



DIAMOND
OFFSHORE

2021 SUSTAINABILITY REPORT

Going Beyond to Solve Tomorrow's Problems Today

Table of Contents

A LETTER FROM THE PRESIDENT AND CEO	3
ABOUT DIAMOND OFFSHORE	5
OUR PURPOSE	5
OUR MISSION	5
OUR VISION	5
OUR VALUES & BEHAVIORS	5
WHERE WE OPERATE	6
SUSTAINABILITY CONTEXT	6
MEGATRENDS OF OIL AND GAS SECTOR	6
SUSTAINABILITY STRATEGY	7
ACCOUNTABILITY	8
MANAGEMENT APPROACH	8
ESG GOVERNANCE	9
ESG GOVERNANCE STRUCTURE	10
POLICY MATTERS	10
ETHICS & COMPLIANCE	10
ECONOMIC PERFORMANCE	10
ENVIRONMENT	11
ENTERPRISE RISK MANAGEMENT	11
COMPLIANCE	11
COMPLIANCE PERFORMANCE METRICS	12
WASTE MANAGEMENT	13
WATER MANAGEMENT	13

PEOPLE 14

- HEALTH AND SAFETY 14
- COVID-19..... 14
- EMPLOYEE TRAINING..... 15
- DIVERSITY & INCLUSION..... 15
- EMPLOYEE ENGAGEMENT..... 15

APPENDIX: 16

- FEEDBACK 16
- FORWARD-LOOKING STATEMENTS 16
- OUR APPROACH TO SUSTAINABILITY REPORTING..... 16
- KEY INDICATORS 17
- KEY INDICATOR ASSESSMENT 18
- GRI CONTENT INDEX..... 19

A Letter from the President and CEO

January 2022

Diamond Offshore's 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", encompasses the essence of sustainability from an offshore driller standpoint. We understand the work we do today can impact people and communities across the globe for years to come. Our goal is to ensure we complete this work in a safe and reliable manner, while mitigating the inherent impacts these operations can have on the world we all live in.

The last few years have been filled with change and distraction with the impact of COVID and a bankruptcy process directly affecting our stakeholders, employees, vendors, and clients. Despite these challenging times we have become better at managing our operations across the world. Our greatest assets, our people, have come together virtually to create an online working network that has not only improved communications across the Company, but also reduced the environmental impact of our day-to-day office work.

We have taken our Values and Behaviors and embodied them in our daily lives. We consistently see examples of employees, onshore and offshore Taking Ownership and Running to the Challenge. Through these Values and Behaviors, we continue to strive towards excellence in reducing time to drill our offshore wells, environmental impact, and costs, all while doing so in a safe and efficient manner.

Making a Difference

Today's energy solutions have the capability to address not only the world's current energy needs, but those of the future as well. At Diamond we constantly strive to find efficient ways to *Responsibly Unlock the Energy* required for our ever-changing world. Demand for hydrocarbons is likely to increase as the global population continues to grow; it is our charge as a premier energy service company to help meet that increase in demand, while doing so in an environmentally responsible manner. To achieve this, Diamond Offshore has embarked on digitization and innovation to efficiently deliver wells to our customers.

Digitization

Using our Sim Stack® system to accurately monitor our BOP's health in real time, we can ensure we have fit for purpose well control systems that meet or exceed all regulatory compliance requirements. With this increased data and transparency, we are making informed real time decisions on safety critical equipment that can have significant impact on both our people and the environment.

Innovation

We continue to employ Lean principles to improve our drilling operations and we partner with our clients to implement lessons learned on their well programs. These principles have reduced hole section times dramatically over the course of well programs, as well as reducing risks to personnel offshore.

The Path Forward

Diamond Offshore has chosen GRI (Global Reporting Initiative) as the standard upon which to build our sustainability strategy. In the following report you will see reference to our internal policies and examples of how we meet and, in many areas, exceed the requirements set forth in the standard. Looking to the future we must work together to deliver superior performance while reducing our impact on the environment. We are seeing increased demand for our services in the near term and can reasonably expect that demand to grow over the medium term. Against this backdrop, Diamond Offshore is focusing efforts on our ESG programs and *Going Beyond* to solve tomorrow's problems today.

Bernie Wolford

President and CEO

About Diamond Offshore

Diamond Offshore, ("Diamond") is a leader in offshore drilling, providing contract drilling services to the energy industry around the globe with a total fleet of 13 offshore drilling rigs, consisting of nine semi-submersibles and four dynamically positioned drill ships.

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.

