

DIAMOND
OFFSHORE



SUSTAINABILITY REPORT

2022

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This report has been prepared with reference to the Global Reporting Initiative (GRI) Standards (2021). The GRI Standards are the world's most widely used sustainability reporting standard. The report meets the disclosure requirements of the Sustainability Accounting Standards Board (SASB) Oil and Gas Services Standard (2018).

CEO STATEMENT



Bernie Wolford
President and CEO

A Letter from the President and CEO June 2023

On behalf of Diamond Offshore, I want to thank you for reading our 2022 Sustainability Report. I believe sustainability is central to our core values and behaviors that are critical for our continued success. We recognize that the decisions we make can leave a lasting impact on the world. It is our responsibility, as a leader in the offshore market, to leave future generations with a world better than we found it.

It is important to reflect on our progress and the steps we have taken to advance our ultimate objective of responsibly unlocking energy and contributing to a world in which affordable energy is delivered safely from the deepest waters. Over the last two years, we have weathered an unprecedented pandemic that contributed to disruptions in global trade and emphasized the importance of ensuring the health and safety of our employees and adapting quickly to disruptive and unforeseeable events, all while helping the world to meet global energy demand. Following our emergence from bankruptcy in April 2021, we have adopted a more sustainable financial structure and exercised significant financial discipline. In 2022, with the emergence of energy security as a more broadly shared priority, we added \$1.3 billion in new backlog, reflecting our strong customer relationships, operational excellence, and stellar safety performance. This achievement is a testament to our unrelenting diligence and determination. A debt of gratitude is owed to our employees, onshore and offshore, for putting our core values into action and demonstrating our commitment to Taking Ownership and Running to the Challenge.

“...sustainability is central to the values and behaviors that set Diamond Offshore apart from our competitors. The decisions that we make can leave a lasting impact on the world. It is our responsibility, as a leader in the offshore market, to leave future generations with a world better than we found it.”



Diamond President and CEO, Bernie Wolford in front of the Ocean GreatWhite in Scotland with Neil Hall, SVP HSEQ & Ops Support.

More recently, we are seeing growing demand for sustainability requirements included in our customer contracts and increased emphasis on ESG by our Board of Directors, shareholders and other stakeholders. While being a good corporate citizen has always been important to Diamond Offshore, we have increased our focus and commitment, including the appointment of our first Sustainability Officer to plan and lead our initiatives on this front. Our efforts for sustainability are ongoing, and this report outlines our actions and achievements over the past year on this important aspect of our business.

Sustainability is central to delivering our services in a responsible manner, safely and with quality. Our vision of safely delivering affordable and plentiful energy necessitates operational prioritization and improvements. To advance this effort, we have implemented changes to enhance our standards of crew safety, operational efficiency, and environmental care. We have recently developed an Energy Policy Statement, affirming the need to integrate energy efficiency considerations into our everyday working practices and corporate values.

We continue to strive for Zero-Incident Operations (ZIO) and have placed additional focus on our Enterprise Risk Management process in 2023. Further information on our innovation updates can be found within the report.

As we embark on our journey through the next energy era, we reaffirm our commitments to the health and safety of our workers, operational excellence, and responsibility to the environment. We are enhancing Diamond's culture and taking action to improve our energy efficiency while supporting energy security. The preparations we make today will pave the way to addressing the challenges of tomorrow.

A handwritten signature in black ink, appearing to read 'B Wolford'.

Bernie Wolford
President and CEO

ABOUT DIAMOND



Diamond Offshore Drilling, Inc. (“Diamond”) is a leader in offshore drilling, providing contract drilling services to the energy industry around the globe. We own and operate a mobile fleet of eight semisubmersibles and four drillships, and we manage two additional drillships. At Diamond, we are committed to operating at the highest possible level of operational integrity and quality, while emphasizing exemplary performance in the areas of health, safety, environmental protection, and regulatory compliance. Our innovations go beyond the quality of our highly technical rigs to include advances in operations, training, and safety.

PURPOSE

To responsibly unlock energy

OUR MISSION

With respect for the lives we touch and the impact we make, we deliver fresh perspectives to anticipating and solving complex deep-water challenges.

OUR VISION

We see a world in which affordable and plentiful energy is delivered safely from the deepest waters.

OUR VALUES AND BEHAVIORS

The principles that guide our behaviors, and who we show ourselves to be through our actions are as follows:

Take Ownership

- Run to the challenge
- Deliver on what you promise

Go Beyond

- Solve tomorrow’s problems today
- Make it better than you found it

Have Courage

- Challenge conventional thinking
- Speak up, even when it’s tough

Exercise Care

- Respect that every action has consequences
- Never cut corners

Win Together

- Learn from each other
- Share success
- Champion a “Culture of We”

WHERE WE OPERATE



GreatWhite



Endeavor



BlackHornet



West Vela



OCEAN
GREATWHITE

OCEAN
GREATWHITE

OCEAN GREATWHITE

OUR SUSTAINABILITY STRATEGY

At Diamond, we recognize the significant impact our operations can have on the environment and society, and we are committed to operating responsibly and with transparency. As a responsible corporate citizen, we believe that sustainability is a fundamental pillar of our business purpose to responsibly unlock energy.

We believe that integrating environmental, safety, and governance considerations into our business decisions is essential to creating value and successful outcomes for our stakeholders, including employees, clients, investors, business partners, regulators, and citizens in the communities where we live and work. Maintaining an open dialogue with stakeholders is a key part of improving our understanding and promotion of ESG principles in our business, and we welcome further engagement. The health of our company is intrinsically linked to the health of our people and the planet. We have an evolving and expanding sustainability strategy aimed at embedding sustainability into the culture and fabric of the organization and ensuring that sustainability becomes a core function that touches all aspects of our business. We intend for our 2022 Sustainability Report to outline our relevant material topics, disclose progress and results, and provide our stakeholders with an enhanced view of our risk management and opportunity identification strategies.

Our access to opportunities in today's marketplace requires a robust sustainability strategy complete with concrete initiatives considering input from a range

of stakeholders. We are committed to providing our stakeholders with accountability and transparency on our impacts and aligned our report content to international sustainability standards such as GRI Sustainability Reporting Standards (GRI Standards) and the SASB Oil & Gas Services Standard.

OUR ESG MATERIALITY TOPICS

Following methodology from the GRI Standards, in 2022 we conducted an update of our materiality assessment, engaging with both external and internal stakeholders to determine which ESG (Environmental, Social, and Governance) topics to focus on for our strategy, plans, and reporting. We began our materiality assessment with a long list of topics from the GRI 11: Oil and Gas Sector 2021 Standard. The topics chosen to be evaluated in our sustainability reporting were selected from this list through a carefully planned consultative process aimed at gathering feedback from various stakeholders throughout our value chain, including executive leadership members, clients, investors, board members, and employees. The topics found to be the most material to our stakeholders and relevant to our industry make up the foundation of this report.

