VERACODE

2023 ESG Report

At Veracode, we integrate environmental, social and governance (ESG) criteria into our values to help our customers change the world. We aim to be efficient and sustainable in our operations, value diversity and enabling our employees, and have a passion and commitment to security and privacy.

SUSTAINABLE
DEVELOPMENT
GOALS

COMMITTED
ecovadis
Sustainability Rating

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About Us

Veracode is a leading AppSec partner for creating secure software, reducing the risk of security breach, and increasing security and development teams' productivity. As a result, companies using Veracode can move their business, and the world, forward. With its combination of process automation, integrations, speed, and responsiveness, Veracode helps companies get accurate and reliable results to focus their efforts on fixing, not just finding, potential vulnerabilities. **We are committed to improving our environmental, social, and governance (ESG) criteria through the goals and processes outlined in this report and our Social & Environmental Management System. Veracode contributes to its ESG goals and processes with a goal of supporting several of the United Nations Sustainable Development Goals (UN SDGs).**

Environment

We help our customers change the world. We believe in sustainability and minimizing our environmental impact wherever possible. As part of our commitment to society, our people and the environment, Veracode recently completed a thorough assessment of its business sustainability practices through EcoVadis, the global standard for business sustainability ratings. The EcoVadis assessment includes 21 sustainability criteria across four core themes: Environment, Labor & Human Rights, Ethics and Sustainable Procurement. In Veracode's latest rating, which was completed in late 2023, we earned a 'Committed' badge which demonstrates our progress toward sustainability.

We recognize the importance of data in assessing the environmental impact. This year we continued our commitment to analyze the available data to breakdown emissions by different sources. The emissions are broken down by three scopes. Scope 1 includes direct emissions from owned or controlled sources. Scope 2 includes indirect emissions from the generation of purchased energy consumed by Veracode. Scope 3 includes all other indirect emissions that occur due to Veracode's activity. Each source of emissions was measured by tonnes of carbon dioxide equivalent (tCO_2e).

Chart 1 shows the breakdown over four-year period by scope. From 2019 to 2021 Veracode's emissions primarily came from Scope 3 which was measured by supply chain spend on data centers. In 2022, Veracode saw an increase in Scope 1 emissions due to increased travel as COVID-19 pandemic restrictions were lifted. Scope 1 data included all forms of business travel (auto, rail and air) and hotels. Between 2019 and 2021 Veracode's emissions lowered each year, but it should be noted that the COVID-

19 pandemic and global shutdown played a major role in reduced emissions in 2020 and 2021. As expected, the emissions numbers have started to return to pre-pandemic levels in 2022. Veracode will continue to assess its environmental impact.
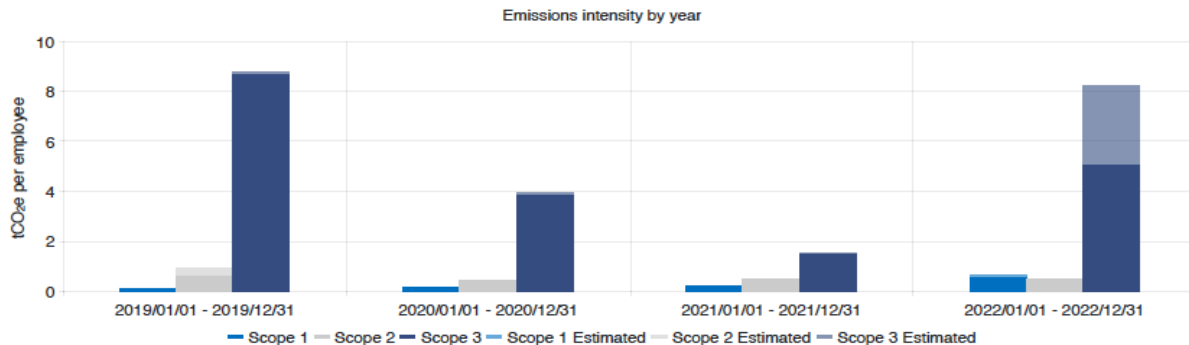