Our Purpose

To responsibly unlock energy.

Our Mission

How we deliver on our purpose every day

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

Where we will be in five to ten years as a result of delivering on our purpose

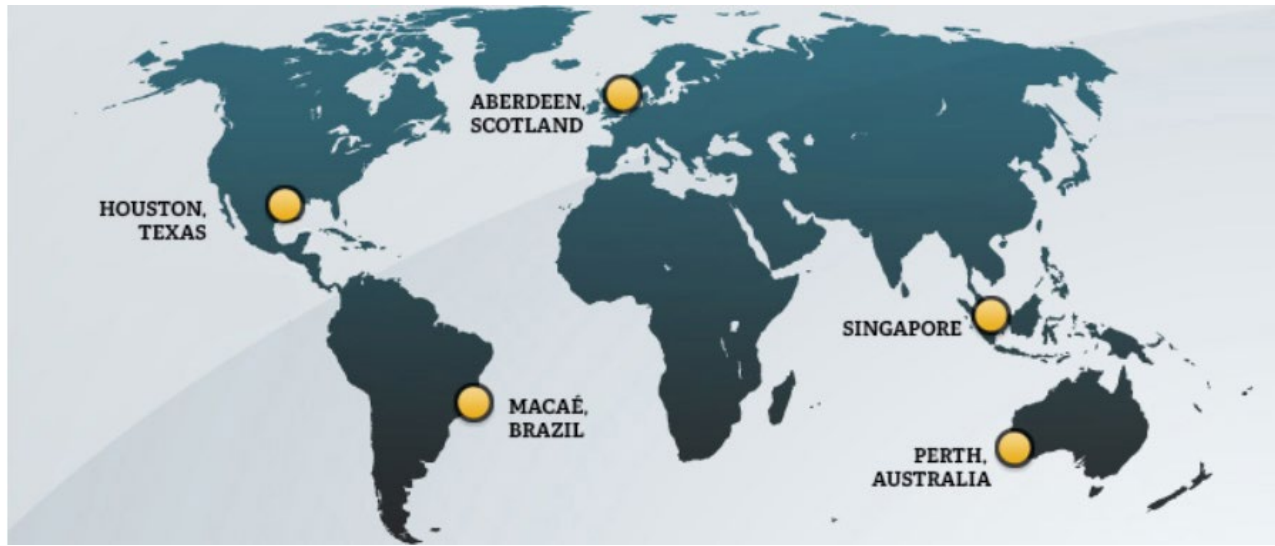
We see a world in which affordable and plentiful energy is delivered safely from the deepest waters.

Our Values & Behaviors

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

- **Take Ownership**
 - Run to the challenge
 - Deliver on what you promise
- **Exercise Care**
 - Respect that every action has consequences
 - Never cut corners
- **Go Beyond**
 - Solve tomorrow's problems today
 - Make it better than you found it
- **Win Together**
 - Learn from each other
 - Share success
 - Champion a "Culture of We"
- **Have Courage**
 - Challenge conventional thinking
 - Speak up, even when it's tough

Where We Operate



Sustainability Context

Megatrends of Oil and Gas Sector

Technologically speaking, we are living in energy industry's most advanced era, which is ever changing and advancing. Today's energy solutions have the potential to address some of societies largest challenges, including climate change, but we face both political and cultural disparity toward the application of these solutions. While our industry is largely influenced by technology, market design and the policy landscape, the greatest opportunity for our sector to transform relies on our ability to respond to these megatrends.

Digitization

Much like in every other part of our modern economy, digitization is revolutionizing the energy sector. This enables real-time control and monitoring of operations such as Diamond's Sim Stack® where digitization allows for continuous and accurate assessment of the BOP status and regulatory compliance after a non-conformance has been identified.

Innovation

Innovation towards solutions is nothing new to our industry. Diamond continues to innovate to not only focus on economic performance, but environmental stewardship. The first-of-its kind service model, pressure control by the hour, for the deep-water drilling industry delivered increased subsea uptime on all drill ships to over 99% while protecting the environment.

However, even in the continuing protracted industry downturn, we are continually seeking ways to drive efficiency, reduce non-productive time and provide technical innovation and improved HSE performance to our customers. We expect these innovations and efficiencies to result in faster, safer, and less impactful drilling and completion of wells, leading to lower well costs which benefit our customers and the environment.

Sustainability Strategy

Quality is the foundation of our Company culture and an integral part of our purpose to responsibly unlock energy. The commitment to quality at Diamond is a commitment to the pursuit of excellence, that we may earn the trust of our customers and create value for all stakeholders.

