



Environmental, Social and Governance

Report

2024





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CONFLUENT IS CREATING the foundational platform for data in motion. We have pioneered a new category of data infrastructure – the Data Streaming Platform – designed to stream, connect, process and govern the data that continuously flows across all the applications, systems, and data layers of a modern company. Our offering is designed to act as the nexus of real-time data, from every source, allowing it to stream across the organization and enabling applications to harness it to power real-time customer experiences and data-driven business operations.

The closure of fiscal year 2023 marked an accomplishment of driving high revenue growth, while accelerating our path to achieving our first positive non-GAAP operating margin in the fourth quarter. The company's momentum is driven by our leadership of the data streaming platform category, which has become a requirement to deliver business critical use cases like connected customer experiences, cloud migrations and now real-time generative AI.

At the same time, Confluent believes that an important driver for long-term growth is staying committed to developing a strong environmental, social, and governance (ESG) program and strategy in order to conduct our business with integrity and build a sustainable future. We have a highly global presence and seek to meet the needs of our key stakeholders – which include our customers, employees, investors, partners, and the local communities in which we operate. We strive to maintain a workplace that operates equitably and fairly, and to mitigate the environmental impact of our products, processes, and services. Thanks to our talented people working as [#OneTeam](#), our business continues to help our customers succeed while growing responsibly.



Confluent Headquarters in Mountain View, CA.



Through our ESG program and initiatives described in this report, we are taking a strategic approach to managing our ESG impact. Our mission to set data in motion is aligned with this approach in that it increases IT efficiency and optimizes expenditures for our customers while helping them to meet their ESG objectives. For example, Confluent technology can help our customers to improve the energy efficiency of their infrastructure by placing workloads where the carbon footprint is the lowest. Our technology can also enable companies to provide real-time availability for elder care or childcare resources to support their working caregivers. In addition, Confluent provides a data governance solution that facilitates our customers' ability to expand their usage of data in motion while maintaining requirements for risk management and regulatory compliance.

Confluent is proud to describe the steps we have taken to make ESG an integral part of our business strategy through this 2024 ESG Report. With a rapidly changing regulatory landscape, we are dedicated to staying updated and in compliance with ESG laws and regulations where we do business. Moreover, our certifications pertaining to responsible data management and Code of Conduct for Business Partners exceed minimum requirements. With the year of 2024 marking a particularly intense global shift in sustainability reporting, moving from voluntary to mandatory on a global scale, we hope to enable our stakeholders by providing transparent insights into our ESG practices through this report.

The report covers our third annual measurement of Confluent's carbon footprint data and submission to the Climate Disclosure Project (CDP), demonstrating our commitment to transparency concerning our climate disclosures. The report also highlights how we continue to support our global workforce and our governance practices. These are early and important steps of an ongoing journey to measure and improve our ESG impact.

01

Environmental

CONFLUENT BELIEVES THAT every company needs to take responsibility for curbing the effects of the global climate crisis and averting its most severe consequences by identifying and minimizing environmental impacts. We are proud to be working with like-minded partners who are advancing in their own journeys of environmental stewardship. We also recognize the importance of being a sustainable part in the value chain of our customers and suppliers, contributing in a positive manner to each of their overall environmental footprint.





In 2024, we continued our partnership with [Watershed](#), a climate platform that gives companies the tools and expertise they need to measure, reduce, remove, and report their carbon emissions. Our greenhouse gas emissions (GHG) were measured and categorized under Scopes 1, 2, and 3 of the Greenhouse Gas Protocol, a global standard for GHG accounting and reporting.

With this measurement and year-over-year trend data pertaining to the year 2023, we are now able to determine mitigation strategies to address our GHG footprint. We have already adopted a remote-first work policy, and our remaining office space is environmentally friendly. In addition, we are excited to announce that we have achieved Net Zero for 2023 across our Scope 1 and Scope 2 emissions, as described in this report.

We are also carefully monitoring new rules and legislation on climate-related disclosures to ensure regulatory compliance. The continued global development of mandatory rules requiring climate-related disclosures, along with the disclosure of other ESG metrics as part of the financial reporting is something that Confluent is expecting and preparing for. Our intent is to continue to utilize only climate-related disclosure and accounting standards that are globally accepted.

In September of 2023, we reported our climate data to the CDP for the first time. The CDP is a voluntary, leading environmental disclosure system with more than 23,000 participating companies, including many of our customers. Confluent sees participation in the CDP, in addition to being transparent on its climate footprint, as an opportunity to help identify potential gaps for improvement and to prepare for upcoming climate regulations.

