

F R O S T & S U L L I V A N

# 2024 COMPANY OF THE YEAR

*IN THE GLOBAL ESG  
PLATFORMS INDUSTRY*

F R O S T & S U L L I V A N

BEST  
2024 PRACTICES  
AWARD



## Best Practices Criteria for World-Class Performance

Frost & Sullivan applies a rigorous analytical process to evaluate multiple nominees for each award category before determining the final award recipient. The process involves a detailed evaluation of best practices criteria across two dimensions for each nominated company. Diligent excels in many of the criteria in the environmental social and governance platforms space.

AWARD CRITERIA	
<i>Visionary Innovation &amp; Performance</i>	<i>Customer Impact</i>
Addressing Unmet Needs	Price/Performance Value
Visionary Scenarios Through Mega Trends	Customer Purchase Experience
Implementation of Best Practices	Customer Ownership Experience
Leadership Focus	Customer Service Experience
Financial Performance	Brand Equity

### *Sustaining a Vision that Offsets Challenges and Addresses Unmet Needs*

Founded in 1994 and headquartered in New York City, New York, Diligent provides software-as-a-service products that empower organizations to achieve assessable insights for environmental, social, and governance (ESG) reporting. Frost & Sullivan recognizes Diligent’s cutting-edge products that enable organizations to reach new thresholds in their ESG practices. The company’s vision centers on engaging a global team and focusing on the future of business. With the increase in policies/standards, regulations, and threats organizations aim to align their risk management, oversight, and accountability roles. These

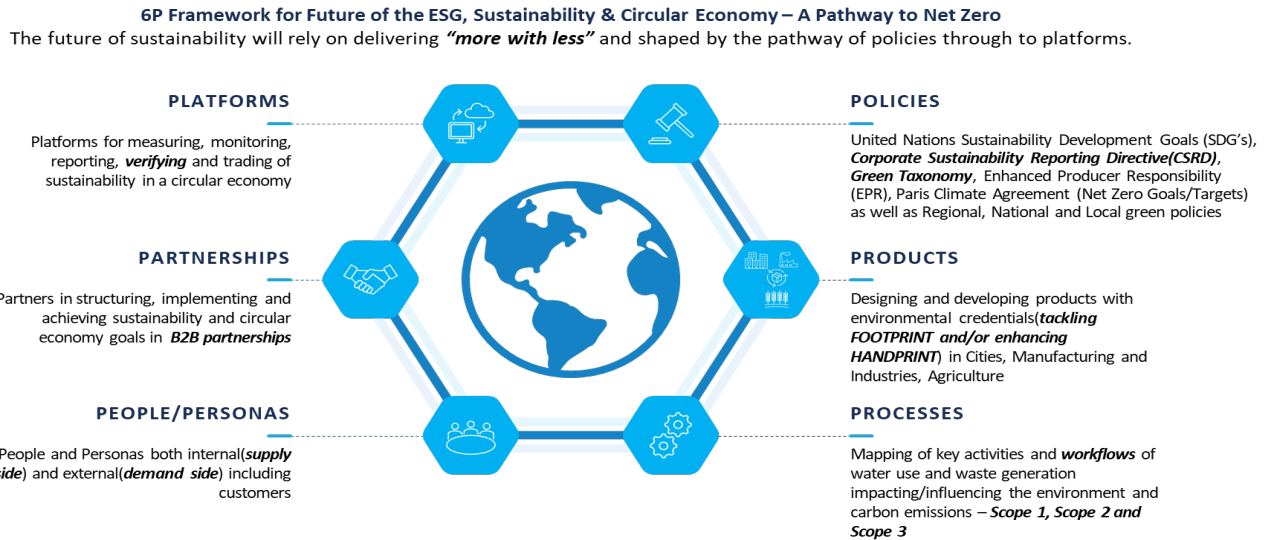
*“Where some companies have underestimated the importance of GRC practices (leading to significant negative financial impact and jeopardizing brand reputation), Diligent stands tall in delivering a unique value proposition of enhancing GRC together with ESG processes and programs for organizations in a cost-effective manner.”*

**- Fredrick Royan**  
**Global Practice Area Leader – Sustainability and Circular Economy**

factors are shifting the governance landscape complexity and pressuring business leaders to overcome cybersecurity threats and sustainability initiatives simultaneously. Moreover, organizations face excess “noise” from additional technology and data, leading to an increase of time, energy, and resources as they navigate through this information.