ENVIRONMENTAL

- GHG Emissions
- Energy Efficiency
- Biodiversity

SOCIAL

- Health and Safety
- Training and Development
- Diversity and Inclusion
- Local Communities

GOVERNANCE

- Enterprise Risk
- Anti-corruption and Ethics
- Labor and Human Rights
- Responsible Contractor and Supplier Practices
- Data Privacy and Security

SUSTAINABLE ENERGY FOCUS

We are focused on climate risks and the need to move towards a more sustainable energy supply. Energy is essential for our everyday lives and raises the quality of life of our communities, which results in numerous benefits, including reduction in poverty and hunger and promotion of good health and well-being. As the world progresses towards reducing Green House Gases (GHG) to limit the impacts of climate change, there will be a foreseeable continuing need for a significant hydrocarbon supply during the lengthy transition and we seek to support hydrocarbon development in the most responsible manner possible. Our business of delivering hydrocarbon wells to our customers efficiently and safely contributes to global demand for secure and affordable energy as part of the mix of energy supply during the transition towards sustainable energy. It is important to balance between ensuring energy security and accelerating energy transition, as our clients will look to prioritize the lowest cost and least carbon-intensive sources of hydrocarbons. Diamond focuses on deepwater oil and gas developments, which have one of the lowest carbon intensities per BOE produced when compared to onshore developments.¹

We recognize the risks of climate change and the need for continued action through this transition, which could last decades. Diamond recently instituted an Energy Policy, confirming our long-term commitment to improving energy efficiency and reducing GHG emissions from our operations. We recognize the importance of integrating energy efficiency into our everyday working practices. Our company's Purpose is to "responsibly unlock energy," and we aim to accomplish our Purpose safely and efficiently while minimizing our impact on the environment. Diamond is committed to continuous improvement in processes that optimize energy usage and minimize GHG emissions.



OUR MANAGEMENT APPROACH TO ESG

Caring for the lives of others and protecting the environment are responsibilities we keep near the forefront of everything we do. Successful engagement requires alignment of our corporate governance policies with our sustainability strategy. We manage the risks and opportunities of ESG factors and other major impacts at the highest level of our governance bodies and tie components of executive compensation to ESG performance. In the process of managing risk, we have developed and are implementing a variety of policies on ESG impacts. Our culture of continuous improvement requires a commitment to performing due diligence assessments regularly on the effectiveness and relevance of our policies and initiatives. We have instituted a Human Rights policy that centralizes our commitment to upholding international standards and will ensure our suppliers adhere to the same human rights standards that we do. We will maintain a robust governance structure to uphold our ethical standards and policies.

We recognize that sustainability is an ongoing journey, and we remain committed to continuously improving our performance and collaborating with stakeholders to promote sustainable practices in the industry. We expect this report will provide stakeholders with valuable insights into our sustainability journey and our commitment to a more sustainable future.

¹[ICF report on GHG Emission Intensity of Crude Oil and Condensate Production](#)



ENVIRONMENTAL PERFORMANCE



At Diamond, we consider our environmental impact at every stage of our operations. We have voluntarily chosen to act as environmental stewards and, as such, are committed to a heightened focus on the effect our operations have on the environment. We maintain compliance with applicable laws and regulations but consider our sustainability strategy to be an additional means of risk management, mitigating the potential for damage or loss, whether internally or externally.

GHG EMISSIONS AND ENERGY EFFICIENCY

Reducing GHG emissions starts with energy efficiency improvements and a continual drive to use less energy and conduct our operations in the most efficient manner possible. Our initial focus in 2022 was establishing a system for the measurement of GHG emissions from our operations. In doing so, we are following established protocols of the GHG Protocol Corporate Accounting and Reporting Standard to report our Scope 1 and Scope 2 emissions. This year's report will form a baseline to measure future performance and improvement efforts. As we collect data, we are investigating technology and actions will promote reduction of energy and fuel usage and correspondingly our emissions from rig operations.

The most significant action we can take in the near term is to operate our rigs with the minimum number of engines online to meet safe operational load requirements. Excessive operation of engines online will reduce our engine fuel efficiency and thereby increase GHG emissions. We have already made improvements on all our largest Dynamic Positioning ("DP") rigs that

were designed to support closed bus electrical plant operations. This allows a more optimal number of engines to be online when compared to comparable open bus operations. We recently analyzed historical fuel

AIR EMISSIONS - 2022 ²		
Total Emissions (metric tone CO2e) ³		
Scope 1	333,761	MT CO2e
Scope 2 ⁴	941	MT CO2e
GHG Emissions - by gas ⁵		
CO2	326,297	MT
CH4	18.4	MT
N2O	22.4	MT
Other Air Emissions - by gas		
NOx	6057	MT
SO2	407.9	MT
VOC	203.9	MT
Emissions Intensity		
Scope 1 intensity (metric tons CO2e/op day) ⁶	118.5	MT CO2e/Op Day

² Air emission data prepared following the GHG Protocol Corporate Accounting and Reporting Standard.

³ All CO2e values are calculated using the GHG Protocol's AR5 values

⁴ Scope 2 emission factors based on IEA 2021 data

⁵ Emission factors obtained from the UK EEMS Atmospheric Emissions Calculations Report, Table 8.2

⁶ Scope 1 intensity is total CO2e emissions / total number of operating days

usage for our Blackship class DP rigs and recognized a 20% fuel savings in closed bus operating mode when compared to similar open bus operations. As a result, we continue to work closely with our clients to maximize time in close bus configurations to reduce fuel usage and GHG emissions.

Also, on our Blackship DP rigs, the engine configuration of two large 18-cylinder engines and four smaller “half” 9-cylinder operations provides the rigs a better opportunity to match the number of engines online to the electrical load needs. A Blackship operating with one big and two “half” engines online has 33% less engine cylinder volume and thus fuel usage at the same electrical load compared to a rig with a more typical three 16-cylinder engines online.

This past year, the Ocean Endeavor has been leading the way to use energy more efficiently and reduce GHG emissions. The crew starts each well operation by reviewing the electrical needs of each operation’s phase to plan the best number of engines to be online. By implementing an engine management plan for each phase of operations and making engine performance visible to the end user, early results have shown a reduction of 16% in CO2 emissions for recent drilling operations. That reduction is equivalent to 2.3 million miles of fuel burned by an average car. The crew includes a LEAN team, also known within Diamond as our ENGENITY team, who reviews previous data for each phase of operations to determine the minimum engines required online to meet power demands. The driller is informed of engine metrics that show the current load factor and theoretical load factor minus one engine. The engine management plan is discussed at each pre-phase meeting with the number of recommended engines highlighted. This planning also saves the customer in fuel costs and reduced engine running hours to save on maintenance. Through ENGENITY, the rig continues to look for improvement opportunities while waiting on weather, reductions in nonproductive time (“NPT”), and more efficient operations to further reduce the fuel used to deliver wells safely to the client.



The next phase of our strategy is to use our gathered data to develop reduction plans and monitor progress. Starting with the largest fuel users in our fleet, we are adding Energy Awareness Dashboards to increase awareness of the factors that drive fuel and electricity usage. Additionally, we are working with Stepwise, a specialist consulting company, which will assist us with monitoring these data trends. We will be establishing a baseline for fuel usage and GHG emissions by factoring in the influence of weather and the impact on our customer well operations. Their experience is also helping us identify savings opportunities with existing industry technology and measure the progress of various savings initiatives implemented. This process is being built upon the methodology found in the International Organization for Standardization (ISO) Energy Management Standard, ISO 50001, and will be integrated into Diamond’s management system alongside our quality, HSE, and other environmental management practices. These plans will describe how we analyze fuel and energy usage to identify opportunities and the effectiveness of our improvement efforts.