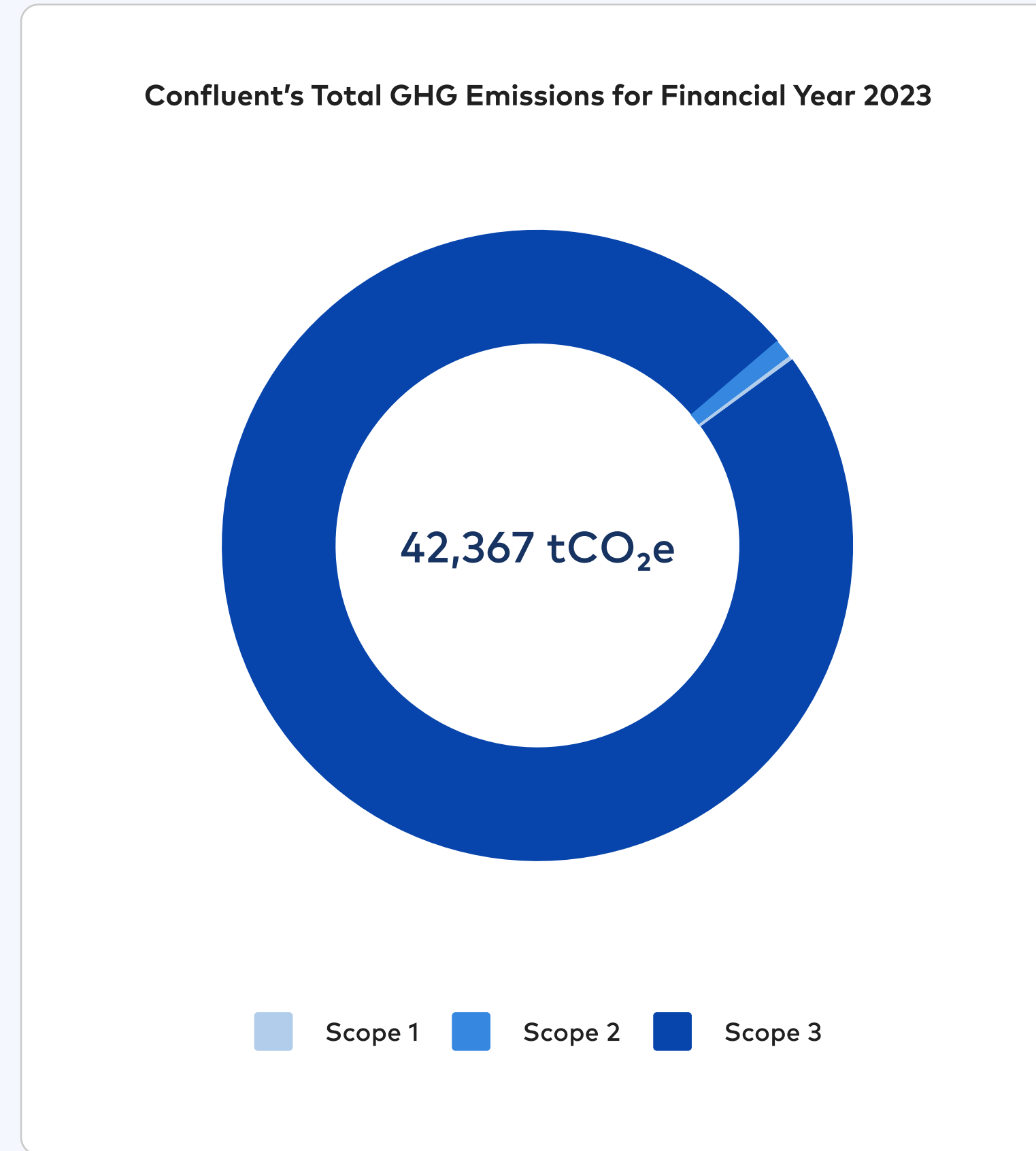




Measurement of Greenhouse Gas Emissions

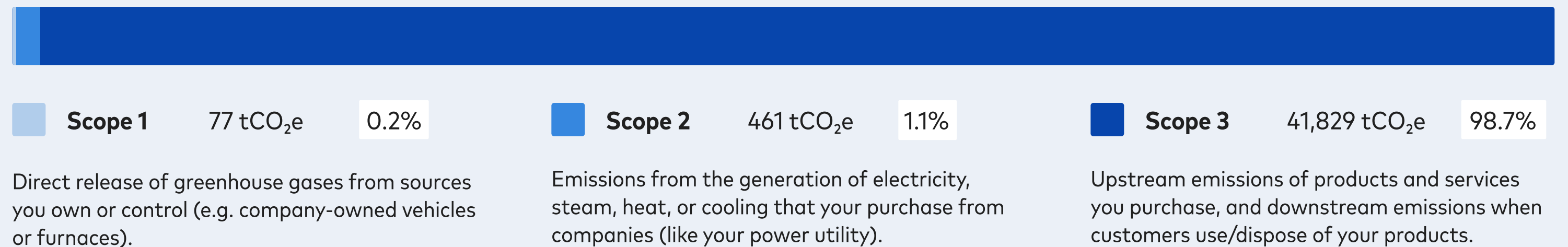
Confluent's overall carbon footprint measured 42,367 metric tons of carbon dioxide equivalent (tCO₂e) in total for 2023. This figure includes emissions across Scopes 1, 2, and 3.

Scope 1 covers direct emissions from owned or controlled sources, Scope 2 covers indirect emissions from the generation of energy consumed, and Scope 3 includes all other indirect emissions that occur in a company's value chain. Confluent believes that its direct emissions in Scope 1 and indirect emissions based on energy consumption are the areas that Confluent can focus on offsetting and mitigating in the near term, while Scope 3 emissions will require engagement with our supply chain and will improve as our partners reduce their own carbon emissions. This is an engagement process that Confluent is currently working to evolve.



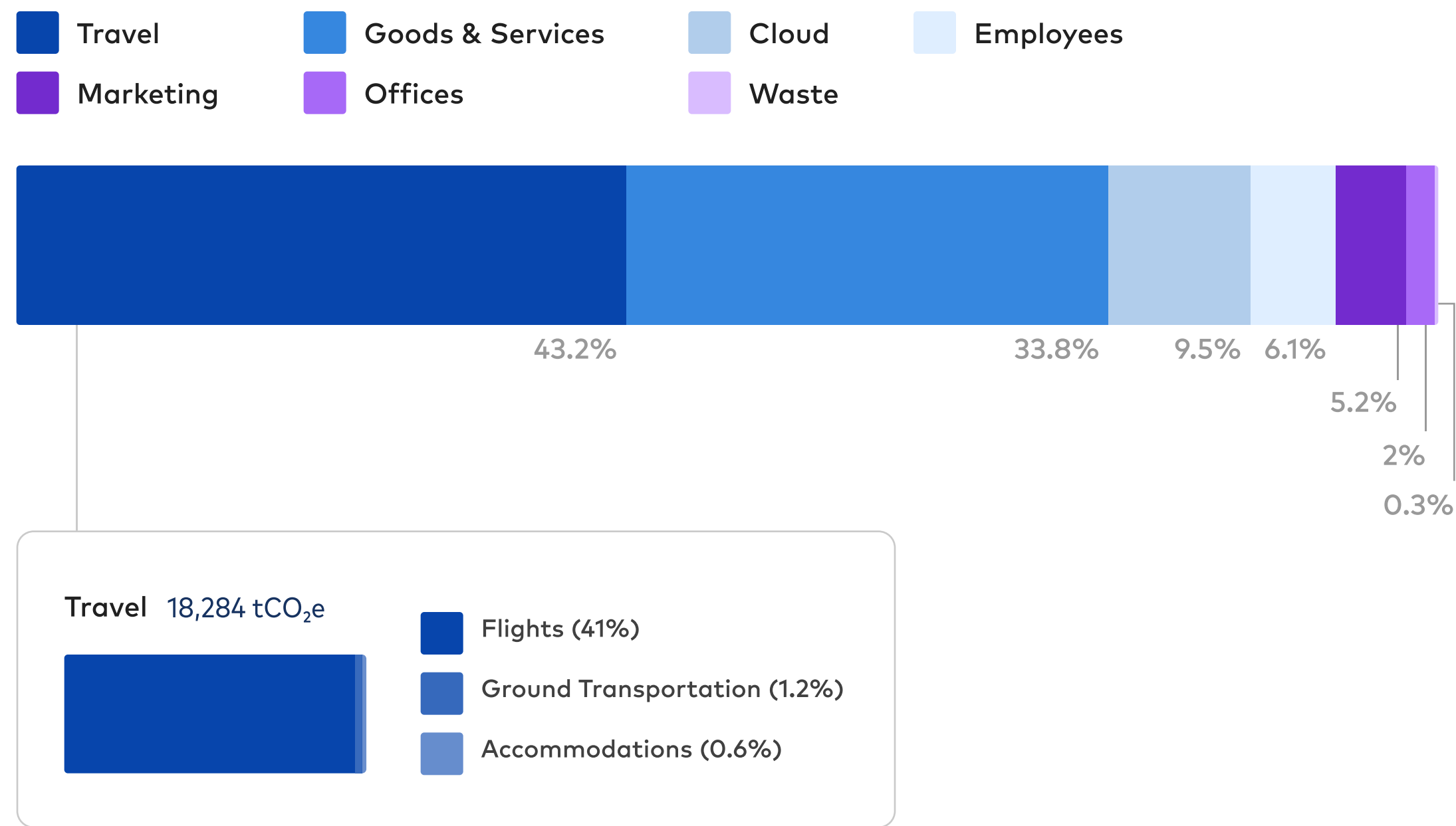
Confluent's Footprint by Scopes 1, 2 & 3 for Financial Year 2023