Diamond believes that integrating environmental, safety, and governance considerations into our business decisions is essential to creating value for our stakeholders, including employees, clients, investors, business partners, regulators, and citizens in the communities where we live and work. Our Quality Manual provides the framework and mechanism to address risks and opportunities, enhance desirable effects, prevent or reduce undesirable effects, and achieve continual improvement and integration of our sustainability strategy.

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. As we continue to align our sustainability efforts with our business, we are organizing with cross-functional engagement and strong governance. To help create a sustainable energy future, we have prioritized our work into Key Sustainable objectives. Each objective comprises business activities that create value for Diamond and its stakeholders.

- Governance
- Economic performance
- Compliance
- Health, safety and environment
- Employment

The U.S. Energy Information Administration anticipates that oil and natural gas will continue to account for a significant portion of energy fuel mix both in the U.S. and globally through 2040. So, it's critical that we develop pragmatic and workable solutions to reduce emissions.

See the *Key Indicators* section of this report for further explanation of key indicator objectives.

Accountability

We believe in sustainability as a business imperative. The health of our company is intrinsically linked to the health of our people and the planet. We are committed to integrating sustainability into our core business. In 2021, the Diamond Offshore Board of Directors formed a new Board committee called the Nominating, Governance and Sustainability Committee, which is responsible for, among other things, overseeing the company's sustainability programs. Our Board 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 understanding what level of risk is appropriate for the company. This committee reviews company policies, management systems, and ESG initiatives to eventually merge into the Quality Management System.

Senior management have the overall responsibility for formulating and communicating the Quality Policy and quality objectives and now evolving sustainability goals and targets. This builds on formulating the strategy for continual improvement of our organization.

The Quality Assurance Director has the responsibility and authority to ensure the requirements of the Global Excellence Management System (GEMS) GEMS are implemented and maintained once goals and targets are decided by senior management. The Quality Assurance Director assists in monitoring the performance targets.

Diamond Offshore recognizes the importance of all employees working together to achieve the goals in the protection of the environment. It is our priority, along with every employee, to protect the environment while responsibly conducting business activities. Senior Management's commitment to the goals of our HSE Policy has provided the framework for Diamond Offshore's Environmental Management System.

Management Approach

We are committed to protecting and preserving the environment and encourage the efficient use of natural resources. We are expanding our view for the best environmental solutions for our operations.

As a responsible drilling contractor, we have respect for the lives we touch and the impact we make, we believe we are responsibly unlocking energy. We deliver fresh perspective to anticipating and solving complex deep-water challenges.

We are committed to protecting the environment and intend to conduct our operations in compliance with all applicable environmental laws and regulations.

We proactively review, communicate, consult, identify, manage environmental impacts associated with our operations. We are committed to continuous improvement through our ISO 9001:2015 QMS, 14001:2015 Environmental Management System, ISO 45001:2018 HSMS, Marine Compliance Standard, and MODU Safety Standards. We are working to implement ISO 50001. Our risk management system is implemented through a structured process, which is aligned with the international standard ISO 31000:2009 for risk management.

Input to management reviews include results of internal audits and evaluation with legal requirements, communications from external interested parties, environmental performance of the organization, extent to which objectives have been met, status of corrective and preventative actions taken, changing circumstances, and recommendations for improvement.

Management Reviews take place twice a year. Review of objectives which are potentially impacted by risk, internal and external stakeholders related to the risks, and establishment of criteria to be used to evaluate the risk are the context for the review of objectives.

Diamond identifies sources of risk through, areas of impacts, events and their causes, and their potential outcomes and consequences. Each rig has an environmental committee, and the environmental management system is certified ISO 14001 by Lloyds Register.

The primary objective of our risk management system is to provide a robust, consistent, and standards-based process for the systematic identification, analysis, evaluation, treatment, monitoring, and communication of risks throughout our global operations and at all levels of the Company. Decisions are made in accordance with all legal, regulatory and any other relevant requirements.

We strive to conduct our business with attention to the environment and seek to fully comply and/or exceed compliance with applicable federal, state, and local laws, regulations, standards, and permit conditions. Wherever we operate, our commitment to conduct business with attention to the environment is not new to us. The environmental commitment is as much a part of our focus in our day-to-day business operations as is the safety of our workers. We recognize that environmental risk is business risk and that we are interconnected to the natural resources.

We continually seek opportunities to improve our operational sustainability. We have a long history of acting in a responsible and ethical manner, and we are active and present in the communities where we operate. 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.

