MAKING CSR INTEGRAL TO OUR ADE JOURNEY



Alongside our customers, BMC is on a journey toward becoming an <u>Autonomous Digital Enterprise</u> (<u>ADE</u>) that includes everyone. To quote our CEO Ayman Sayed, "Every Autonomous Digital Enterprise has a social responsibility. And that responsibility is to reshape the business landscape to be more inclusive and play an active role in global issues and opportunities—from addressing climate change to implementing diverse and equitable practices and preparing all communities for their digital future."

Reflecting on 2021, we have made significant progress building out a formal <u>corporate social</u> <u>responsibility (CSR)</u> strategy that will allow us to make an even greater impact in our communities in 2022. Centered on three key pillars—our <u>BMC Cares</u> program; <u>diversity, equity, and inclusion (DEI)</u>; and environmental stewardship. I'm incredibly proud of everything our team has accomplished during a very dynamic and unpredictable time in history.

A Defining Moment

I'm incredibly honored to share that BMC <u>ranked fifth</u> among 992 software and services companies as measured by the <u>Environmental, Social, and Governance (ESG) Risk Rating</u>, issued by Sustainalytics. We were in the top one percent of all 14,980 companies measured on their exposure to industry specific, material ESG risks and how well a company manages those risks across all sectors. With our commitment to investing in environmental, social, and governance (ESG) initiatives, this honor validates the investments and initiatives we've taken across BMC to prioritize this aspect of our business. We are passionate about delivering great technology and making the world a better place in the process.

Joining a Global Movement

As pleased as we are with our rating, we recognize that this is an area that requires well-defined goals, combined with continuous improvement and diligence. We've set a high bar for 2022 that includes addressing climate change, arguably one of the most significant issues of our time.

The Intergovernmental Panel on Climate Change (IPCC) recently reported that every half-degree of the global temperature makes a tremendous difference, which is why BMC has joined the <u>Business</u> Ambition for 1.5° C campaign established by the Science Based Targets Initiative (SBTi), a partnership between the <u>Climate Disclosure Project (CDP)</u>, the <u>UN Global Compact</u>, <u>World Resources Institute</u> (WRI), and the <u>World Wildlife Fund (WWF)</u>.

As part of our commitment, BMC is dedicated to achieving science-based, emission reduction targets across our business to reach net-zero value chain emissions no later than 2030, which aligns with the <u>United Nations Sustainable Development Goals (UN SDGs)</u>.

As part of endorsing the SBTi campaign, BMC has disclosed its emissions and net-zero carbon goals and current climate footprint. In addition, we're committing to the CDP and SBTi targets that go beyond our company's electricity consumption and emissions to include reporting the carbon footprint of the products we sell and buy.

BMC also supports the environment through other initiatives, including our ongoing partnership with <u>Reforest'Action</u> and <u>One Tree Planted</u>. In 2021, we helped plant over 20,000 trees across 38 countries, and we collaborated with the <u>Seabin Project</u>, <u>Ocean Conservancy</u>, and <u>#TeamsSeas</u> to remove trash and debris from the world's waterways.

Never Done

Looking ahead to 2022, we see more opportunities to improve the world for our employees, customers, and partners. We continue to set aggressive milestones for ourselves in all three pillars of our CSR strategy, and we look forward to making even greater progress. As a recent op-ed in *The Hill* put it, businesses that "take advantage of this unique opportunity will find themselves at the vanguard of a movement that propels their company and the world at large into a new era of prosperity." We embrace this opportunity to create a planet and Autonomous Digital Enterprise that includes everyone.