The GHG Protocol splits emissions into scopes based on the party directly emitting. During Jan-Dec 2023, 98.7% of Confluent's footprint came from Scope 3 emissions.





Confluent's GHG Emissions by Category for FY 2023



Confluent's overall carbon footprint of 42,367 tCO₂e measured in 2023 represents an increase from the 2022 measurement of 29,935 tCO₂e. This year-over-year change falls in line with expectations given the significant increase in business travel and in person events following the end of Covid lockdowns as well as the continued revenue growth of Confluent's business, resulting in additional emissions as employee headcount and supplier orders similarly increased. When choosing in person event venues Confluent values collaborating with vendors that are environmentally conscious. In 2023, our annual data streaming event Current was held at the Austin Convention Center, an arena which publicly has declared that it is powered by 100% renewable energy and which is carbon neutral based on its purchase of carbon offsets.

The 2023 carbon footprint was generated by using the CEDA methodology, as opposed to the EEIO methodology that was used in Confluent's prior ESG reports. CEDA captures the complexity of global goods and services production at a more granular level, accounting for significant variations in regional energy systems and emissions profiles. Annual updates to the CEDA database include, among other factors, inflation and currency adjustments. Entities that switch from EEIO to CEDA typically experience a difference in their estimated total annual GHG emissions. This is largely due to CEDA's incorporation of uncertainty characterizations. In the case of Confluent, utilizing CEDA rather than EEIO in 2023 resulted in an approximate 8.15% increase of total emissions, and therefore was also a significant factor in our rise in total tCO₂e compared to last year.

Like many other companies in the software and cloud services industry, the majority of our GHG emissions are categorized as Scope 3 and are therefore based on the carbon emissions of vendors in our supply chain. In our case, the emissions deriving from our cloud partners' data centers and from the purchase of goods and services and travel, contribute to the largest proportion of our measured Scope 3 emissions. Confluent's three main vendors, [AWS](#), [Microsoft Azure](#), and [Google](#), all have publicly-demonstrated net zero and renewable energy commitments.

These graphs show our emissions by category for 2023 based on Watershed's report.



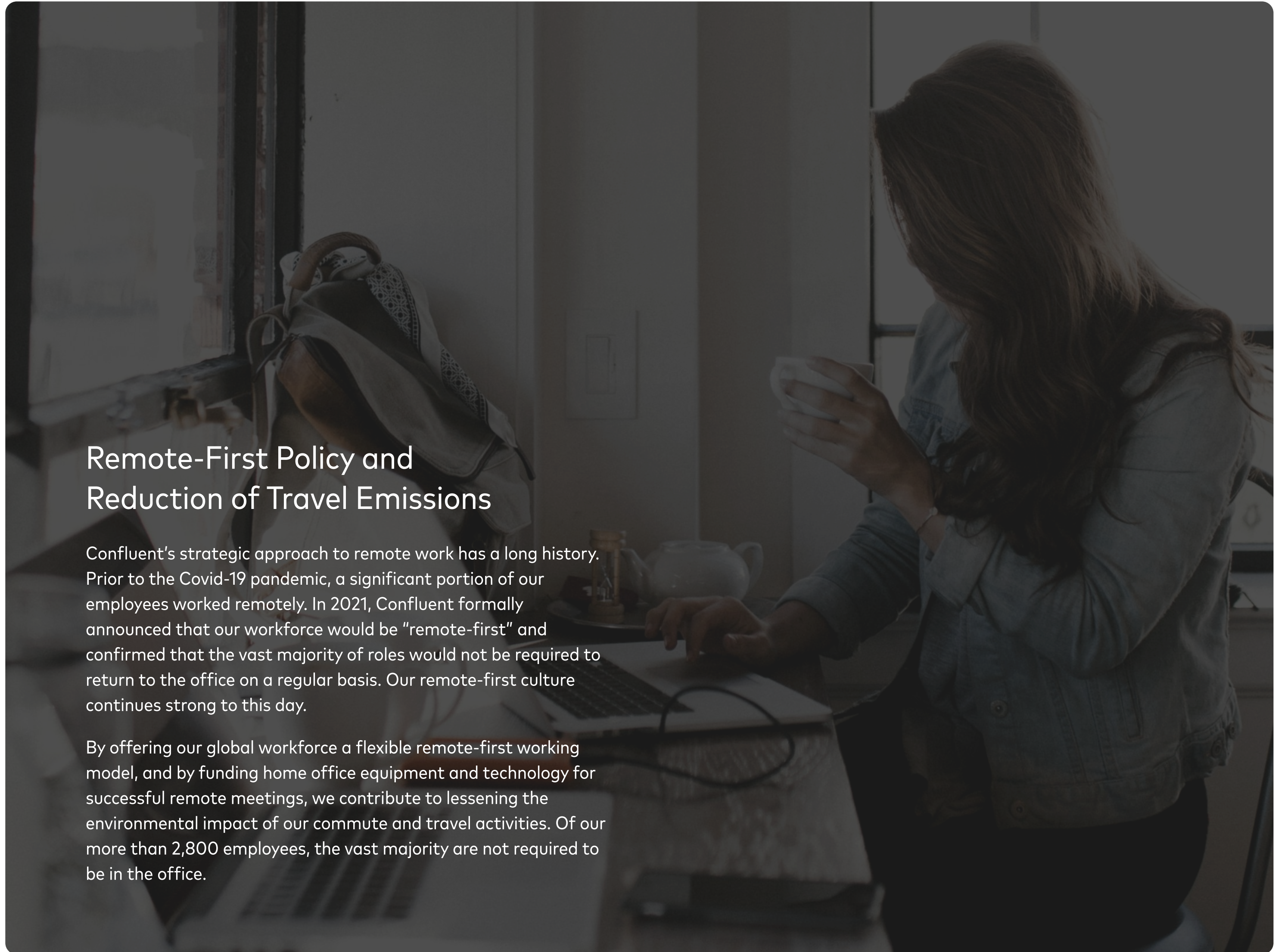
Policies and Initiatives to Reduce Our Environmental Impacts