ESG Governance

Diamond Offshore is fully committed to preserving the environment with strict adherence to all applicable laws and industry recommended practices. As an industry leader in health, safety, and environment, we believe that all environmental incidents can be prevented by having the proper

barriers in place. These barriers include adequate training, system processes and procedures, routine drills, environmental meetings, daily inspections, monitoring and measuring, and corporate environmental audits.

ESG Governance Structure

Nominating, Governance and Sustainability Committee (as adopted on April 23, 2021). The purpose of the Nominating, Governance and Sustainability Committee is to assist the Board of Directors of Diamond Offshore Drilling with its responsibility of oversight of the director nominations process, the Company's corporate governance, and guiding the company's sustainability initiatives.

Policy Matters

The Nominating, Governance and Sustainability Committee shall review and monitor the development and implementation of the environmental, social, and governance ("ESG") goals the Company may establish from time to time with respect to its ESG and sustainability matters and provide guidance to the Board on such matters.

Ethics & Compliance

Diamond Offshore is committed to maintaining high standards for honest and ethical conduct in all its business dealings. This Code of Business Conduct and Ethics covers a wide range of business practices and procedures.

Economic Performance

We believe that a strong balance sheet and controlling costs will help us to deliver expectational operating results to our clients. In our approach to creating stakeholder value, we take the long-term view in considering how to deploy capital to create future earnings growth. Throughout Diamond's history our strong balance sheet has afforded us the financial strength and flexibility to make significant reinvestments in our fleet. We accomplish this through excellent operational performance, opportune investments during industry cycles, and a disciplined approach to making acquisitions. We believe we have made wise investments not only in our fleet, but also in talented people and an exceptional culture of training and safety that permeates our company.

In 2021, Diamond Offshore emerged from Chapter 11 reorganization with a stronger balance sheet. More detailed financial information can be found in our filings with the Securities and Exchange Commission during 2021.

Environment

Our environmental commitment is as much a part of our focus in our day-to-day business operations, as is the safety of our workers. We recognize that environmental risk is business risk and that we are interconnected to the use and development of natural resources.

Enterprise Risk Management

As a global organization, Diamond Offshore has a robust enterprise risk management system across all functional areas and identifying mechanisms for prioritization and mitigation. This system resides within the Global Environmental Management System (GEMS). The company has 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 team of subject matter experts: monthly, quarterly, or semi-annually. Additionally, the Executive committee reviews the risks and updates the Board of Directors annually.

Compliance

An Environmental Management System (EMS) has been developed to establish standards and company procedures for EMS in operations for the protection of the environment. Its development is also to ensure we comply with applicable laws and regulations that are applicable to company operations worldwide. As a drilling company that is a vital part of the value chain for producing energy, managing, and reducing our environmental footprint, EMS is certainly a centerpiece of our overall program.

Annual goals for EMS are set, monitored, and measured according to frequency and volume. The ultimate goal is zero incidents, but the target is continuous improvement by exceeding the previous year's performance as stated in the corporate annual plan.

Diamond Offshore recognizes the importance of all employees working together to achieve the goals in the protection of the environment. Therefore, each employee has the responsibility to conduct activities with the protection of the environment is one of the main priorities. The EMS also includes specific responsibilities that contribute to protection of the environment.

- The Environmental Management System is designed to fulfill the company's HSE Policy, and environmental goals and objectives.
- We have a corporate HSE Department to establish, maintain, and monitor implementation of environmental procedures to ensure regulatory compliance across the globe.
- An internal audit, including Environmental Management System elements, is conducted on each of our facilities annually.

Diamond has set an environmental objective to reduce unintentional discharges and unintentional transfers, measured monthly based on frequency and volume, with an accumulation of totals for the annual metrics. The target is improvement over the previous year's performance in both categories as stated in the annual plan.

Diamond is compliant with the following international laws, regulations, and regional standards:

- Australian Environmental Legislation Register Offshore Petroleum and Greenhouse Gas Storage Act 2006, Environmental Regulation 2009
- MARPOL
- Step Change in Safety, Health and Safety Management Systems Interfacing Guidance
- Brazil - ANP 47/2003
- Offshore Installations (Safety Case) Regulations 2005
- Offshore Installations (Offshore Safety Directive) (Safety Case etc.) Regulations 2015
- Offshore Installations (EPC) Regulations 2002
- US EPA Region 6 General NPDES Permit
- Bureau of Safety and Environmental Enforcement (CFR)

Going forward, we will continue to review areas for environmental impact and develop goals and targets. Areas considered will be greenhouse gas emissions reductions, energy efficiency opportunities for our rigs, facilities and offices, and spill prevention and waste prevention.

