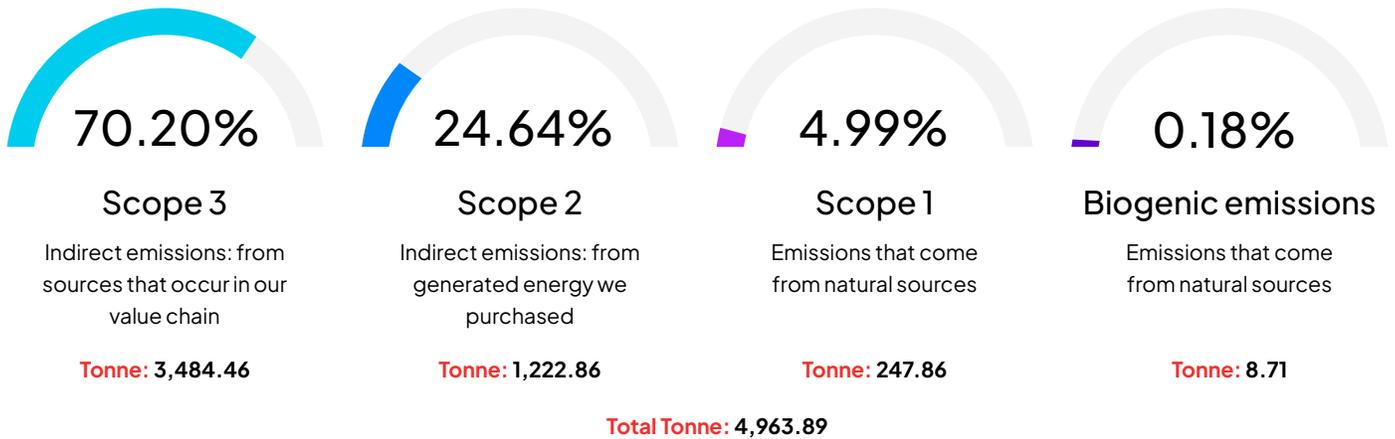
- Scope 1 increased by a little less than 2% from 3% to 4.99%.
- Scope 2 increased by almost 8% from 16.34% to 24.64%.
- This decreased our Scope 3 emissions from 80.45% to 70.20% of our total 2022 carbon footprint.

Trends over time: FY22 carbon footprint versus FY23 carbon footprint

FY23 carbon footprint



FY22 carbon footprint



Our analysis reveals a notable increase in our total carbon footprint from 2022 to 2023, primarily driven by a significant rise in Employee Business Travel emissions. While there were minor fluctuations in Scopes 1 & 2 emissions, Scope 3 emissions remained the largest contributor, highlighting the importance of addressing indirect emissions within our value chain. To effectively mitigate our environmental impact, we need to focus on reducing travel-related emissions and continue efforts to improve energy efficiency and transition to renewable sources.

Progress & ambitions

Last year, we made commitments to further our ambitions to be a more sustainable company. While we fell short of our goal of an 80% completion rate for our commuter survey, reaching 77% participation, we did achieve other strategic initiatives:

- We updated our travel policy to encourage our employees to be more eco-conscious when traveling for business. With the help of our travel vendor's sustainability module, to be implemented in 2024, employees will be encouraged to make more carbon-friendly decisions while traveling for work.
- We implemented office sustainability guidelines to reduce waste and excessive energy consumption. We plan to revisit these guidelines in 2024 to update as necessary and ensure compliance across all over our major offices.
- In 2023, our New York office launched a waste management program to help us learn more about our waste production and best practices. At the end of 2023, we moved into a new space and implemented some of those insights to help divert waste and encourage proper disposal and recycling.
- Powered by [Diligent ESG](#), we calculated our carbon footprint over two years and completed our trend analysis, identifying areas of opportunity. Using these insights, we have outlined next steps for our carbon reduction efforts.