Use of biofuels is a major opportunity for future significant GHG emissions in our business. The maritime and aviation sectors increasingly use biofuels and the experience so far has been positive. Not all biofuels are the same, and biofuels made up of bio-waste projects can potentially reduce lifecycle GHG emissions by 20% or more. The biggest barriers to biofuels today are

limited supply distribution in the areas we operate and logistics. We have several clients interested in using biofuels in the future, and we will continue to work with them as the biofuel market develops.

BIODIVERSITY

As environmental stewards, we are committed to serving the environments in which we operate. Managing the impact of our business on biodiversity is a high priority and is considered at every step of our business processes. By understanding the impact of our operations on biodiversity, we can effectively manage our risk as it pertains to ecological protection. Our strategy includes initiatives aimed at preventing and minimizing spills to the sea, meeting or exceeding environmental laws as they relate to waste reduction, water management, and recycling.

Hydrocarbon spills can cause long-lasting damage to the environment, including the health of local biodiversity. Primary negative impacts include those on aquatic life, such as whales, dolphins, turtles, and sea birds which rely on the integrity of the ocean’s surface. Biodiversity can further be harmed by the effects of spills on migratory patterns, breeding habits, and food chains. Recovery efforts can be extensive, costly, and will damage a company’s reputation. Our pledge to protect biodiversity is a commitment to proper risk management and environmental stewardship. By ensuring controls are in place to ensure spills do not occur, we are effectively and safely managing our operations. We pledge to protect the areas in which we operate and have set targets for zero hydrocarbon spills to the sea and zero well control events.

To minimize the risk of transferring invasive aquatic species when we move rigs across regions, we follow all regulatory requirements for biofouling and ballast water management. When needed, we will inspect and clean the hull to further minimize this risk prior to moving.

Water management with safe and responsible usage is of paramount importance given we operate in the ocean environment. Water used for non-drilling rig operations is usually withdrawn from the sea and processed in complex filtration and desalination units aboard each rig to provide safe potable water for human consumption.

Any wastewater or effluent discharges to the sea are treated and must meet the strict requirements outlined in regional or international regulations. We do not extract fresh water from the ground to support our operations and any fresh water used in drilling operations is under the control and management of our clients.

Any hazardous chemicals used within our operations are minimized to the extent practical and managed under strict protocols regarding transportation, storage, usage, and disposal. All such chemicals are handled within local regulatory requirements and where practical, environmentally safer materials are utilized.

Reducing waste is important to us as stewards of the environment. We utilize a comprehensive waste management program that covers onshore and offshore facilities. To minimize waste, we have developed a program to eliminate, reduce, reuse, recycle, and dispose. Waste segregation plans are in place. All waste sent ashore is shipped in approved containment and with proper documentation. At locations where we have operational control, we employ strategies to minimize waste generation and dispose of waste in the most efficient manner. Offshore waste management is tightly regulated by regional authorities in the countries where we operate. We maintain and adhere to our global waste management program standards and strive to meet all regional and government regulations worldwide.

When we decommission our rigs after asset retirement, parts may be recycled by a third party. However, we take care to ensure the contractor will adhere to the Basel Convention, International Labor laws, and contractual agreements during the decommissioning process.

In 2022, we had zero Tier 1 well control events and recorded one hydrocarbon spill event with volume greater than 1bbl.

HYDROCARBON SPILLS TO SEA	
2022 Spill Data	
Significant Events (volume > 1bbl)	1
Total Volume to Sea (bbl)	12
Tier 1 Well Control Events ⁷	0 (No events)

⁷ Tier 1 well control events are defined using criteria following API RP 754 and IOGP 456 Process Safety standards.





Diamond is committed to creating an environment that fosters teamwork, communication, growth, respect, and service. Each employee is charged with the clear mandate to set, and meet, ever-higher standards of excellence.

Our employees contribute to the accomplishments of Diamond by recognizing the importance of individual roles within our company and performing their respective functions to the best of their abilities. As team members, all work together toward the common mission of achieving standards of excellence by expecting more from themselves than others think possible.

To facilitate the identification and sharing of best practices and opportunities for continuous improvement, team members listen to the ideas or concerns of the rest of the team, and actively seek to share information and identify solutions that benefit our company and our customers. The promotion of communication and understanding is accomplished through open dialogue and the sharing of constructive ideas.

Diamond aims to be a company where safety and the care and well-being of our people, our assets, and the environment are at the heart of everything we do. Towards that goal, we pledge to “Honor Safety. Protect All.”



HONOR SAFETY PROTECT ALL

– honor – and to remember that we share an important responsibility – to protect all.

“Honor Safety. Protect All” is a reminder that safety is our ever-present priority. It is a call to action to have the strength of character to always make the right decisions regarding safety

This philosophy is built from a set of principles that is part of our company’s culture to drive a strong safety-focused mindset throughout the organization, both onshore and offshore. All employees need to stay mindful of safe actions, model safe behaviors around others, whether on the job or at home.

HEALTH AND SAFETY

Protecting the health and safety of our employees is a priority. At Diamond, our people come first, and we are committed to ensuring our employees are provided with the resources and training to ensure their physical and mental well-being. We hold ourselves to the highest standard when it comes to eliminating risks that concern the well-being of our employees. We regularly conduct assessments to identify opportunities for improvement in our safety and health protocols, as detailed in Section 6 of our Safety and Environmental Management System (SEMS). If an accident occurs, we strive to identify the root cause(s) that contributed to the accident so recurrences may be eliminated. To ensure employee protection is prioritized throughout the organization, the Compensation Committee of our Board of Directors has directly tied ESG and operational performance objectives to executive compensation. Responsibilities for meeting HSE goals are stressed throughout the organization and have been resourced in the form of training and operating procedures. Exercising care is a core principle of our values and is fundamental to our HSE strategy, which is consistently advanced by continuous improvement.

Safety is at the core of our operational success. Diamond personnel have a reputation for being among the safest professionals in the industry. Our company-wide commitment to Zero-Incident Operations (ZIO) has contributed to our Total Recordable Incident Rates (TRIR) declining to record lows over the past few years. Our creation of the Global Excellent Management System (GEMS™) has provided our company with a set of procedures to monitor, control, and continuously improve performance in health, safety, environmental protection, and regulatory compliance. To further enhance our internal safety processes, we have developed a proprietary behavior-based safety program as an element of our incident prevention management. The Diligent Observation Decisive Intervention (DODI) process minimizes undesired behaviors with the potential to cause or contribute to incidents. The DODI process is aimed at fostering and developing a professional safety culture on our rigs.

Offshore drilling operations, by their nature, have the potential to result in severe damage if precautionary steps are not taken to mitigate risk. A Major Accident Hazard is a source of danger that has the potential to cause a major incident, whether involving multiple fatalities and/or significant damage to plants, equipment, or the environment. Process risks are continuously monitored and managed. In 2023, we plan to implement a process risk system that demonstrates the effectiveness of our barriers. Lifting operations, for example, are some of our most frequently performed activities on our rigs and can involve high potential risk of injury. We are committed to reviewing and revising our dropped object principles and procedures. DROPS and Red Zone Champions will proactively and dynamically manage and control relevant operations. We will strive to reduce the number of “similar event” incidents.

“The core of our employee safety ethos lies in our HSE Policy: ‘Caring for the lives of others and protecting the environment are the responsibilities Diamond Offshore keeps at the forefront of everything we do’. Diamond Offshore are like a family, we look to ensure our offshore “family” works safely and looks out for each other in order for them to return to their own family fit and healthy at the end of their hitch. We have a number of safety tools in place for our workforce, some of which were designed by our rig crews. This gives us better tools and buy-in to achieve our Zero-Incident Operations (ZIO) goal. We utilize GEMS™ on a daily basis to communicate our policies, procedures and risk assessment tools ensuring everyone in the organization across the globe is working to the same standard.”