Diamond recognizes that additional data will need to be collected, managed, and verified before reporting. These metrics will help us understand where we've been successful in our efforts and where we can improve.

We are committed to creating value for our clients and stakeholders by managing our business in an economic and environmental responsible way that focus on continuous improvement. Success encompasses:

- Meet or exceed applicable environmental laws and instill environmental responsibility in our employees
- Reduce our environmental impacts by integrating environmental considerations into business operation and strategy, operating more efficiently, and using cost-effective technologies
- Measure the effectiveness of our environmental programs by tracking environmental performance and communicating our performance internally and externally.

Compliance Performance Metrics

In 2020, Diamond Offshore had a 100% completion rate for ethics and compliance training and did not incur any fines or experience any lawsuits as a result of ethical or compliance failures.

GHG Emissions Reduction and Fuel Management

Aligned with our commitment to protect and preserve the environment, we will be implementing an ISO 50001 Energy Management System complementing our current ISO 14001 Environmental Management System. Diamond is also developing a program to systematically analyze fuel and electrical usage across our fleet. Through these efforts, we will investigate ways to improve efficiency and reduce GHG emissions. In the future, GHG emission intensity reduction targets are to be developed.

Waste Management

Reducing waste is important to us as stewards of the environment. Diamond has a comprehensive waste management program which covers onshore and offshore facilities. To minimize waste, we have developed a program to eliminate, reduce, re-use, recycle, dispose. Waste segregation plans are in place. All wastes sent ashore are shipped in approved containment and with proper documentation.

Onshore

Our waste generation is primarily from company offices and warehouses. At locations where we have operational control, we employ strategies to minimize waste generation and dispose of waste in most efficient manner.

Offshore

Offshore waste management is tightly regulated by regional authorities in the countries we operate. We maintain and adhere to our company global waste management program standards and strive to meet all regional and government regulations worldwide. We will continue to improve waste data management systems to increase tracking and continuous improvement of our programs.

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

Water Management

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 sea are treated and must meet the strict requirements outlined in regional or international regulations.

People

Health and Safety

Performance assessments are carried out to identify opportunities for improvement including Safety, Environment, Customer Satisfaction, Compliance, Downtime, and cost control. Section 6 of the Safety & Environmental Management System [SEMS] details Safety Responsibility, Occupational Health, Safety and Environmental policies.

The Company has understood the link between good HSE performance and compensation. Responsibilities for meeting HSE goals have been percolated down through the organization and have been resourced in the form of training and operating procedures.

TRIR

Total Recordable Incident Rate [TRIR] is measured against Company goals and analyzed together with several other Health, Safety and Environmental metrics in the Company's EHS dashboard. The dashboard can generate information from a single rig, regional or fleet-wide perspective.

LOPC

LOPC [Loss of Primary Containment] is an integral part of standard Zero Incident Operations [ZIO]. All LOPC's are reported, and the associated goal setting is monitored and reset annually.

COVID-19

Diamond has implemented several measures including comprehensive testing and the facilitation of working from home, where available, to mitigate the spread of Covid-19 and its variants. Offshore units have a number of measures to reduce the potential spread of COVID-19.

Vaccinations are encouraged for all personnel, and they are required in areas where local regulation allow, and vaccines are readily available. Covid-19 testing carried out frequently for offshore workers before, during, and after rotations. Office staff have been encouraged to work from home where possible so that unnecessary contact with others is minimized.

Employee Training

Diamond Offshore commits to providing and maintaining training to all personnel on an on-going basis to provide a foundation of skills and knowledge. The worldwide competency program for rig-based company personnel offers a means to confirm the necessary skill sets each position must possess. The objectives of the program are to verify that employees have the core HSE, and job skills required to carry out their tasks. The program also identifies where extra training or coaching may be needed and to develop employee relationships with co-workers and supervisors. Onshore staff receive technical training for their relative positions as well as regular online training covering ethics and compliance and cyber security.

The code of conduct is a Company management system that describes not discriminating against those with physical or mental disabilities.

Diversity & Inclusion

Diamond Offshore ensures that information on employees by gender, age group, and other indicators of diversity such as minority groups is maintained and kept confidential. In addition, the ratio of salary remuneration between men and women is also monitored.

For its UK operations, Diamond Offshore complies with The Equality Act 2010 which requires the reporting of several metrics concerning the Gender Pay Gap.