Our ambitions for our Planet pillar continue to evolve. We recognize that progress can't be achieved without collaboration. To help accelerate our "Greener Diligent" vision and enable more robust reporting on our sustainability metrics, we will engage sustainability consultants on several critical projects over the next two years:

- Conduct a Greenhouse Gas Inventory review to manage risks and identify reduction opportunities.
- Develop Science-Based Targets in alignment with the Science-Based Target Initiative and set measurable targets.
- Prepare for the Corporate Sustainability Reporting Directive (CSRD) and ensure alignment with other regulatory frameworks.

With a clear roadmap in place, we can implement innovative solutions and embrace sustainable practices across our operations to realize our Net Zero commitment. Our path towards sustainability is not solitary but rather a collaborative endeavor, fueled by partnerships, innovation, and shared values. Our Planet pillar serves as a testament to our dedication, and it is with great optimism that we continue to forge ahead, one sustainable step at a time.



Purpose

Governance & leadership

At Diligent, we recognize that our impact extends far beyond the boundaries of our software solutions. It encompasses our responsibility to govern ethically, operate transparently, and contribute meaningfully to research and education initiatives.

Underpinning our **Purpose pillar** are three foundational principles: governance, transparency and impact. We believe that effective governance serves as the cornerstone of sustainable progress, fostering trust among stakeholders and ensuring accountability at every level of

operation. Transparency acts as a guiding light, illuminating our actions and decisions, while also empowering stakeholders with the knowledge they need to make informed choices. Impact drives us to continuously evaluate and enhance our efforts, seeking to maximize our positive influence on society and the environment.

Throughout this section, we invite you to explore the initiatives, milestones and insights that exemplify our dedication to these principles.



This section includes the following information:

- [Diligent Institute](#)
- [Client impact](#)
- [Transparency & accountability](#)
- [Governance](#)
- [Progress & ambitions](#)

Diligent Institute

Diligent Institute provides cutting-edge research, critical insights into the latest corporate governance trends, and educational tools and resources to help leaders gain the expertise they need to address the most pressing challenges and opportunities across their businesses.

The Institute works to inform corporate directors, executives and researchers on key trends in governance, risk and compliance. As business leaders continue to forge ahead on their companies' ESG journeys, Diligent Institute ensures that they have the right knowledge at their disposal.

In 2023, Diligent Institute continued to enhance and build on the [Climate Leadership Certification](#), first launched in 2022. The virtual eLearning program covers all aspects of climate leadership, including regulatory developments, building and maintaining a sustainability strategy, understanding renewable energy and carbon markets,

and much more. The curriculum is taught by industry experts and is designed to provide a hands-on, practical learning experience. In 2023, 81 leaders graduated from the program with a deep understanding of the current climate landscape and the ability to make informed decisions about mitigating the impact of climate change.

Diligent Institute also launched the [Cyber Risk & Strategy Certification](#) in late December of 2022, and the [AI Ethics & Board Oversight Certification](#) in August of 2023. Both programs help directors and C-suite leaders better understand, manage and oversee the opportunities and risks related to the cyber landscape, digital transformation and emerging technologies. In 2023, the programs had 30 and 5 graduates respectively. In 2024, Diligent Institute will build on these resources to help corporate leaders evolve to manage new risks.



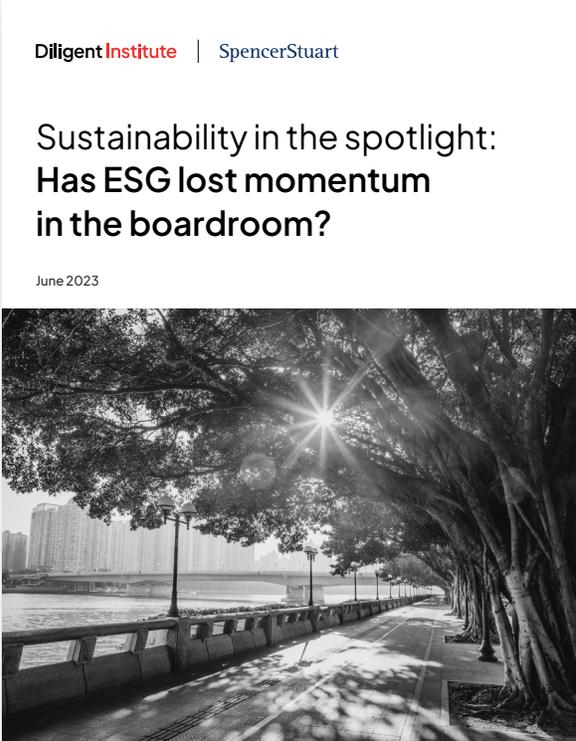
“The Diligent Climate Leadership Certification is a great way for a board director to acquire a baseline of knowledge on this increasing important and developing field.”