Through its vision, Diligent facilitates organizations’ leadership operations to drive significant ESG impact and lead with purpose. It combines deep-seated domain and operational knowledge with advanced solutions and products for ESG.

Frost & Sullivan has developed a 6P (Policies, Products, Processes, People/Personas, Partnerships and Platforms) framework of Policies2Platforms that is set to shape and influence the future of ESG, Sustainability and the Circular Economy.



With a strong legacy of governance, risk, and compliance (GRC) leadership, Diligent’s compelling value proposition underpins its sustained success. Where some companies have under-estimated the importance of GRC practices (leading to significant negative financial impact and jeopardizing brand reputation), Diligent stands tall in delivering a unique value proposition of enhancing GRC together with ESG processes and programs for organizations in a cost-effective manner. The company recognizes GRC’s preeminence in driving risk identification, control implementation, and auditing for organizations to remain compliant. Furthermore, a divided GRC approach restrains processes within an organization; thus, simplifying oversight and governance complexity is imperative for companies to meet their strategic goals. Diligent’s ESG software (Diligent ESG) and integrated Diligent One Platform is uniquely positioned in this area.

***Diligent: Greenhouse Gas Accounting, Not Greenhouse Gas Guessing***

Climate risk shapes the ESG space with a plethora of players. The industry’s most significant unmet need is uncovering information to the board of directors. Additionally, outside of cybersecurity, a robust ESG posture is the next concern for many boardrooms, and ESG developers must provide platforms that cater to various personas. Diligent sets a unique mindset in its control of boardrooms, helping companies embed ESG across organizations. The company’s solutions are used in 80% of the Fortune 500 boardrooms globally.<sup>1</sup> As organizations look to embed more sustainable practices in their everyday operational activities, Diligent offers solutions that enforce a holistic approach to addressing ESG needs.

Much of the company’s success begins with its commitment to ESG and its three underlining pillars: People, Planet, and Purpose. The company recognizes the value of people; building teams that encompass growth and diversity is essential for establishing successful business-to-customer relationships. Also,

<sup>1</sup> <https://www.diligent.com/resources/blog/how-build-well-balanced-board>

*“The company’s impressive growth momentum and trajectory are a testament to its comprehensive customer-centric approach, robust ESG software, the Diligent One Platform, and exceptional operational strategies. Frost & Sullivan applauds the company’s success and commitment to earning its clients’ trust and loyalty through its outstanding customer service.”*

**- Fredrick Royan**  
**Global Practice Area Leader –**  
**Sustainability and Circular Economy**

Diligent is committed to the planet and takes a dedicated role towards achieving net-zero emissions by 2040. As the climate crisis hinders the global economy and human life, Diligent ESG aligns with its planet focus and enforces efforts toward a more sustainable future. Finally, the company’s purpose includes its commitment to enhancing governance with its ESG software, improving processes, promising accountability, and delivering transparency. Diligent’s industry-leading program helps manage ESG performance by providing ratings and performance benchmarking. Through its software, organizations can manage risk throughout the value chain.

In 2023, Diligent launched its ESG Board-Ready Dashboard. This addition enables efficiency when capturing climate data, compared to competing benchmarks. Benefiting leaders and board members, ESG Board Reporting establishes dashboards that remove the guesswork from climate data reporting. The enhancement provides users with a comprehensive view of insights, so they spend less time on filtering complex information. This ESG solution helps Diligent solve the problem of collecting and organizing overwhelming amounts of data and empowers board members with a clear understanding of ESG through the organization.<sup>2</sup>

The Diligent One Platform enhances the value of Diligent's ESG solution (Diligent ESG) by giving clients access to a comprehensive, industry leading GRC application in one place. The vision is that clients can address all needs through a unified platform, rather than navigating through five to six solutions, saving time and resources. By leveraging a single platform, Diligent produces measurable data where companies can seamlessly monitor and report their ESG initiatives consistently and confidently. The platform enables real data intelligence, providing insights into organizations’ health and a comprehensive view of risk. It also offers targeted insights and tools for key organizational functions, enabling leaders to manage and inform their organizations’ ESG strategy.