A handwritten signature in black ink that reads "Neil Hall".

Neil Hall,
Sr. Vice President -
HSEQ & Operations Support

TRAINING AND DEVELOPMENT

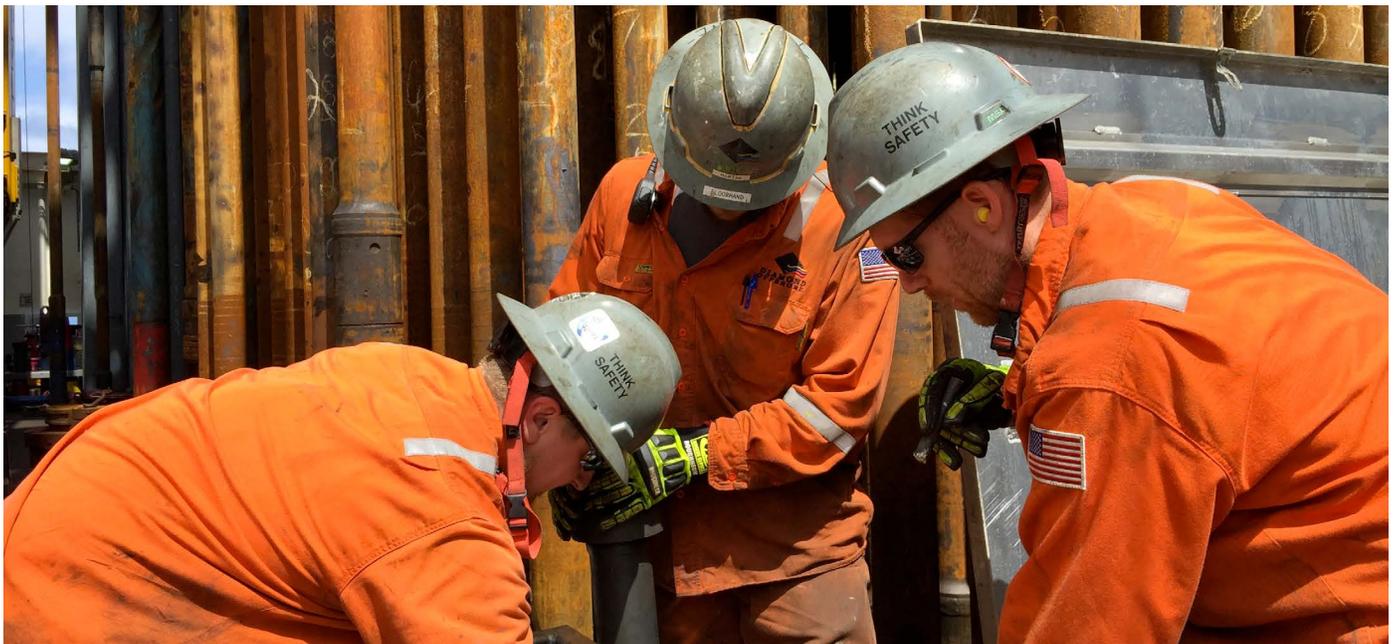
Providing and maintaining the skillsets our employees need to perform their jobs responsibly and safely are high priorities for our company. We take a systematic approach to training and developing our employees and provide a comprehensive training program that endeavors to ensure that our rig employees receive position-specific training as an integral part of their career development. We utilize a competency verification program for establishing and verifying the knowledge, skills, and abilities needed by each employee to perform their assigned job function in a safe and environmentally sound manner. Employees are provided with periodic feedback to assess and adjust individual performance, intended to contribute to our value of “winning together”. In 2022, Diamond employees completed 16,806 hours of safety-related training out of 55,041 hours of total training. On average, each employee completed an average of 26.8 hours of training.

We encourage the advancement of our employees and demonstrate our commitment to the professional development of our personnel by prioritizing the internal fulfillment of roles. As of December 31, 2021, over 67% of our global workforce had been employed by us for five years or more, with an average tenure of 10 years.

In 2022, Diamond employees completed 16,806 hours of safety-related training out of 55,041 hours of total training. On average, each employee completed an average of 26.8 hours of training.

2022 SAFETY DATA HIGHLIGHT⁸

Total Recordable Incident Rate (TRIR)	
Diamond Personnel	0.25
IADC - Offshore Drilling Industry ⁹	0.53
Lost-Time Incident Rate (LTIR)	
Diamond Personnel	0.12
IADC - Offshore Drilling Industry	0.09
Near Miss Incident Rate (NMIR)	0.12
Work-Related Fatalities	0



⁸ TRIR, LTIR, NMIR based on IADC safety reporting methodology.

⁹ IADC comparable rates are based on IADC Offshore statistics for the regions where we operate.

DIVERSITY AND INCLUSION

As a leader in offshore drilling with operations spanning the globe, our international presence contributes significantly to our values of diversity and inclusion. We champion a diverse and inclusive workplace environment focused on openness and collaboration. We do not tolerate any form of discrimination or sexual harassment in the workplace. It is our policy to provide equal opportunities for all applicants and employees and to recruit, hire, transfer, promote, train, and administer all personnel policies without regard to race, color, religion, national origin, gender, age, marital status, disability, or veteran status. We implement procedures and systems to ensure that employee information regarding gender, age, and other indicators of diversity are maintained and kept confidential. In addition, the ratio of salary remuneration between men and women is also monitored. For our UK operations, we comply with The Equality Act 2010, which requires the reporting of several metrics concerning gender pay gap. We will continue to comply with and monitor regional regulations.

Our Code of Business Conduct and Ethics urges employees who feel that they are being subjected to discriminatory treatment or sexual harassment to utilize our complaint procedures to report the issues. We will not take or permit retaliatory actions against an employee who, in good faith, reports or provides information about misconduct.



WORKFORCE DEMOGRAPHICS	
2022 Employee Age - %	
Under 30	10%
30-50	67%
Over 50	23%

2022 Employee Gender Diversity - %	
Global Employee - women	6%
Onshore Employee - women	67%
Offshore Employee - women	2%
Middle Management - women	8%
Senior Management - women	21%
Board of Directors - women	13%

2022 Employee Diversity by Region					
Reporting Region	Total employees	Male (#)	Male (%)	Female (#)	Female (%)
USA	923	862	93%	61	7%
Europe	387	366	95%	21	5%
Africa	278	275	99%	3	1%
Australia-Asia	200	188	94%	12	6%
South America	262	245	94%	17	6%
Global	2050	1936	94%	114	6%

2022 Rig-based Employee Diversity by Region					
Reporting Region	Total employees	Male (#)	Male (%)	Female (#)	Female (%)
USA	758	749	99%	9	1%
Europe	342	339	99%	3	1%
Africa	265	262	99%	3	1%
Australia-Asia	173	171	99%	2	1%
South America	234	224	96%	10	4%
Global	1772	1745	98%	27	2%

LOCAL COMMUNITIES

We operate in countries and regions all over the globe, and we maintain the utmost gratitude and care toward the localities in which we operate. Our presence in the offshore market would not be possible without the relationships we have maintained with local communities and the mutual respect we share. We strive to do our best in local hiring practices and are pleased that as of January 2023, 85% of our workforce was comprised of local employees. We urge our employees to become involved with local volunteering events and community patronage efforts. For example, on occasion, wild birds appear on our rigs and require special assistance to safely return to their natural habitats. Our employees are encouraged to assist with the transport of these birds to shore so they may be cared for and rehabilitated by trained professionals.