We currently implement a number of activities to help manage our environmental impacts and those generated in our local communities. We look forward to strengthening these initiatives and seeking other opportunities for improvement in coming years as we build out our ESG program. Under our Social section of this ESG Report we further describe our volunteer work related to the environment.

Remote-First Policy and Reduction of Travel Emissions

Confluent's strategic approach to remote work has a long history. Prior to the Covid-19 pandemic, a significant portion of our employees worked remotely. In 2021, Confluent formally announced that our workforce would be "remote-first" and confirmed that the vast majority of roles would not be required to return to the office on a regular basis. Our remote-first culture continues strong to this day.

By offering our global workforce a flexible remote-first working model, and by funding home office equipment and technology for successful remote meetings, we contribute to lessening the environmental impact of our commute and travel activities. Of our more than 2,800 employees, the vast majority are not required to be in the office.



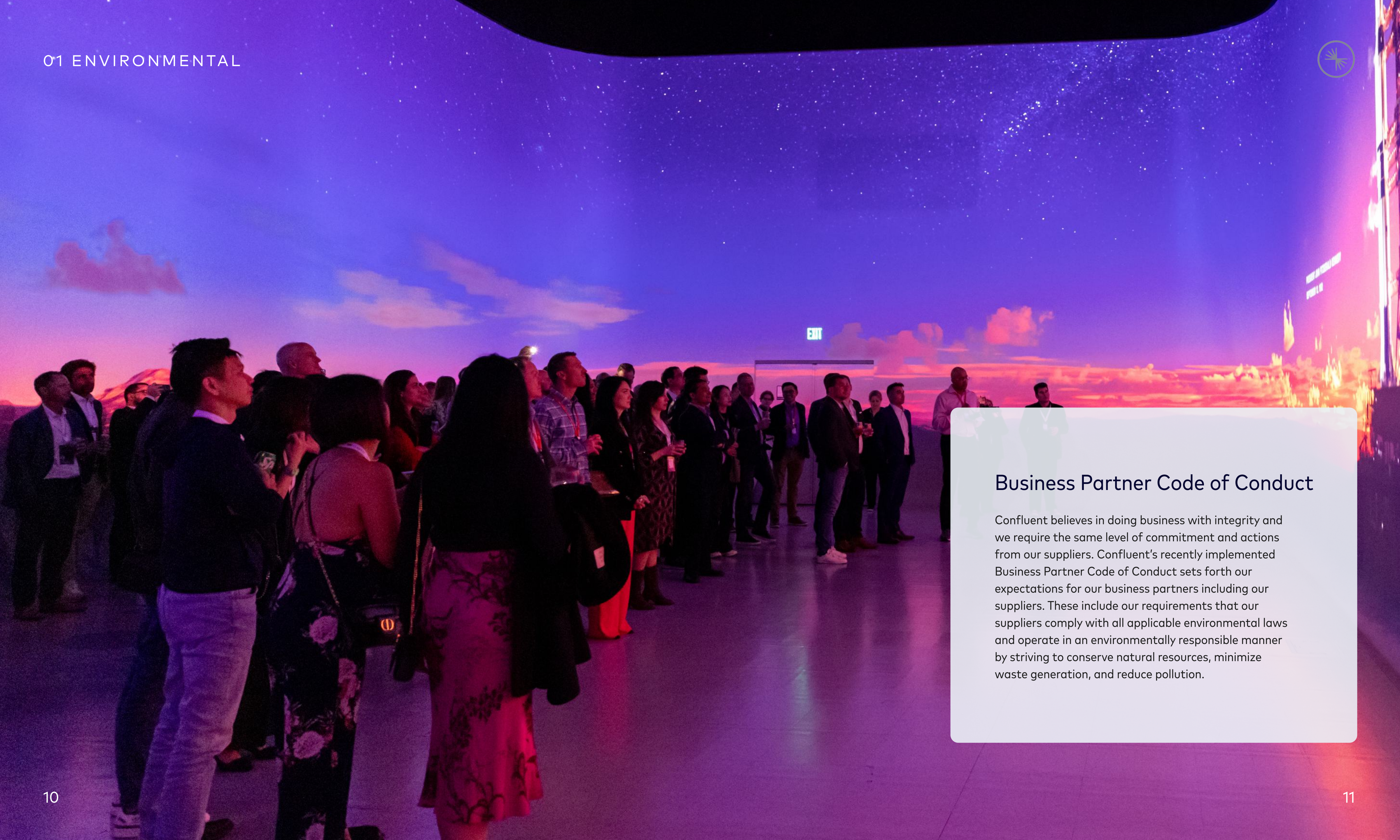


Environmentally-Friendly Offices

We strive to apply environmentally-friendly criteria when selecting new office premises where possible. Our Mountain View headquarters, representing our largest office, currently holds a Platinum LEED (Leadership in Energy and Environmental Design) certification, one of the best-in-class sustainability ratings for office buildings worldwide. Qualification for LEED certification requires the tracking of water efficiency, energy and atmosphere, materials and resources and indoor environmental quality.