The Diligent One Platform brings a clear and concise view of risk and elevates governance across GRC practitioners, executives, and board members. The platform helps organizations streamline smarter decision-making with robust governance processes, key performance indicator monitoring, tracking functionalities, audit reporting, and control implementation. Overall, Diligent’s products provide efficiency without staggering costs, saving significant time for organizations.

### ***Roadmap to Success: Customer-centric, Continuous, Proactive***

Trusted expertise, global scalability, and best-in-class security position Diligent as a pioneer in the ESG platform industry. The company serves over 150 clients ranging from Fortune 500, Financial Times Stock Exchange 100, and Australian Securities Exchange 200 across various industries including manufacturing, finance and insurance, administrative services, and real estate. Through its broader platform offerings,

<sup>2</sup> <https://www.diligent.com/company/newsroom/diligent-launches-board-reporting-esg> (Accessed February 2024)

Diligent helps more than one million users in 130 countries across regions that include North America, Europe, Latin America, and Asia-Pacific.

Commercializing the model with quarterly business reviews and product roundtables that incorporate the voice of the customer into its product roadmap, collecting information, and gathering leader experience are critical practices for addressing customer challenges. Diligent utilizes business leader feedback, combined with knowledge of climate risk for industry trend monitoring. Through the company's Diligent Institute, corporate leaders and board members can achieve climate leadership certifications and employees can understand what leaders view as the most influential ESG trends. Diligent also collects investor relations data to share voting history on how competitors or other stakeholders respond to polls on similar ESG initiatives (e.g., Net Zero goals, executive compensations, and science-based target initiatives).

Diligent guides its product roadmap and continuously evolves its solutions by investing in its products through research and development, helping it maintain an innovative edge. It ensures it has the necessary resources to meet customer needs along with evolving regulatory requirements. For example, Diligent plans to bring artificial intelligence into the carbon management process, enabling scalability and intertwining data with risk management. Additionally, the company uses a "good-better-best" pricing model for its ESG platform that aligns with other GRC solutions, allowing it to bundle use cases together and better address customers' specific requirements.

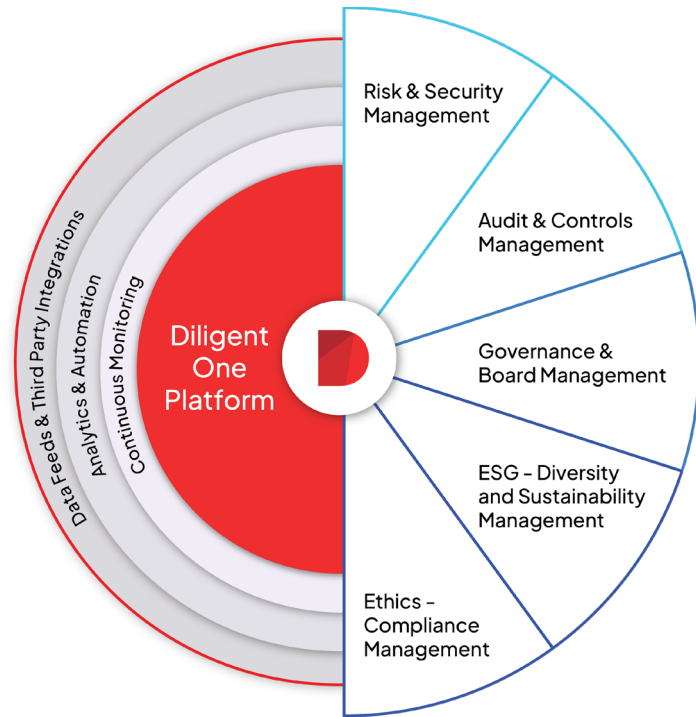
Diligent provides exceptional customer service through its dedicated team of client success experts that support boardrooms with guidance and understanding of their most pressing needs. The company offers clients essential resources, including blogs, research reports, podcasts, and guides, enabling customers to learn and grow. Post-purchase, the company maintains a white glove level of service and expertise. Diligent understands that ESG requires a parallel vision from both sides, and thus maintains close relationships through its service lifecycle.