LOCAL COMMUNITY HIRING %		
% Senior Managers and Employees Hired Locally		
Region	Senior Managers	Employees
Australia	100%	99%
North Sea-Africa	100%	54%
Brazil	100%	98%
USA	100%	100%
Overall	100%	85%



GOVERNANCE



BOARD STRUCTURE AND ESG CHARTER

Our belief in the value of sustainability is grounded in our commitment to our stakeholders. At Diamond, we believe the value of our company is intrinsically linked to the health of our people and the planet. We are proud to integrate sustainability into the core of our business. The Nominating, Governance and Sustainability Committee of our Board of Directors (the “NG&S Committee”) is responsible for overseeing our company’s sustainability programs. Our Board also oversees an enterprise-wide approach to risk management, designed to support the achievement of organizational objectives, including strategic objectives, long-term organizational performance, and enhanced stakeholder value. A fundamental component of risk management is not only understanding the risks and the measures management is taking to mitigate risks, but also determining the level of risk that is appropriate for our company. The NG&S Committee is also responsible for reviewing our company policies, management systems, and ESG initiatives.

We recognize the importance of all employees working together to achieve our goal of protecting the environment while responsibly conducting business activities. Our senior management is committed to the goals of our HSE Policy and has included the framework in our Environmental Management System.

In 2021, our NG&S Committee was formed and tasked with assisting our Board of Directors with oversight of our director nominations process, corporate governance, and sustainability initiatives. Additionally, the committee reviews and monitors the development

“Since emerging from bankruptcy, the company has developed an ESG strategic framework and appointed a Sustainability Officer to manage the implementation of the framework across the company and provide regular updates to the Nominating, Governance and Sustainability Committee of the Board. To date, the focus has primarily been on reducing emissions from our own operations as well as aligning with our customers on their ESG efforts with good progress made. The Board looks forward to continued dialogue with management in this area as we continue to make important progress in this journey going forward.”

John H. Hollowell – Chairperson of Nominating, Governance, and Sustainability Committee

and implementation of our environmental, social, and governance goals and provides guidance to our Board on ESG and sustainability matters.

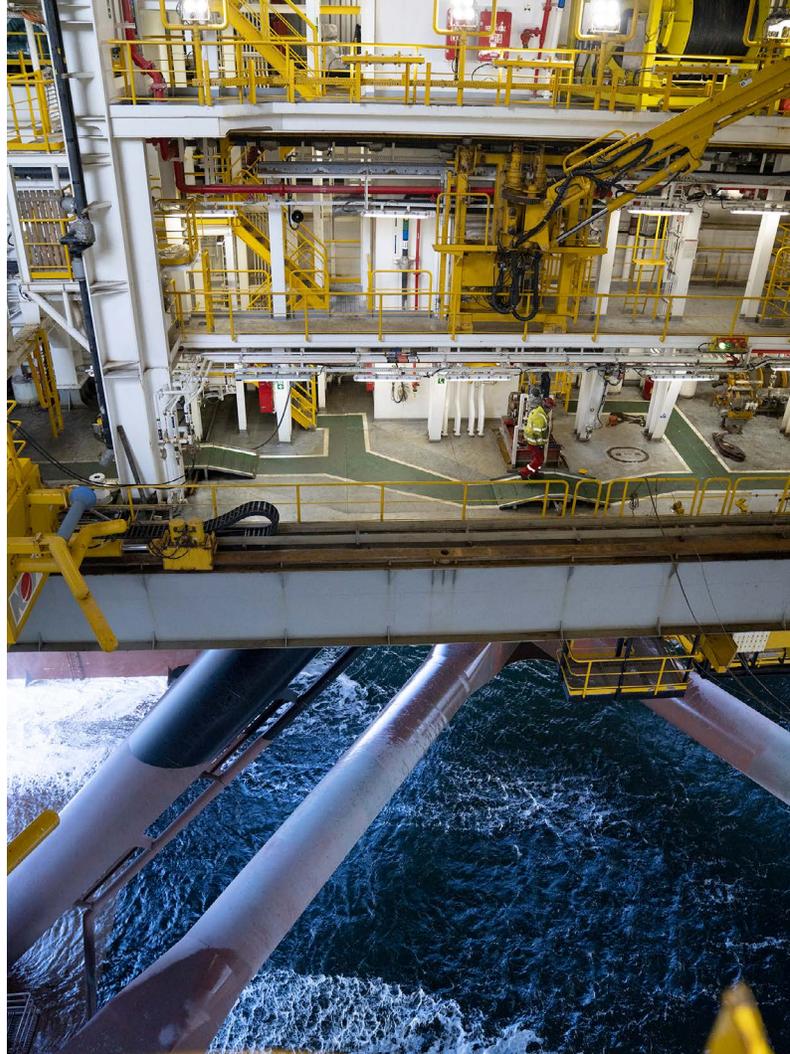
A sustainability strategy can add value. Integrating sustainability into our business model prioritizes the health of our people and our planet and ensures our solutions, strategies, and operations remain commercially viable and durable. Although our sustainability efforts are reviewed by the NG&S Committee, our senior management has the overall responsibility for formulating and communicating our Quality Policy, quality objectives, and our sustainability goals and targets. Because our compensation is directly tied to our ESG performance, our CEO and executive leadership team are incentivized to commit to and advance our sustainability strategy.