For employees outside of our regional headquarters, we have agreements with vendors such as WeWork, a flexible workplace provider, which has a proven sustainability focus. Additionally, we have a global On Demand space program with FlexDesk which leverages shared spaces and conference rooms across locations. This enables Confluent to minimize exclusive usage of space utilities and makes us more sustainable. These offices typically offer implemented recycling systems of consumables and water filtration systems to eliminate the need for bottled water. Due to the vastness in location representation for WeWork and FlexDesk combined, Confluent aims to offer flexible workplace options that typically do not require a long commute for our employees.





Business Partner Code of Conduct

Confluent believes in doing business with integrity and we require the same level of commitment and actions from our suppliers. Confluent's recently implemented Business Partner Code of Conduct sets forth our expectations for our business partners including our suppliers. These include our requirements that our suppliers comply with all applicable environmental laws and operate in an environmentally responsible manner by striving to conserve natural resources, minimize waste generation, and reduce pollution.



Net Zero for 2023 Emissions

We are excited to announce that we have achieved Net Zero for 2023 across Confluent's direct emissions (Scopes 1 and 2). These are the emissions which relate directly to our own energy usage, as opposed to the Scope 3 carbon footprint of our value chain.

To achieve this goal, we purchased biochar from Wakefield BioChar to cover our Scope 1 emissions (i.e., the direct release of greenhouse gases from sources we own or control). Biochar technology offers a promising solution to mitigating climate change by securely storing carbon in a cleaner and more efficient form than traditional forms of coal. Biochar, created by heating plants without oxygen, takes CO₂ from the air and keeps it locked in soil. This helps remove CO₂, positively affecting the environment, it also promotes soil health benefits & agricultural productivity. Biochar is reliable and can be used in a big way without breaking down easily, putting carbon in a safe place where it can't escape back into the air. Because of its strength and potential for wide use, biochar is a great way to reduce greenhouse gases. Wakefield BioChar is a minority-owned company that aims to make the planet healthier through their "Better Soil. Better World." philosophy. Based in Valdosta, Georgia, a city with a long history in the forestry industry, the company focuses on managing pulp and paper mill waste and creating sustainable products.

In addition, we procured Renewable Energy Certificates (RECs)/Energy Attribute Certificates (EACs) in countries where we have office presence including the United States, United Arab Emirates, United Kingdom, and India to cover our Scope 2 emissions (i.e., electricity, heat and cooling that we purchase from utilities). These purchases fund the development of renewable energy projects including solar and wind farms, which are critical to achieving climate goals.



02

Social

OUR EMPLOYEES ARE the heart of our organization, and we are committed to creating a fair environment and a sense of belonging for all. We celebrate our differences and we develop programs and policies to promote an inclusive culture where employees can do their best work and build great professional relationships. We are proud of our history of women in leadership positions, as well as our active and robust Employee Resource Groups that help to foster a sense of community among employees of underrepresented backgrounds and their allies.





We seek to provide our employees with compensation and benefits that are fair, competitive, and meet the diverse needs of our global workforce. Confluent also has a written Affirmative Action Plan and takes affirmative measures to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, disability, or protected veteran status.

One key social priority for Confluent is employee wellbeing, and we offer a number of programs to support wellness and mental health in the workplace. We are also focused on supporting our employees' career growth and development through learning and development as well as recognition and reward and mentorship programs, and we are proud of our record on internal mobility and advancement. Our culture of continuous feedback, reinforced by regular employee engagement surveys and manager check-ins, are designed to ensure that we continue to learn from our employees as well.

We are committed to providing a workplace that promotes employee health and offers flexibility. The vast majority of our roles are "remote first," and we strive to ensure continued engagement, teambuilding, and opportunities for interaction for our remote-first employees. Through our global culture and value champions, the Experience Ambassadors, we focus on building an inclusive experience no matter where our employees live and work. Our Experience Ambassadors organize regional team events and activities both in-person and for Confluent's remote employees. The Experience Ambassador Program focuses on building connections, fostering engagement, and creating memorable moments in the virtual work environment.

Finally, we believe in helping others in our local communities and throughout the world. To that end, we offer both volunteer and donation opportunities to our employees.