Chart 1: Breakdown by Scope

Chart 2 then shows each scope broken down by category. As previously noted, Veracode's primary source of emissions pre-pandemic was Scope 3 (data centers), electricity to power its headquarters in Burlington and office in London, and emissions from travel. As shown in Chart 1, travel related emissions saw a decrease during pandemic restrictions and an increase in 2022. Because Veracode offers a remote work structure, the Scope 2 emissions for electricity have seen a downward decline.
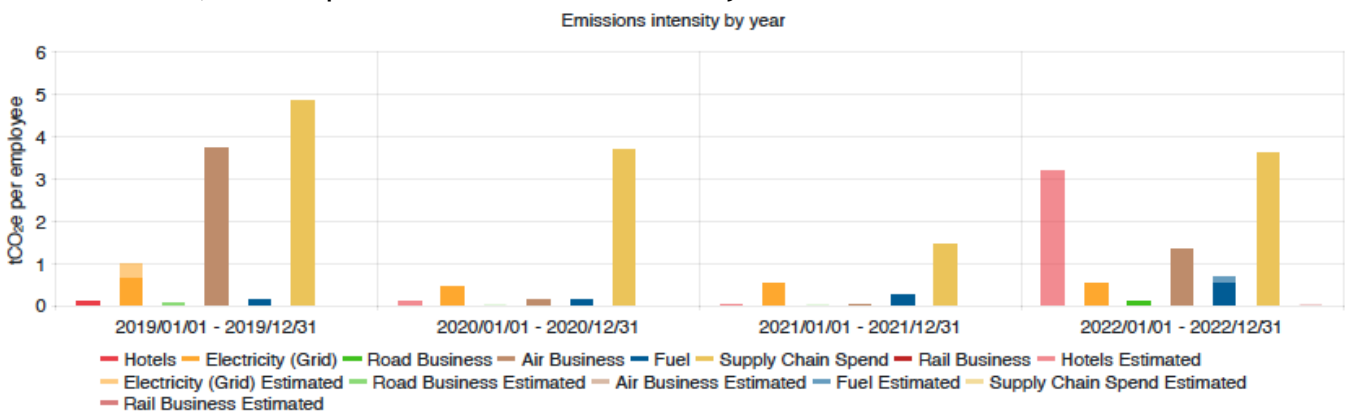

Chart 2: Breakdown by Type

We are proud to operate our headquarters in a **LEED Gold certified building**, the highest standard of green certification for buildings. This LEED certification ensures that we minimize our energy and water consumption, avoid waste, improve indoor air quality and limit our environmental impact. Our headquarters is also an **Energy Star**, **Fitwel**, and **WELL Health-Safety Rating** certified campus, meeting the strict energy performance standards set by the EPA. In addition to these initiatives:

- We strive to utilize paperless and digital services for customer-facing work, reducing unnecessary paper.

- Our operations and facilities teams constantly look for ways to increase energy efficiency in our buildings by maximizing the use of space and minimizing the use of energy. During a recent renovation of Veracode's headquarters, we recycled and reused variety of materials such as:
  - Limited demolition (reduced waste): reused 22,000+ square foot (SF) which is over 50% of existing interior walls.
  - Reused ceiling grid – reused almost the entirety of 25,000+ SF of existing grid.
  - Reused sliding doors and lighting fixtures which are LED and/or low energy.
  - Recycled flooring and ceiling tile.
  - Newly installed lighting fixtures.
- Our new company headquarters also focused on our employees' health and wellness.
  - Installed low-emitting finishes for improved indoor air quality and occupant health.
- We work in partnership with our landlord to sort and recycle trash to reduce our environmental impact.
- Our office in London encourages employees to make sustainable choices such as making bike sharing program available.
- Whenever possible, we use collaboration technology to reduce travel, which lowers emissions while ensuring that global teams can connect virtually with each other and customers.
- We allow for remote work worldwide. Currently 75% of our employee base work remotely which reduces our greenhouse gas emissions impact by fewer individuals needing to commute to work.

Our Environmental Goals:
- Inclusion of employee commute data to Scope 3 carbon emissions reporting.
- ESG analysis of Veracode's suppliers.
- Continue increased use of recycled and reusable items.

Diversity & Inclusion

We value each other and we are proud to be Veracode. We are committed to ensuring we deliver an inclusive working environment that reflects the diversity of our communities. We believe that diversity of background, thought, and experience is what drives innovation and resilience. We recognize that representation is critical to building a true culture of belonging, and we strive to continuously create a more diverse and inclusive teams across our business. In 2023 we supported the establishment of our first internal employee inclusion and affinity group - HERd. We

also continued our practice of publishing our identity and diversity data on <u>our company website</u> and continued with our longstanding participation in the annual McKinsey & Company <u>Women in the Workplace</u> study. We have also taken the <u>ParityPLEDGE</u>, committing to interview at least one qualified woman and/or person of color for every open VP, C-Suite and Board position.