ENTERPRISE RISK MANAGEMENT

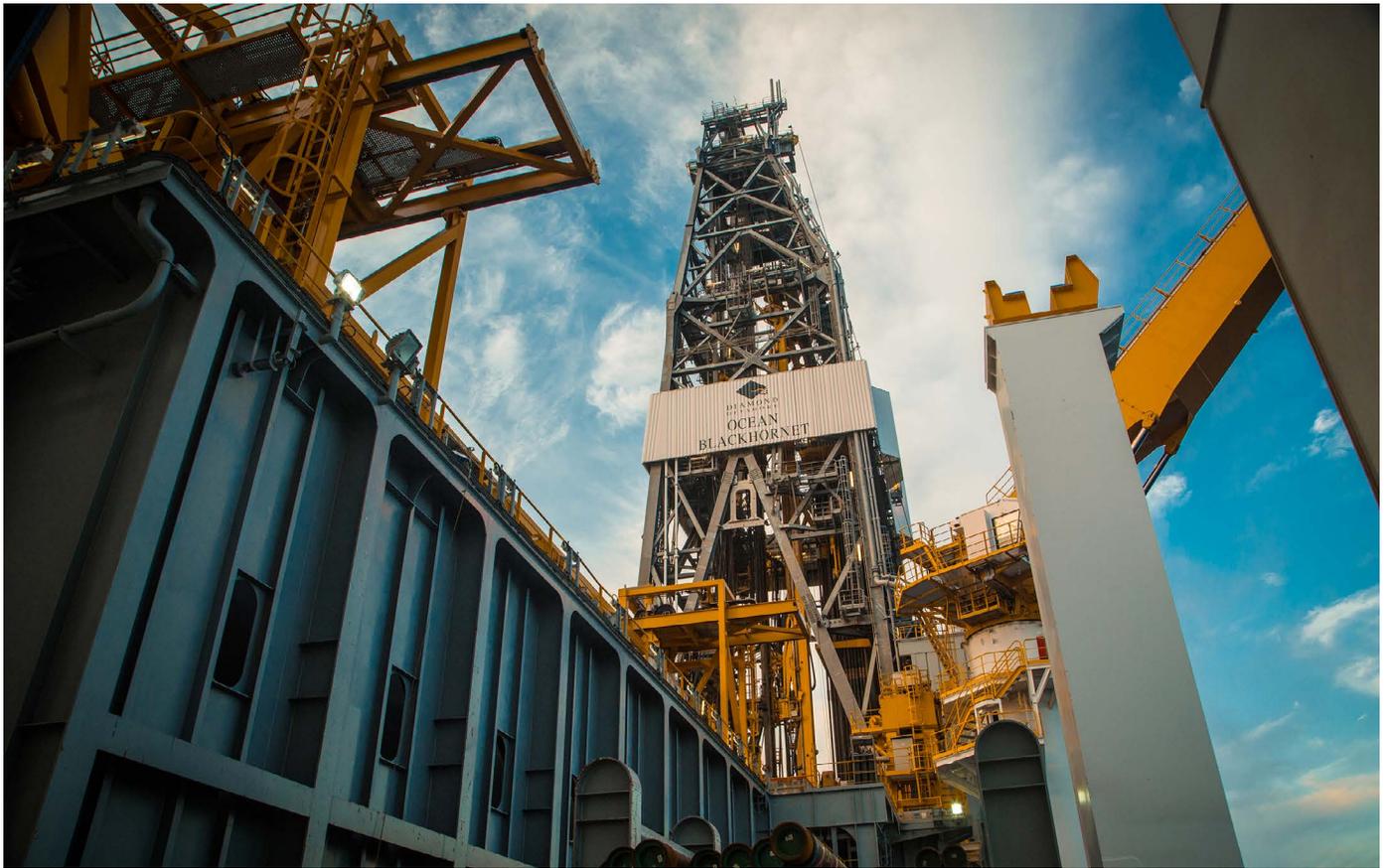
As a global organization, Diamond has a robust enterprise risk management system across all functional areas, identifying mechanisms for prioritization and mitigation. We have defined tools, teams, and processes to mitigate and manage risks while implementing a business strategy that aims to identify, assess, and prepare for potential hazards or dangers, but also scan the horizon for longer-term risks that may interfere with the organization's operations and resilience. Depending on the category, risks are reviewed and updated by a team of subject matter experts on a periodic basis. Additionally, our executives review our enterprise risks and updates our Board of Directors at least annually. We are committed to expanding our reporting on GHG Risk Management according to according to the Task Force on Climate-related Financial Disclosures (TCFD) in next year's report.

ANTI-CORRUPTION AND ETHICS

In all of our business dealings, we are committed to maintaining high standards for honest and ethical business conduct. We expect our employees to act



in accordance with our Code of Business Conduct and Ethics, which we refer to as our Code of Conduct. Our Code of Conduct covers various topics, including legal compliance, conflicts of interest, the accuracy of financial reporting and disclosure, confidentiality, discrimination and harassment, anti-corruption, safety and health, and reporting ethical violations. Our Code of Conduct reflects our commitment to operating in a fair, honest, responsible, and ethical manner and also provides direction for reporting complaints in the event of alleged violations of our policies, including through an anonymous hotline. We require our employees to read our Code of Conduct in its entirety and, when faced with a difficult situation or ethical dilemma, to ask the following questions: Is this action legal, ethical, and socially responsible? Does this action comply with both the spirit and the letter of the Code? Will this action appear appropriate when viewed later by others? Is it clear that our company would not be embarrassed or compromised if this action became known within the company or publicly?



If the question cannot be answered in the affirmative, we urge our employees to confirm the action with their supervisor or contact our Legal Department. We require our employees to act in accordance with the laws, rules, and regulations of the United States and the states, counties, cities, and all other jurisdictions in which we operate. Our Code of Conduct applies to all employees and is a necessary component of a transparent and accountable business. All supervisory and management personnel, including all officers and directors of our company, have a special responsibility to lead according to the standards in this Code. Our supervisory and management personnel are also expected to adhere to and promote our “open door” policy. This means that they are available to any employees who may have ethical concerns, questions, or complaints.

We conduct mandatory quarterly ethics training on a rotation of topics covered by our policies. Diamond strives for all of its covered employees to complete each ethics and compliance training assignment, and in recent years has not incurred any fines or experienced any lawsuits as a result of ethical or compliance failures.

LABOR AND HUMAN RIGHTS

Diamond remains anchored to our pledge of “Honor Safety. Protect All” and, as part of that pledge, we strive to ensure that our employees, and the companies with whom we conduct business, understand and respect fundamental human rights.

The need to protect human rights has received global attention for nearly a century. Historically, these protections were limited and focused specifically on race and gender. But we believe that the concept of human rights is broader. So, we have adopted a Human Rights Policy to memorialize our company stance on the protections to be provided to our employees and potential employees.

Diamond developed our Human Rights Policy after taking into consideration changing legal and regulatory landscapes on a global and local scale. The policy supports and recognizes human rights precedence established by The Universal Declaration of Human Rights, the International Labour Organization’s (ILO) Declaration on Fundamental Principles and Rights at Work, the United Nations Global Compact, the United

Nations Guiding Principles on Business and Human Rights, and the International Finance Corporation's Performance Standards. The policy conveys Diamond's stance on several issues impacting the global workforce, including child labor, diversity, women's rights, modern slavery, and human trafficking.

We respect the right of our employees to freely choose whether to participate in labor unions, seek representation, or collectively bargain in accordance with applicable local laws. Diamond employees currently participate in labor unions in two countries.

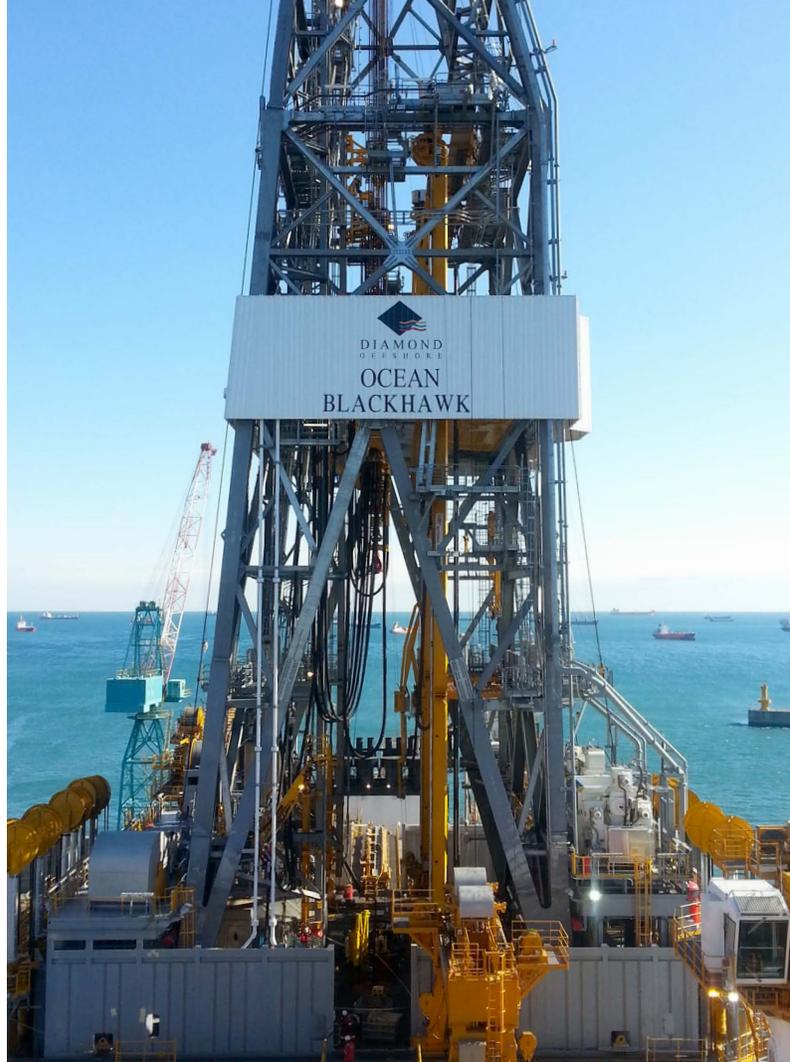
We actively encourage our employees to raise ethical and legal concerns, including human rights issues, through multiple channels, and anonymously if desired. We will not tolerate retaliation against anyone who reports concerns in good faith.