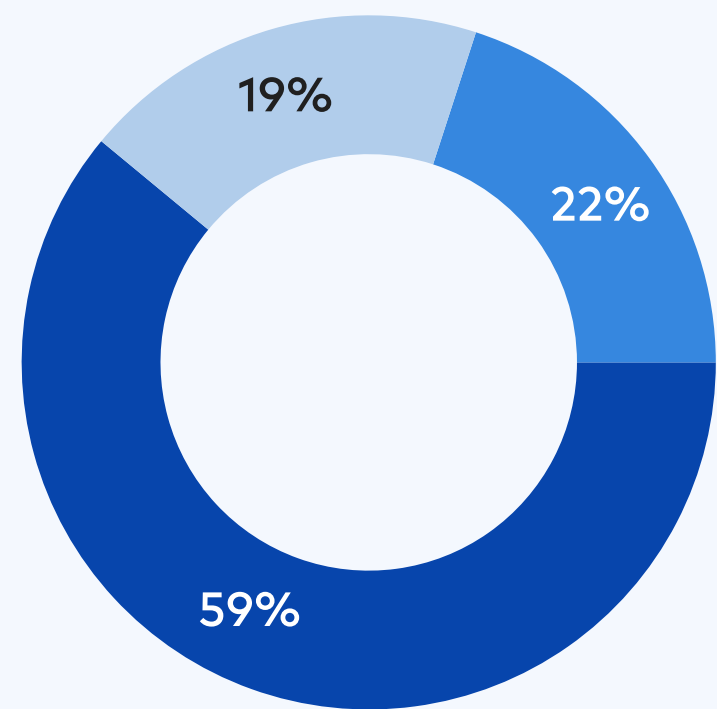




Workforce Demographics

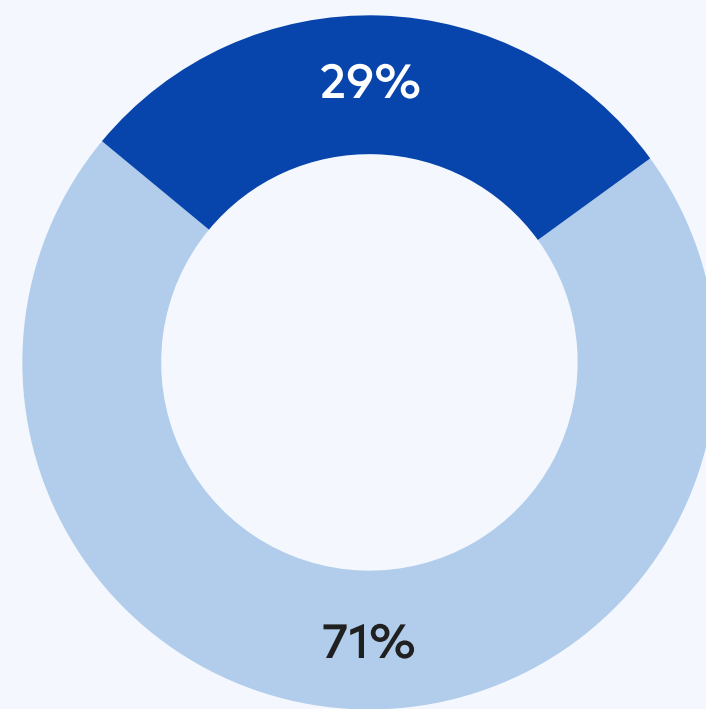
Confluent prides itself on our diverse global workforce. Overviews of our employee demographics by region, gender, ethnicity and age (as of July 1, 2024) are presented below.

Employees by Region



- AMER
- APAC
- EMEA

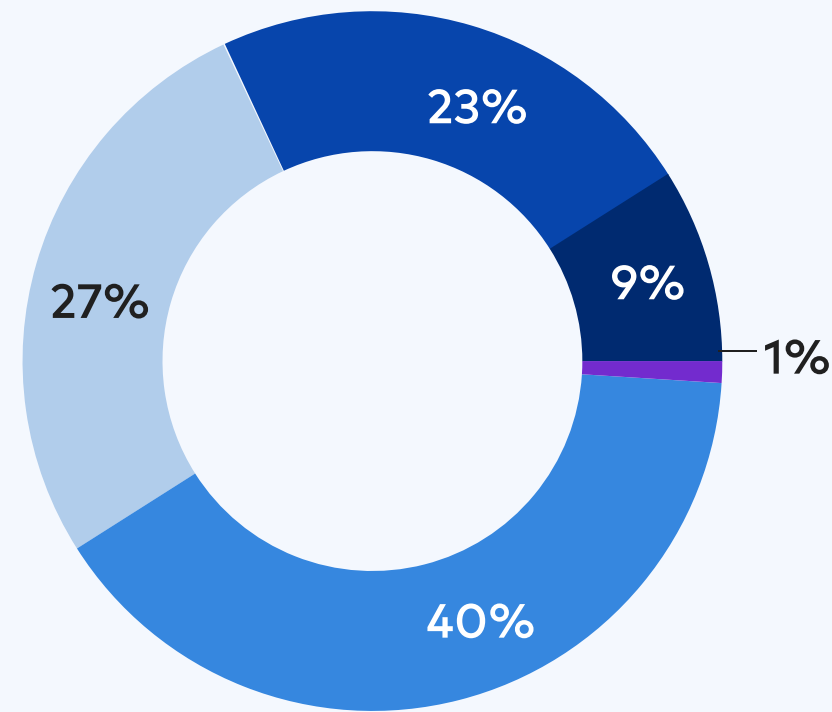
Employees by Gender*



- Male
- Female

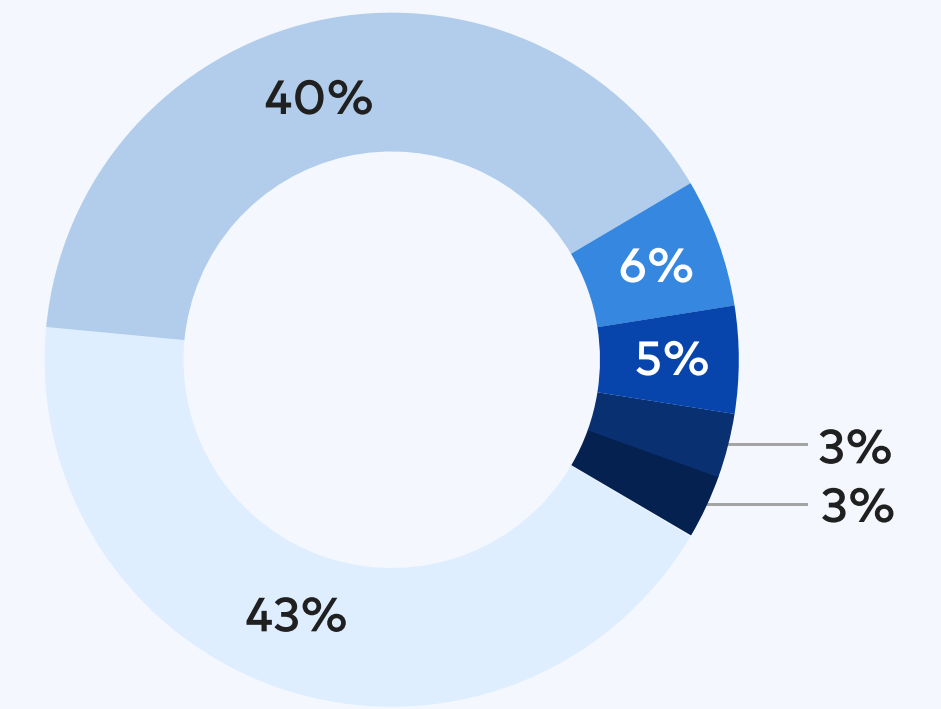
*Note: Employees who identify as transgender or non-binary are an important part of our community. However, we don't currently have enough self-reported data to report on these individuals.