To extend our reach to underrepresented populations of candidates we maintained our diversity partnerships with <u>PowertoFly</u>, a recruiting platform that connects companies to women in tech and <u>Out in Tech</u>, to connect with over 40,000 technical candidates in the LGBTQ+ community. We are also members of the Massachusetts Technology Leadership Council (<u>MassTLC</u>) Tech Compact for Social Justice – a unified effort among tech companies to combat racial inequality and support a more welcoming Massachusetts to Black Americans and people of color.

Our Diversity & Inclusion Goals:
- Continue to support the establishment of internal inclusion and affinity groups
- Enhance our talent acquisition practices to ensure diverse candidate representation in each search.

Engagement

Our people are at the heart of Veracode. We offer our talented Veracoders a suite of progressive and competitive benefits, the choice of where they want to do their work, and investment in professional development and upskilling.

Veracoders are dedicated and work hard to deliver our mission. We are committed to giving them the resources they need, to help them to maintain their all-around well-being and a healthy work-life balance. We offer employees a thoughtful and generous selection of benefits, including premium healthcare, Take What You Need PTO, paid parental and adoption leave, family backup care, and complimentary access to the Calm app. In addition to formal compensation, we believe in recognizing our employees and we have lots of different ways to say thank you for hard work and contributions. These include shout-outs, appreciation awards via WorkHuman, spot bonuses, and more.

We continue to invest in training and technology to ensure that everyone has a great working experience regardless of where they choose to work. That lets us recruit the best people anywhere and enables us to better address our customer's requirements.

We are committed to helping employees achieve their career goals, learn new skills, and build on their interests. We encourage a culture of lifelong learning through subsidized tuition reimbursement, on-demand training through Veracademy, and free access to LinkedIn Learning. Plus, Veracoders have the chance to work on cool projects and innovate, play, and learn in our creative Hackathons. VeraInvents is Veracode's vibrant invention and innovation program; all employees are encouraged to submit their patentable ideas and innovations. Last year we submitted three patent applications to the U.S. Patent Office that came from the VeraInvents program.

Our Engagement Goals:
- Continue investment in technology and training to ensure all employees have a great working experience regardless of being remote, hybrid, or in-office.

Governance

We have a passion and commitment for security. We strive to foster a culture of honesty and accountability.

Cybersecurity and data privacy are founding principles for Veracode. We consider security in everything we do and act to preserve the trust of our customers. Veracode maintains a comprehensive privacy program to achieve compliance with applicable data privacy laws, and this program constantly evolves as worldwide privacy regulations change. The program is designed to protect the personal data of our customers, prospective customers, and employees, as required by applicable data privacy laws, and to require that our vendors and partners maintain those same protections. Veracode is certified under the US Privacy Shield program and maintains its commitments under that program.

Our Governance Goals:
- Publish ESG Program.

Philanthropy

We are committed to making progress together. Giving to our community and volunteering our time and talent is not just what we do, it's who we are.

Our philanthropy strategy focuses on supporting nonprofit organizations that uplift underrepresented communities in our communities. One of our community partners is **Resilient Coders**, a nonprofit spreading code literacy to young people from traditionally underserved communities. We aim to help create the next generation of

tech leaders and empower the young coders who will be leading the future. This year, Veracode also sponsored the sixth annual **Tech Tackles Cancer (TTC)** event in support of raising funds for pediatric cancer-related issues.

Veracoders are charitably minded. Through our annual grassroots gifting event called 'Share Your Holidays with a Child', Veracoders have contributed hundreds of gifts for children each year in need during the holidays for 10 consecutive years. Aligned to this, rather than gifting employees with something material for the holidays, we give them the choice to elect one of five charities and Veracode donates to them on behalf of employees.

All employees are encouraged to take time off for volunteering, whether through a company event or to support a cause that they are passionate about. Promoting participation in **Charity Miles** is one of the ways we encourage our employees to focus on their own well-being while contributing to worthy causes. We also support matching donations to help amplify our employees' impacts.

Our Philanthropy Goals:
- Seek new and innovative ways to increase our annual philanthropic contributions to causes important to Veracode.

Learn more at **www.Veracode.com**, on the **Veracode blog** and on **Twitter**.

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