Diamond takes zero-tolerance approach to modern slavery of any kind and is committed to ensuring that there no slavery or human trafficking in any part of our business. We actively encourage our employees to raise ethical and legal concerns, including human rights issues, through multiple channels, and anonymously. Diamond will not tolerate retaliation against anyone who reports in good faith.

Employee Engagement

Workforce involvement manifests in several aspects of workforce participation such as Safety Committees, safety meetings, annual reviews, and town halls for onshore staff. Diamond actively recruits local talent in all regions where we operate for both offshore and onshore positions.

Appendix:

Feedback

Please contact Samir Ali sali@dodi.com for further questions about the report.

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.

Our Approach to Sustainability Reporting

Diamond Offshore is committed to sustainability transparency and disclosure. This is our first corporate sustainability report and is based on our corporate performance for certain operations from April 23, 2021 to the date of this report. After 2021, we plan to issue a report each year.

As used in this report, the terms “Diamond Offshore” and “Diamond” and such terms as “the company,” “our,” “its,” “we” and “us” may refer to Diamond Offshore Drilling, Inc. and one or more of our consolidated subsidiaries or affiliates or to all of them taken as a whole. This report covers our owned and operated businesses and does not address the performance or operations of our suppliers, contractors and partners unless otherwise noted. Diamond consulted the Global Reporting Initiative (GRI) Standards to serve as an integral guideline for this report. The report includes topics from the GRI framework for our sector that are priority issues to the company. Our data is generated from EHS Insight and other reporting systems. No external assurance was sought for the contents of this report. Achievement with the goals and objectives of this report will be measured according to stakeholder feedback, including through investor relations and within our customer and client feedback.

Diamond Offshore Drilling, Inc. is headquartered in Houston, Texas.

Key Indicators

It’s Diamonds intention to strive to report useful information to our stakeholders in an efficient and concise manner. We recognize that we have many different stakeholder groups which may require information presented in a variety of ways on numerous topics. We will work diligently with our key stakeholders to seek out the type of information they are looking for and evaluate the processes to deliver this data to them. However, given the rapidly growing landscape of voluntary reporting in this past decade we must also determine what is most relevant material to collect on Diamond operation while achieving greater transparency as we begin this journey.

Part of this process is conducting key indicator assessments periodically to ensure the topics we focus on help us identify potential strategic and operational risks and opportunities. This assessment provides a foundation of topics from which to prioritize our sustainability goals and initiatives, build on our annual sustainability report, as well as provide insight to emerging issues that our stakeholders value.

For the purposes of sustainability reporting, Diamond follows the GRI framework to report on issues of importance to the company and its stakeholder’s key indicator issues for Diamond as delineated by the GRI standards for 2021 include:

Governance:

- ESG Governance: instituting formal governance mechanisms for identifying and addressing ESG-related risks, impacts, and opportunities. This includes building accountability systems and aligning employee and executive compensation to support management of ESG topics.
- Economic performance: restructuring for resilience and economic strength into the future. We are committed to continuous improvement in response to evolving stakeholder issues and expectations.

Environment:

- Compliance: managing hazardous and non-hazardous waste through reduction, recycling, and spill prevention programs.
- Climate Change: managing greenhouse gas emissions and energy impact, risk, and opportunities in our business.
- Innovation: We continuously seek new and innovative ways to use natural resources more effectively, while innovating ways to enhance environmental protection.

Social:

- Health and safety: creating a safe environment for employees, contractors, and the community through robust management systems and culture of safety.
- Employment: attracting, retaining, engaging, and developing employees, following fair labor practices and those related to diversity, equity, and inclusion.

We do recognize, however that some of these topics are more relevant to certain parts of the organization than others. For example, most of the environmental disclosures are focused on spill preventions, waste, pollution reduction, but will also focus on emissions since that is where we will have the ability to make the most impact with respect to climate change through carbon emission reduction. Relevant financial implications, as well as a discussion of risks and opportunities associated with some of these issues, can be found in our 2021 form 10 Q. Additional financial statements or equivalent documents can be found on www.diamondoffshore.com

Key indicator assessment

Our key issue lists identify sustainability issues that are relevant to Diamond's current business and operating environment. To prepare our key indicator assessment, we conducted a peer review assessment to help us identify and prioritize key issues by scanning the competitive, regulatory and sector trending landscape. Additionally, we conducted interviews with our executives and internal subject matter experts and assessed internal and external documents from industry participants. We determine external and internal issues relevant to our purpose and strategic direction that may affect the ability to achieve the intended result(s) of our quality management system. These issues are identified through PEST (Political, Economic, Social and Technological) and SWOT (Strengths, Weaknesses, Opportunities and Threats) models and are continually monitored by senior management. We determine the interested parties relevant to our quality management system, and their requirements to prevent the potential effect on Diamond's ability to consistently provide products and services which meet customer requirements as well as applicable statutory and regulatory requirements. Interested parties include external providers, customers, statutory and regulatory bodies, stakeholders, and employees.