Diligent excels in growing with the customer and ensures customer success across all offerings. Key to this commitment is incorporating data migrations into implementations for a seamless customer experience. For example, many organizations come with years of Excel spreadsheets. Rather than sifting through each sheet, Diligent automatically manages up to three years of migration to get organizations up and running quickly. Customers also need not add assets because Diligent's tool geographically locates the appropriate conversion factor based on scoping activity. The company notes that surrounding customers with small- and medium-sized enterprises (not just providing a product but expertise along the way) from a solid team across various departments is critical for success. Diligent collaborates with businesses to gather best practice recommendations and suggestions, which is fundamental for a successful customer journey.

The company's impressive growth momentum and trajectory are a testament to its comprehensive customer-centric approach, robust ESG software, powerful vision for embedded ESG and GRC through the Diligent One Platform, and exceptional operational strategies. Frost & Sullivan applauds the company's success and commitment to earning its clients' trust and loyalty through its outstanding customer service.

### Carving a Space as a Top ESG Industry Leader

Since its inception, Diligent’s sterling reputation and customer-centric framework have led to its coveted preferred partner status. The company’s brand equity is strongest in the boardroom, leveraging relationships with the general counsel and working its way through the organization into compliance teams and sustainability leaders. It leverages its brand equity to carve out a space as a top ESG industry leader, ensuring it gathers strong talent and attracts key personnel with expertise, knowledge, and a passion for its craft. A combination of vision and expert legacy team members ensure the company acquires new talent who continue to innovate and address industries' key challenges. Frost & Sullivan believes Diligent is well-positioned to drive the GRC and ESG space into its next growth phase, capturing market share and sustaining its leadership in the coming years.



### Conclusion

Boardrooms worldwide require an understanding of how their organizations impact the climate. Collecting and organizing overwhelming amounts of data and providing board members with a clear understanding of environmental, social and governance (ESG) risks and opportunities through the organization is essential as they aim to align with the expansion of rules, regulations, and threats. An organization’s ESG posture is a critical factor to success. However, uncovering the relevant data is challenging. Overall, Diligent addresses these unmet needs with a strong leadership focus that incorporates customer-centric strategies and exemplifies best practice implementation in addition to its leading ESG program and Diligent One Platform. The company’s vision aims to centralize business operations by simplifying the onboarding process and enabling sustainability and responsible business practices. Diligent focuses on its customers and their success, bringing them insights and addressing their unique needs and challenges. The company remains a trusted partner, earning a reputation for offering the overall best in the ESG market. Diligent’s visionary innovation, market-leading performance, and unmatched care position the company as an industry leader.

Diligent earns Frost & Sullivan’s 2024 Global Company of the Year Award for its strong overall performance in the ESG platforms industry.

## What You Need to Know about the Company of the Year Recognition

---

Frost & Sullivan's Company of the Year Award is its top honor and recognizes the market participant that exemplifies visionary innovation, market-leading performance, and unmatched customer care.

### Best Practices Award Analysis

For the Company of the Year Award, Frost & Sullivan analysts independently evaluated the criteria listed below.

#### *Visionary Innovation & Performance*

**Addressing Unmet Needs:** Customers' unmet or under-served needs are unearthed and addressed by a robust solution development process

**Visionary Scenarios Through Mega Trends:**

Long-range, macro-level scenarios are incorporated into the innovation strategy through the use of Mega Trends, thereby enabling first-to-market solutions and new growth opportunities

**Leadership Focus:** Company focuses on building a leadership position in core markets and on creating stiff barriers to entry for new competitors

**Best Practices Implementation:** Best-in-class implementation is characterized by processes, tools, or activities that generate a consistent and repeatable level of success

**Financial Performance:** Strong overall business performance is achieved in terms of revenue, revenue growth, operating margin, and other key financial metrics

#### *Customer Impact*

**Price/Performance Value:** Products or services provide the best value for the price compared to similar market offerings

**Customer Purchase Experience:** Quality of the purchase experience assures customers that they are buying the optimal solution for addressing their unique needs and constraints

**Customer Ownership Experience:** Customers proudly own the company's product or service and have a positive experience throughout the life of the product or service

**Customer Service Experience:** Customer service is accessible, fast, stress-free, and high quality

**Brand Equity:** Customers perceive the brand positively and exhibit high brand loyalty