RESPONSIBLE CONTRACTOR AND SUPPLIER PRACTICES

We are committed to operating at the highest ethical standards and in compliance with all applicable laws and regulations. We expect those same high standards to be followed by vendors and suppliers across our supply chain. We are committed to ensuring that our vendors do not participate in slavery or human trafficking. For 2023, we will be implanting our new Human Rights policy in our supply chain procurement procedures and conducting risk-based audits of vendors for human rights policy adherence.

DATA PRIVACY AND SECURITY

The offshore drilling industry has become increasingly dependent on information technologies, computer systems, and networks. We place great reliance on these systems, as they enable increased efficiency in our business functions. Our dependence on information technology exposes our digital infrastructure to a wide-ranging number of risks that could potentially disrupt our ability to process the data necessary to conduct our business operations. These risks could include,



among others, storms and natural disasters, terrorist attacks, utility outages, theft, design defects, human error, or complications encountered as existing systems are maintained, repaired, replaced, or upgraded. Additionally, some entities or groups have engaged in "cyber-attacks" on businesses solely to disable or disrupt computer systems, disrupt operations, and in some cases, steal data. Without the proper controls in place to manage these risks, we would be leaving the data of our business, customers, vendors, and partners exposed to threats of alteration, loss, theft or corruption of data, and unauthorized release of, unauthorized access to, or our loss of access to confidential, proprietary, sensitive, or other critical data or systems. Potential breaches in our IT systems could result in loss of customers, financial losses, regulatory fines, substantial damage to property, bodily injury or loss of life, or misuse or corruption of critical data and proprietary information and could have a material adverse effect on our operations, business, or reputation.



Diamond safeguards our data, devices, and systems from unauthorized access, unintentional and accidental data loss, and denial of service attacks by employing a holistic approach to cybersecurity. Diamond continuously reviews our security posture through the leveraging of a full-time Security Operations Center, by performing risk assessments including independent third-party testing, and prepares the organization to mediate threats by providing cybersecurity awareness in the form of internal articles, emails, and training. We are committed to maintaining a resilient security posture by evaluating our cybersecurity technology stack, processes, and procedures on a continuous basis.

We provide annual cybersecurity awareness training supplemented by routine ad-hoc training campaigns for all users accessing our network. This training is done through articles and computer-based security training covering topics such as best practices for creating passwords and phishing awareness campaigns all with the purpose of keeping our users aware of potential cyber threats.

APPENDIX

FEEDBACK

For questions or further information, please contact:

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FORWARD-LOOKING STATEMENTS

This report contains forward looking statements that are based on management's current expectations, estimates and projections for the future. Forward-looking statements are inherently uncertain and subject to a variety of assumptions, risks and uncertainties that could cause actual results to differ materially from those currently anticipated or expected by management of the company. A discussion of certain of the risk factors and other considerations that could materially impact these matters as well as the company's overall business and financial performance can be found in the company's reports filed with the Securities and Exchange Commission, and readers of this report are urged to review those reports carefully when considering these forward-looking statements. These risk factors include, among others, risks associated with worldwide demand for drilling services, depressed levels of activity in the oil and gas industry, renewing or replacing expired or terminated contracts, contract cancellations and terminations, maintenance and realization of backlog, competition and industry fleet capacity, litigation and disputes, operating risks and various other factors, many of which are beyond the company's control. Given these risk factors and other considerations, investors and analysts should not place undue reliance on forward-looking statements. Each forward-looking statement speaks only as of the date of such statement, and the company expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement to reflect any change in the company's expectations with regard thereto or any change in events, conditions or circumstances on which any forward-looking statement is based.

Many of the standards and metrics used in preparing this report continue to evolve and are based on management assumptions believed to be reasonable at the time of preparation but should not be considered guarantees. The statements of intention in this report speak only as of the date of this report, and the company undertakes no obligation to update publicly any statements in this report.

GRI DISCLAIMER

This report published July 21, 2023 has been prepared with reference to the Global Reporting Initiative (GRI) Standards (2021). The GRI Standards are the world's most widely used sustainability reporting standard. The report meets the disclosure requirements of the Sustainability Accounting Standards Board (SASB) Oil and Gas Services Standard (2018). The report presents the environmental, social, and governance (ESG) performance of Diamond Offshore Drilling, Inc., along with its management approach to material sustainability topics, for the 2022 calendar year (1/1/2022-12/31/2022). This report includes all of the company's direct and indirect subsidiaries included in its consolidated financial statements.

For further questions related to our sustainability reporting, please contact Kevin Bordosky, Senior Director of Investor Relations: kbordosky@dodi.com

APPENDIX

SASB – OIL AND GAS SERVICES STANDARD (2018)

ACCOUNTING METRIC	2022	UNIT OF MEASURE	CODE
Emission Reduction Services and Fuels Management			
Total fuel consumed, percentage renewable, percentage used in: (1) on-road equipment and vehicles and (2) off-road equipment	n/a	Gigajoules (GJ), Percentage (%)	EM-SV-110a.1
Discussion of strategy or plans to address air emissions-related risks, opportunities, and impacts	Pg. 9, 11, 12	n/a	EM-SV-110a.2
Percentage of engines in service that meet Tier 4 compliance for non-road diesel engine emissions	n/a	Percentage (%)	EM-SV-110a.3
Water Management Services			
(1) Total volume of fresh water handled in operations, (2) percentage recycled	No freshwater used	Thousand cubic meters (m ³), Percentage (%)	EM-SV-140a.1
Discussion of strategy or plans to address water consumption and disposal-related risks, opportunities, and impacts	Pg. 13	n/a	EM-SV-140a.2
Chemicals Management			
Volume of hydraulic fracturing fluid used, percentage hazardous	n/a	Thousand cubic meters (m ³), Percentage (%)	EM-SV-150a.1
Discussion of strategy or plans to address chemical-related risks, opportunities, and impacts	Pg. 13	n/a	EM-SV-150a.2
Ecological Impact			
Average disturbed acreage per (1) oil and (2) gas well site	n/a	Acres (ac)	EM-SV-160a.1
Discussion of strategy or plan to address risks and opportunities related to ecological impacts from core activities	Pg. 13	n/a	EM-SV-160a.2