For the sustainability report, we used the peer benchmarking analysis and industry trends to better inform our business decisions in shaping our voluntary reporting process.

GRI Content Index

GRI 102- General Disclosures	Disclosure	Reference Location
Organizational Profile		
102-1	Name of Organization	10Q/10K
102-2	Activities, brands, products, and services	10Q/10K
102-3	Location of Headquarters	10Q/10K
102-4	Location of operations	10Q/10K
102-5	Ownership and legal form	10Q/10K
102-6	Markets served	10Q/10K and Website
102-7	Scale of organization	10Q/10K
102-9	Supply chain	Sustainability Report, Waste Management Section
102-10	Significant changes to the organization and its supply chain	10Q/10K and Website (Restructuring)
102-11	Precautionary Principle or approach	Sustainability Report, Forward-Looking Statement
102-12	External initiatives	Sustainability Report
Strategy		
102-14	Statement from senior decision-maker	Sustainability Report, CEO Letter
102-15	Key impacts, risks, opportunities	10Q/10K and Website, Sustainability Report, Key Indicators Section
Ethics and Integrity		
102-16	Value, principles, standards, and norms of behavior	10Q/10K and Website, Sustainability Report
102-17	Mechanisms for advice and concern about ethics	Sustainability Report, Our Values & Behavior Section
Governance		
102-18	Governance structure	10K
102-19	Delegating authority	10K
102-20	Executive-level responsibility for economic, environmental, and social topics	10K and Sustainability Report, ESG Governance Section
102-21	Consulting stakeholders on economic, environmental, and social topics	Sustainability Report, Key Indicator Assessment Section

102-22	Composition of the highest governance body and its committees	10K and Sustainability Report, ESG Governance Section
102-23	Chair of the highest governance body	10K
102-24	Nominating and selecting the highest governance body	10K
102-25	Conflicts of interest	10K
102-26	Role of highest governance body in setting purpose, values, and strategy	10K and Sustainability Report, ESG Governance Section and Accountability Section
102-30	Effectiveness of risk management process	Sustainability Report, Accountability Section
102-31	Review of economic, environmental, and social topics	Sustainability Report, Sustainability Strategy
102-32	Highest governance body's role in sustainability reporting	10K and Sustainability Report, Accountability Section
102-33	Communicating critical concerns	Sustainability Report, Accountability Section
102-35	Remuneration policies	10K and Sustainability Report, Diversity & Inclusion Section
102-36	Process for determining remuneration	10K and Sustainability Report, Diversity & Inclusion Section
102-38	Annual total compensation ratio	Sustainability Report, Key Indicator Assessment Section- Governance (Ratio is not listed in report)
Stakeholder Engagement		
102-43	Approach to stakeholder engagement	Sustainability Report, Key Indicator Assessment Section
102-44	Key topics and concerns raised	Sustainability Report, Key Indicator Assessment Section
Reporting Practice		
102-45	Entities included in the consolidated financial statements	10Q and 10K
102-46	Defining report content and topic boundaries	Sustainability Report, Sustainability Strategy Section
102-47	List of material topics	Sustainability Report, Sustainability Strategy Section
102-48	Restatements of information	10K

102-49	Changes in reporting	6/30/21 10Q
102-50	Reporting period	Sustainability Report, Our Approach to Reporting
102-51	Date of most recent report	This current report
102-52	Reporting cycle	4/23/21 to Present
102-53	Contact point for questions regarding the report	Ali Samir, VP- IR, sali@dodi.com
102-54	Claims of reporting in accordance with the GRI standards	GRI Reference
102-55	GRI Content Index	This spreadsheet
102-56	External assurance	Did not seek
200 GRI - Economic	Disclosure	Reference Location
201	Economic Performance	
103-1	Explanation of material topic and its boundary	10K, Website and Sustainability Report, Sustainability Strategy Section
103-2	Management Approach	10Q/10K and Website (Restructuring)
103-3	Evaluation of the management approach	Sustainability Report, Management Approach
201-1	Direct economic value generated and distributed	10K
201-2	Financial implications and other risks and opportunities due to climate change	Sustainability Report
201-3	Defined benefit plan obligations and other retirement plans	10K
205	Anti-Corruption	
103-1	Explanation of material topic and its boundary	Sustainability Report, Diversity & Inclusion
103-2	Management Approach	Sustainability Report, Management Approach Section
103-3	Evaluation of the management approach	Sustainability Report, Management Approach
205-2	Communication and training about anti-corruption policies and procedures	Sustainability Report, Employee Training & Diversity & Inclusion Sections
207	Tax	
207-4	Country by country reporting	10K