Employees by Age Group



- 20 - 30
- 31-40
- 41-50
- 51-60
- 61+

Employees by Ethnicity**



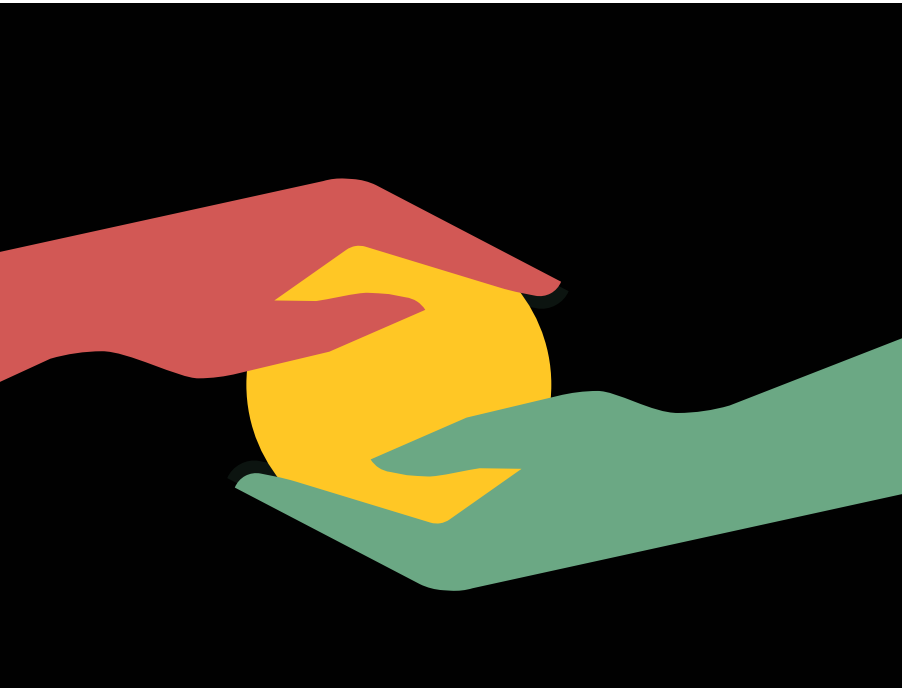
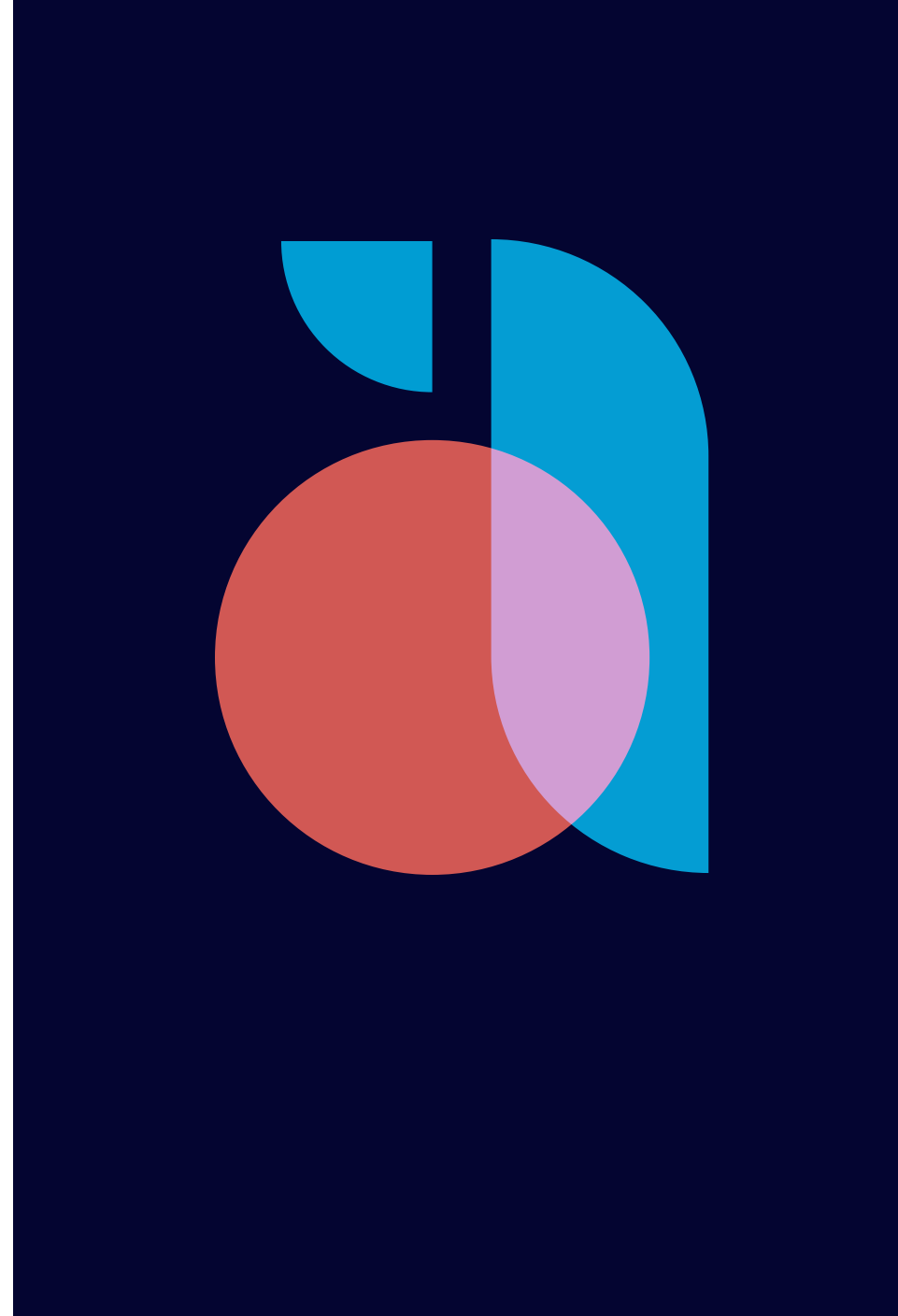
- White
- Asian
- Hispanic or Latino
- I wish not to answer
- Black or African American
- Two or More Races
- Native Hawaiian or Other Pacific Islander (0%)
- American Indian or Alaska Native (0%)

**Note: Employee ethnicity is US only



Women in Leadership

Women leadership has been one of Confluent's hallmarks since its inception, with one of our three co-founders being an accomplished female leader. Women representation on the Board of Directors stands at 33%. Three of our seven Executive Staff leaders are women: our President of Field Operations, our Chief Marketing Officer and our Chief Legal Officer. Employees identifying as female represent 29% of our workforce; representation at the Director level and above stands at 32%. We are continually investing in growing the diversity of our leaders at Confluent.



Employee Resource Groups

We sponsor eight global Employee Resource Groups (ERGs), connecting employees from underrepresented groups and their allies to learn, engage, and foster understanding. Each ERG has at least one executive sponsor from our most senior levels, as well as a dedicated budget for activities and programmatic support. Our ERGs have executed over 30 cultural events and programming, reaching 1000+ employees. These programs have educated, engaged, and enriched the culture at Confluent as we continue the DEI journey to a more inclusive community.



Employee Benefits and Compensation

We aim to provide compensation and benefits that are fair, competitive, and meet the diverse needs of our global workforce. We believe it is important that our employees have a stake in our success, which is why our total compensation packages typically include both cash bonuses/commissions and equity components in the form of time-based Restricted Stock Units (RSUs).