Eric T. McKissack , Independent Director, Farmer Mac

Diligent Institute

Also in 2023, Diligent Institute published their second annual global and comprehensive [report](#) on board-level ESG oversight and strategy. The report features responses from 1,000 board members around the world, providing insights into where they integrate ESG metrics into their businesses, how they're preparing for ESG regulatory changes, what their biggest ESG challenges are, and much more.

[Download report ▶](#)



This is just a fraction of the amazing work Diligent Institute embarked on last year.

To learn more about how the Institute propelled forward its mission to inform, educate and connect leaders to champion modern governance, check out diligentinstitute.com.

2023 year in review — by the numbers

Connected risk, compliance & audit for stronger governance



1,000,000+

Board members, executives, and professionals from across the globe



1.7 million

emission activities tracked

Governance



360,000

votes cast



500,000+

books created



5,000,000+

documents approved

Audit & risk



1,200

storyboards created



22,600

issues remediated



5,600

robots created

Compliance



600,000+

companies managed



40,000

group structures downloaded



450,000

compliance requirements monitored

Transparency & accountability

Transparency and accountability are core principles guiding our decisions, fostering trust with stakeholders and driving long-term value. Regular communication with leadership, employees, clients, and peers underscores our commitment to better governance. We prioritize clear and consistent communication for our stakeholders.

Our dedication to transparency in ESG performance signals our priority on environmental sustainability and social impact. By setting and addressing ESG targets and risks, we integrate environmental and social considerations throughout our operations, from strategy to reporting.





In 2023, we increased **transparency** and **accountability** across the business through several different projects and initiatives.

Employees

We are committed to being open and honest with our employees about our business practices, policies and decisions, as well as providing them with opportunities to provide feedback and contribute to the company's success. Last year, we provided regular updates on company-wide initiatives, shared information around employee benefits, and were transparent about important business decisions.

- **Monthly town halls:** Every month, Diligent provides employees an opportunity to engage with senior leaders, sharing important updates and feedback on company operations, initiatives, and culture. These Town Halls also included updates on our ESG strategy, programs and initiatives.
- **New launchpad:** In June 2023, Diligent unveiled a new Diligent intranet, Launchpad. Our new intranet makes it easier to find the information and resources employees need, connect with colleagues and share the latest news.



Clients

We're committed to providing effective tools for promoting sustainability, responsible governance and stakeholder value across the corporate landscape. In 2023, we sought to increase transparency and value to our clients by providing accurate and robust information on our ESG program as well as insight into the evolving ESG landscape.