GRI 300 Environmental	Disclosure	Reference Location
301	Materials	
103-1	Explanation of material topic and its boundary	Sustainability Report, Enterprise Risk Management Section
103-2	Management Approach	Sustainability Report, Management Approach Section
103-3	Evaluation of the management approach	Sustainability Report, Management Approach Section
301-1	Materials used by weight or volume	Sustainability Report, Compliance Section
303	Water and Effluent	
103-1	Explanation of material topic and its boundary	Sustainability Report, Enterprise Risk Management Section
103-2	Management Approach	Sustainability Report, Management Approach Section
103-3	Evaluation of the management approach	Sustainability Report, Management Approach Section
303-1	Interactions with water as a shared resource	Sustainability Report, Water Management Section
303-2	Management of water discharged-related impacts	Sustainability Report, Water Management Section
303-3	Water withdrawal	Sustainability Report, Water Management Section
306	Waste	
103-1	Explanation of material topic and its boundary	Sustainability Report, Enterprise Risk Management Section
103-2	Management Approach	Sustainability Report, Management Approach Section
103-3	Evaluation of the management approach	Sustainability Report, Management Approach Section
306-1	Waste generation and significant waste-related impacts	Sustainability Report, Waste Management Section
306-2	Management of significant waste-related impacts	Sustainability Report, Waste Management Section
306-3	Waste generated	Sustainability Report, Waste Management Section
306-4	Waste diverted from disposal	Sustainability Report, Waste Management Section
306-5	Waste directed to disposal	Sustainability Report, Waste Management Section
GRI 400 - Social	Disclosure	Reference Location
401	Employment	

103-1	Explanation of material topic and its boundary	Sustainability Report, Enterprise Risk Management Section, People Section
103-2	Management Approach	Sustainability Report, Management Approach Section, People Section
103-3	Evaluation of the management approach	Sustainability Report, Management Approach Section, People Section
403	Occupational health and safety management system	
103-1	Explanation of material topic and its boundary	Sustainability Report, Enterprise Risk Management Section, People Section
103-2	Management Approach	Sustainability Report, Management Approach Section, People Section
103-3	Evaluation of the management approach	Sustainability Report, Management Approach Section, People Section
403-1	Occupational health and safety management system	Sustainability Report, Enterprise Risk Management Section
403-2	Hazard identification, risk assessment and incident investigation	Sustainability Report, Enterprise Risk Management Section (Diamond internal system reference: SEMS sections 3.3 and 11.3)
403-3	Occupational health services	Sustainability Report, Enterprise Risk Management Section
403-4	Worker participation, consultation and communication on occupational health and safety	Sustainability Report, People Section (Diamond internal references: SEMS 2.7 Workforce Involvement, 2.7.2 Safety Committee, 2.7.4 Safety Meetings)
403-5	Worker training on occupational health and safety	Sustainability Report, Employee Training (Diamond internal reference: SEMS 6.1 Occupational Health Practices Overview)
403-6	Promotion of worker health	HR department records
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Sustainability Report, Enterprise Risk Management Section
403-8	Workers covered by an occupational health and safety management system	Sustainability Report, Enterprise Risk Management Section
404	Education and Training	
103-1	Explanation of material topic and its boundary	Sustainability Report, Enterprise Risk Management Section

103-2	Management Approach	Sustainability Report, Management Approach Section
103-3	Evaluation of the management approach	Sustainability Report, Management Approach Section
404-2	Programs for upgrading employee skills and transition assist programs	Sustainability Report, Employee Training (Diamonds internal references: SEMS 2.6.1 The Company and HR department records)
405	Diversity and Equal Opportunity	
103-1	Explanation of material topic and its boundary	Sustainability Report, Enterprise Risk Management Section
103-2	Management Approach	Sustainability Report, Management Approach Section
103-3	Evaluation of the management approach	Sustainability Report, Management Approach Section