ACCOUNTING METRIC	2022	UNIT OF MEASURE	CODE
Workforce Health and Safety			
(1) Total recordable incident rate (TRIR), (2) fatality rate, (3) near miss frequency rate (NMFR), (4) total vehicle incident rate (TVIR), and (5) average hours of health, safety, and emergency response training for (a) full-time employees, (b) contract employees, and (c) short-service employees	Pg. 17	Rate	EM-SV-320a.1
Description of management systems used to integrate a culture of safety throughout the value chain and project lifecycle	Pg. 15-17	n/a	EM-SV-320a.2
Business Ethics and Payments Transparency			
Amount of net revenue in countries that have the 20 lowest rankings in Transparency International's Corruption Perception Index	None	Reporting currency	EM-SV-510a.1
Description of the management system for prevention of corruption and bribery throughout the value chain	Pg. 20-23	n/a	EM-SV-510a.2
Management of the Legal and Regulatory Environment			
Discussion of corporate positions related to government regulations and/or policy proposals that address environmental and social factors affecting the industry	10-K Pg. 8	n/a	EM-SV-530a.1
Critical Incident Risk Management			
Description of management systems used to identify and mitigate catastrophic and tail-end risks	Pg. 21	n/a	EM-SV-540a.1

ACTIVITY METRICS

ACTIVITY METRIC	2022	UNIT OF MEASURE
Contract drilling revenue	724,744	mUSD
Number of active rigs	9+2	Number (owned+managed)
Rig operating days	3,089	Days
Total number of hours worked by Diamond Personnel	4,828,738	Hours

GRI CONTENT INDEX

Statement of use	Diamond Offshore, Inc. has reported the information cited in this GRI content index for the period 1/1/2022-12/31/2022 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI 2: General Disclosures 2021

DISCLOSURE	LOCATION/REFERENCE
2-1 Organizational details	10K - Pg. 3-9
2-2 Entities included in the organization's sustainability reporting	10K - Exhibit 21.1
2-3 Reporting period, frequency and contact point	Pg. 25 10K
2-4 Restatements of information	None
2-5 External assurance	None
2-6 Activities, value chain and other business relationships	10K - Pg. 3-9
2-7 Employees	Pg. 18-19 10K
2-8 Workers who are not employees	10K
2-9 Governance structure and composition	Website: Corporate Governance
2-10 Nomination and selection of the highest governance body	Nominating, Governance, and Sustainability Committee Charter
2-11 Chair of the highest governance body	Website: Corporate Governance
2-12 Role of the highest governance body in overseeing the management of impacts	Proxy - Board Oversight of Risk Management - Page 20 Nominating, Governance, and Sustainability Committee Charter
2-13 Delegation of responsibility for managing impacts	Proxy - Board Oversight of Risk Management - Page 20
2-14 Role of the highest governance body in sustainability reporting	Pg. 8 Nominating, Governance, and Sustainability Committee Charter
2-15 Conflicts of interest	10K Website: Corporate Governance
2-16 Communication of critical concerns	Proxy, Reporting of Ethics and Compliance Concerns - Page 25
2-17 Collective knowledge of the highest governance body	Proxy - Pg. 11-20

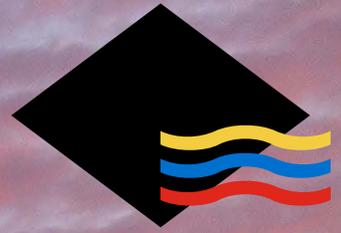
DISCLOSURE	LOCATION/REFERENCE
2-18 Evaluation of the performance of the highest governance body	Proxy - Nominating, Governance, and Sustainability Committee, Page 18
2-19 Remuneration policies	Compensation Committee Charter
2-20 Process to determine remuneration	Proxy - Compensation Discussion and Analysis Pg 28-58
2-21 Annual total compensation ratio	Proxy - CEO Pay Ratio, Page 56
2-22 Statement on sustainable development strategy	Pg. 3-4
2-23 Policy commitments	Website: Corporate Governance
2-24 Embedding policy commitments	Pg. 20-23 Website: Corporate Governance
2-25 Processes to remediate negative impacts	Proxy - Reporting of Ethics and Compliance Concerns - Page 25
2-26 Mechanisms for seeking advice and raising concerns	Website: Confidential Reporting Hotline
2-27 Compliance with laws and regulations	Code of Business Conduct and Ethics
2-28 Membership associations	International Association of Drilling Contractors American Petroleum Institute
2-29 Approach to stakeholder engagement	Pg. 8-9 Proxy - Environmental, Social and Governance (ESG) Focus - Page 24
2-30 Collective bargaining agreements	10K - Human Capital - Page 8

GRI 3: Material Topics 2021

MATERIAL TOPICS		LOCATION
3-1 Process to determine material topics		Pg. 8
3-2 List of material topics		Pg. 8
ENVIRONMENTAL		
GHG EMISSIONS	3-3 Management of Material Topic	Pg. 9, 11-12
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	
	305-2 Energy indirect (Scope 2) GHG emissions	
	305-3 Other indirect (Scope 3) GHG emissions	
	305-4 GHG emissions intensity	
	305-5 Reduction of GHG emissions	
	305-6 Emissions of ozone-depleting substances (ODS)	
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	
ENERGY EFFICIENCY	3-3 Management of Material Topic	Pg. 9, 11-12
GRI 302: Energy 2016	302-1 Energy consumption within the organization	
	302-2 Energy consumption outside of the organization	
	302-3 Energy intensity	
	302-4 Reduction of energy consumption	
	302-5 Reductions in energy requirements of products and services	
BIODIVERSITY	3-3 Management of Material Topic	Pg. 13
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	
	304-2 Significant impacts of activities, products and services on biodiversity	
	304-3 Habitats protected or restored	
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	

SOCIAL		LOCATION
HEALTH AND SAFETY	3-3 Management of Material Topic	Pg. 15-16
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	
	403-2 Hazard identification, risk assessment, and incident investigation	
	403-3 Occupational health services	
	403-4 Worker participation, consultation, and communication on occupational health and safety	
	403-5 Worker training on occupational health and safety	
	403-6 Promotion of worker health	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	
	403-8 Workers covered by an occupational health and safety management system	
	403-9 Work-related injuries	
TRAINING AND DEVELOPMENT	3-3 Management of Material Topic	Pg. 17-18
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	
	404-2 Programs for upgrading employee skills and transition assistance programs	
DIVERSITY AND INCLUSION	3-3 Management of Material Topic	Pg. 18-19
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	
LOCAL COMMUNITIES	3-3 Management of Material Topic	Pg. 19
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	

GOVERNANCE		LOCATION
ENTERPRISE RISK	3-3 Management of Material Topic	Pg. 21
ANTI-CORRUPTION AND ETHICS	3-3 Management of Material Topic	Pg. 21-22, Website: Corporate Governance
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	
	205-2 Communication and training about anti-corruption policies and procedures	
	205-3 Confirmed incidents of corruption and actions taken	
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	
LABOR AND HUMAN RIGHTS	3-3 Management of Material Topic	Pg. 22-23, Website: Corporate Governance
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	
RESPONSIBLE CONTRACTOR AND SUPPLIER PRACTICES	3-3 Management of Material Topic	Pg. 23
DATA PRIVACY AND SECURITY	3-3 Management of Material Topic	Pg. 23-24
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	



DIAMOND
OFFSHORE

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SUSTAINABILITY REPORT 2022