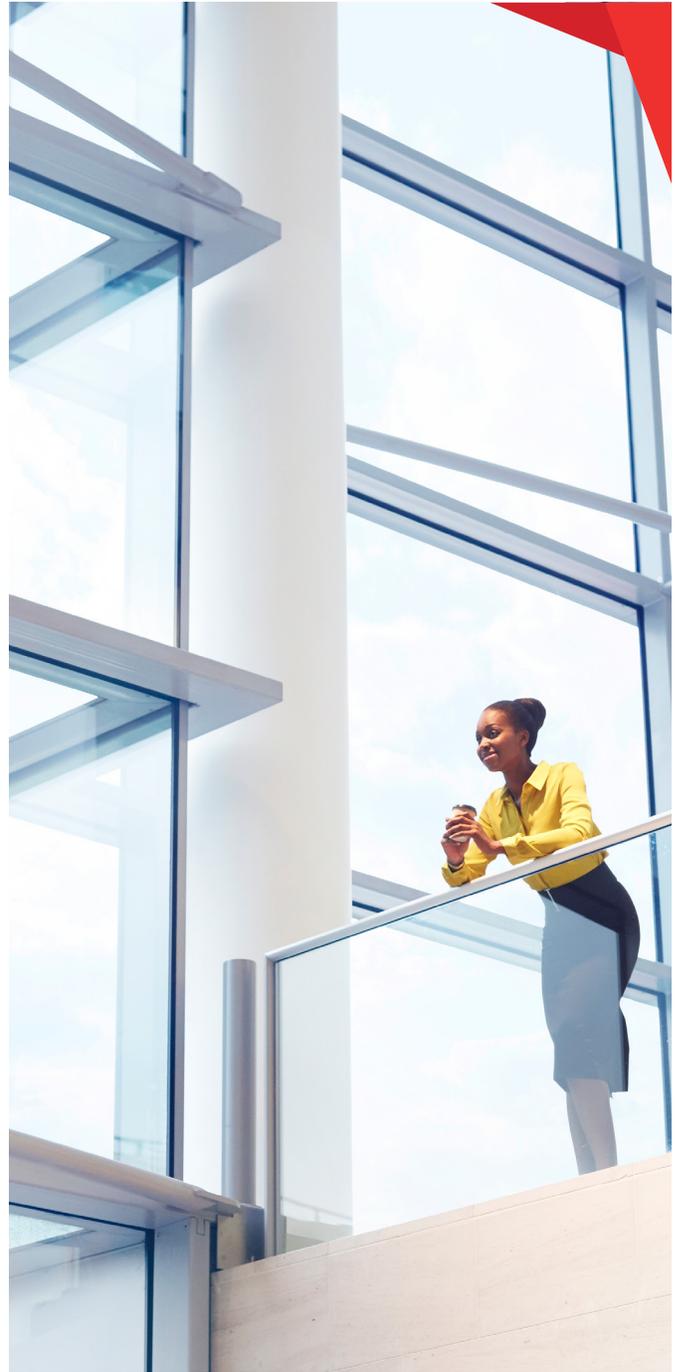
- **Client requests:** Diligent's mandate is to ensure that we provide our clients with unprecedented clarity into their business which includes responding robustly and accurately to our clients' requests for information on our ESG practices. In 2023, we saw an uptick of ESG-related questions in RFPs and renewals, as well as standalone supplier sustainability questionnaires. Leveraging our Diligent ESG tool as well as our Diligent One Platform, we were able to provide a clear and detailed picture of our social impact and sustainability practices, enabling our clients to better understand their own impact.
- **ESG-related webinars:** Throughout last year, Diligent hosted 9 webinars on ESG-related topics ranging from preparing for the Corporate Sustainability Reporting Directive to the perspective of board members on ESG to using ESG scores to frame an ESG strategy. Two of these webinars were hosted with our partners at DFIN and Manifest Climate on [ESG Reporting and Disclosures](#) and [California's new climate disclosure regulations](#). These webinars were developed to help our clients and other companies navigate the evolving landscape of ESG with more clarity and purpose.



Leadership

In 2023, keeping our leadership informed and up to date on our sustainability and social impact strategy and initiatives allowed us to demonstrate our commitment to ESG, build trust and meet stakeholder expectations, all while building a strong reputation and positioning ourselves for long-term success.

- **Investor surveys:** Diligent completed three ESG surveys, showcasing our dedication to sustainability and responsible business practices. These surveys help us identify and address ESG-related risks, enhancing our long-term financial performance and reputation. By aligning with investor expectations and demonstrating our commitment to ESG factors, we can access capital more effectively, gain a competitive edge, and engage with stakeholders to drive positive impact across our operations.
- **Board meetings:** Diligent held four board meetings in 2023. Along with providing our Board our semi-annual carbon footprint analysis for the first time, we presented our ESG strategy. These updates enable informed decision-making, identify areas for improvement, and demonstrate our commitment to sustainability, enhancing stakeholder trust and long-term value.



Governance

Diligent's Board of Directors

Our Board of Directors help steer our (rocket) ship and make decisions for Diligent on larger governance issues while also providing cultural, reputational and strategic guidance to our executive team. One of the reasons we champion diversity in the boardroom is because good governance starts and ends there.

Our board ensures we're
forward-looking, practical
and **responsible.**



Board composition

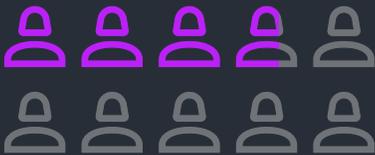
8

The total number of members on a board



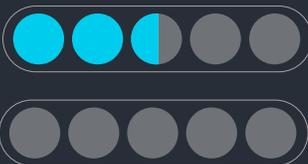
37.5%

The percentage of Diligent's Board of Directors that are female



25%

The percentage of people on the board who identify as belonging to a racial or ethnic minority



Governance trainings

100%

Anti-bribery and corruption training



100%

Ethics & compliance training



98%

Cybersecurity training



Part of good governance is remaining diligent. It's our namesake for a reason. Offering best-in-class GRC solutions means we train our employees to have comprehensive knowledge to practice transparency and accountability, identify and mitigate risks, and remain vigilant.

Progress & ambitions

With the publication of the [2023 ESG Board Oversight report](#) we achieved our Research and Education goals for 2023.

Our ongoing commitments on client impact and transparency and accountability will be bolstered by our strategic initiatives in 2024. Our ambitions for our Purpose pillar will be aimed at:

- Integrating our ESG commitments further into our business including gaining a better understanding of our supply chain;
- Continuing to refine and develop our tracking and measuring tools; and
- Challenging ourselves to grow with ambitious and measurable goals.

We'll also be pursuing compliance with new regulatory frameworks including the CSRD. Understanding these new regulations will allow us to use this insight to not only help our clients navigate the changing regulatory environment, but to stay ahead of it as well.

The Purpose Pillar provides the foundation of our ESG program and enables much of our work throughout the business. Our mandate to provide best-in-class service and solutions to our clients requires us to maintain good governance. The evolution of our environmental and social impact initiatives through accurate data, meaningful policies, and ambitious goals will allow us to mitigate risk, capitalize on opportunities and serve our stakeholders with integrity.

“
Our purpose-driven initiatives are not just about ticking boxes; they're about **building trust and driving sustainable impact.**”

Faiza Asifuddin

Director, ESG & Sustainability





Future commitments

As we look ahead to the future of ESG, we're making a concerted effort to continue to **refine** and **evolve** our strategy.

With better insights and better data, we can achieve better results and ensure we're reflecting the best of Diligent. Our ambitions over the next few years will continue to capitalize on best practices, lessons learned, and great technology.

	Commitments	Timeline
People	Continue to develop and support initiatives and practices that drive workforce diversity by instituting metrics to track progress and measure success	2026
	Improve access to opportunities that increase leadership and professional development for our global workforce through targeted initiatives and outreach	2026
	Gain better understanding of the needs of our employee population regarding wellbeing and belonging through an engagement survey	2024
Planet	Conduct a Greenhouse Gas Inventory review to identify and close gaps in our carbon footprint	2024
	Develop science-based targets in alignment with the Science Based Target Initiative by the end of 2024 to further our Net-Zero commitment	2024
Purpose	Aim for compliance with the Corporate Sustainability Reporting Directive in 2026 furthering our commitment to transparency and accountability	2026
	Gain insight into the environmental, social and governance practices of our supply chain through a Supplier Sustainability Survey distributed in 2024	2024



Thank you for joining us on our path towards becoming a more **sustainable** and **equitable** company. Learn more about how our products can help your organization's ESG journey.

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