In order to help our employees realize the value of their equity awards, we offer equity training sessions on a myriad of topics to all of our employees across the globe.

Confluent's benefits programs vary from country to country. In the US, Confluent currently offers employees a comprehensive package of benefits, including family building benefits supporting all paths to parenthood, and at least 12 weeks of parental leave.





Employee Wellbeing

One key social priority for Confluent is employee wellbeing. Helping our people find a sense of balance and supporting the promotion of wellness and mental health in the workplace is crucial, and we have developed a number of programs to support our employees in their wellness journeys. Confluent partners with Lyra to provide all employees and their dependents access to eight coaching or therapy sessions per person per year at no cost.

Additionally, helping employees truly unplug from work to focus their full attention on personal pursuits such as health and family is crucial to their wellbeing, productivity, and creativity. Hence, we offer an on-demand live virtual cadre of coaches in various areas of wellness (physical, financial, family connections, etc.) via our partnership with the app TaskHuman. Employees in each country are also encouraged to utilize competitive time off benefits to take time off for rest, rejuvenation, and relaxation.

Confluent is dedicated to the health and safety of all of its employees and we have policies in place to aid our employees in the event of injury or illness. Confluent also sponsors an ergonomic program that includes equipment recommendations to support our employees' physical wellness wherever they work.



Career Growth & Development and Recognition

We want employees to feel empowered to own their careers and professional development and feel supported in doing so. It furthers our commitment to develop employee skills and capabilities needed for ongoing success and career progression. Our career growth program fosters employee advancement opportunities to encourage a culture of curiosity and learning where employees can try new things and continually grow and develop. These include quarterly manager check-ins to facilitate development conversations, an on-demand eLearning platform, and ongoing learning programs and enablement. We also offer executive and professional coaching and manager development programs designed specifically for both new and experienced people managers. Our Leadership Principles are the foundation for our manager and leadership development programs. The principles are an extension of our core values and provide shared expectations for managers as well as employees, since we believe every employee has the potential to demonstrate leadership in their day-to-day work.

Internal career mobility is highly encouraged, and we have seen very healthy internal mobility in 2023 and YTD. We also have a company-wide Quarterly Key Contributor program to recognize and reward top contributors who exemplify Confluent's values and deliver outstanding work.





Employee Surveys

Managing our social impacts and programs at Confluent is an ongoing endeavor, and we adapt to new situations and working practices as they emerge. We embrace a culture of open and candid feedback and we tune into the needs of our employees through employee engagement surveys using the feedback to continuously develop our working culture, policies and practices. We actively promote a culture of feedback and transparency by encouraging open communication channels and providing employees with the necessary tools and systems to share their feedback, ideas, and concerns. At Confluent, it is our priority to evaluate and reward all of our employees fairly, embracing a growth mindset is a key part of this commitment among the company's business unit leaders.

We conduct employee engagement surveys twice per year to ensure that we have a continuous understanding of employee sentiment. An annual engagement survey is conducted in the second quarter of the year, with a smaller pulse check survey in the last quarter. This enables us to be more agile and responsive to employee needs, adjusting our approach where required. In partnership with our People Business Partners, we work with business unit leaders to develop, communicate and execute action plans to implement key improvements, and we monitor progress on a quarterly and annual basis.

The results of our 2024 Annual Engagement Survey demonstrated that 82% of Confluent's staff regard themselves as being part of a high-performing team, with a 91% participation rate from all of our employees worldwide.



Remote-First Workplace

As a remote-first company, we prioritize fostering a positive working experience for our employees wherever they may be located throughout the world. Of our more than 2,800 employees, the vast majority are not required to be in the office. As a company, we have invested time and effort into ensuring continued engagement, teambuilding, and opportunities for interaction for our remote-first employees. According to our 2024 Annual Engagement Survey, 79% of Confluent's staff said that they have been able to build authentic relationships with team members, regardless of their location.



Giving Back Through Donations and Volunteer Work

Supporting charitable causes that matter to our employees is important to us. We also recognize that participating in volunteer opportunities together with colleagues is a crucial part of culture building and can help strengthen teamwork and foster deeper relationships. We encourage employees and teams to volunteer their time and talents to charitable organizations in our local communities and throughout the world. Our Employee Resource Groups (ERGs) and global team of Experience Ambassadors help us identify charitable organizations for our giving and play a key role in organizing volunteer events in their regions.

In the second half of 2023, Confluent supported SayTrees, an NGO dedicated to environmental conservation in India. The employee volunteers from Confluent planted over 5,560 saplings, converting an old dump yard into a beautiful and inviting green space for a future public school location.

In February 2024, Confluent India joined forces with the Yuva Bengaluru Trust, to bring smart class equipment to 10 rural schools throughout Karnataka, improving the lives and quality of education of over 6,000 children. Over 50 Confluent volunteers participated in providing equipment to one of these schools and helping students with various projects.

In addition to our annual Confluent Volunteer Day, to underscore our commitment to sustainability and environmental stewardship, Confluent employees were able to engage in volunteer activities dedicated to Earth Day on April 22, 2024. Confluent had organized global opportunities to join initiatives via the Nature Conservancy, Earthday.org, Earthday.ca, Way of Life, CarbonEthics, Plant for the Planet and CleanupUk.

In the second half of 2024, we will have our second annual Confluent Volunteer Day, which provides an opportunity for employees and teams to connect and give back to our communities in meaningful ways. Listed below are some of the nonprofit organizations Confluent teams plan to volunteer with:

- Open Hand Atlanta
- Christopher's Haven
- Food Bank of the Rockies
- Second Harvest Heartland
- Alameda County Community Food Bank
- Daily Bread
- Central Texas Food Bank
- Nourish Up
- Los Angeles Regional Food Bank
- Loaves and Fishes Street Meet Care Service
- God's Love We Deliver
- Food Bank of Central & Eastern North Carolina
- Family House
- Refuse Refuse SF
- Mystic River Watershed Association
- SEO birdlife
- Plant NOVA Trees
- Together Washington, Seattle
- EnriquezArte
- Serve the City Paris
- Surfrider Foundation
- Our Big Kitchen
- Clean Up Australia
- Koreatown Youth and Community Center
- Thames21
- Spitalfields City Farm
- Food For All
- Waterways Watch Society
- Nationale Naturlandschaften e. V.

03

Governance

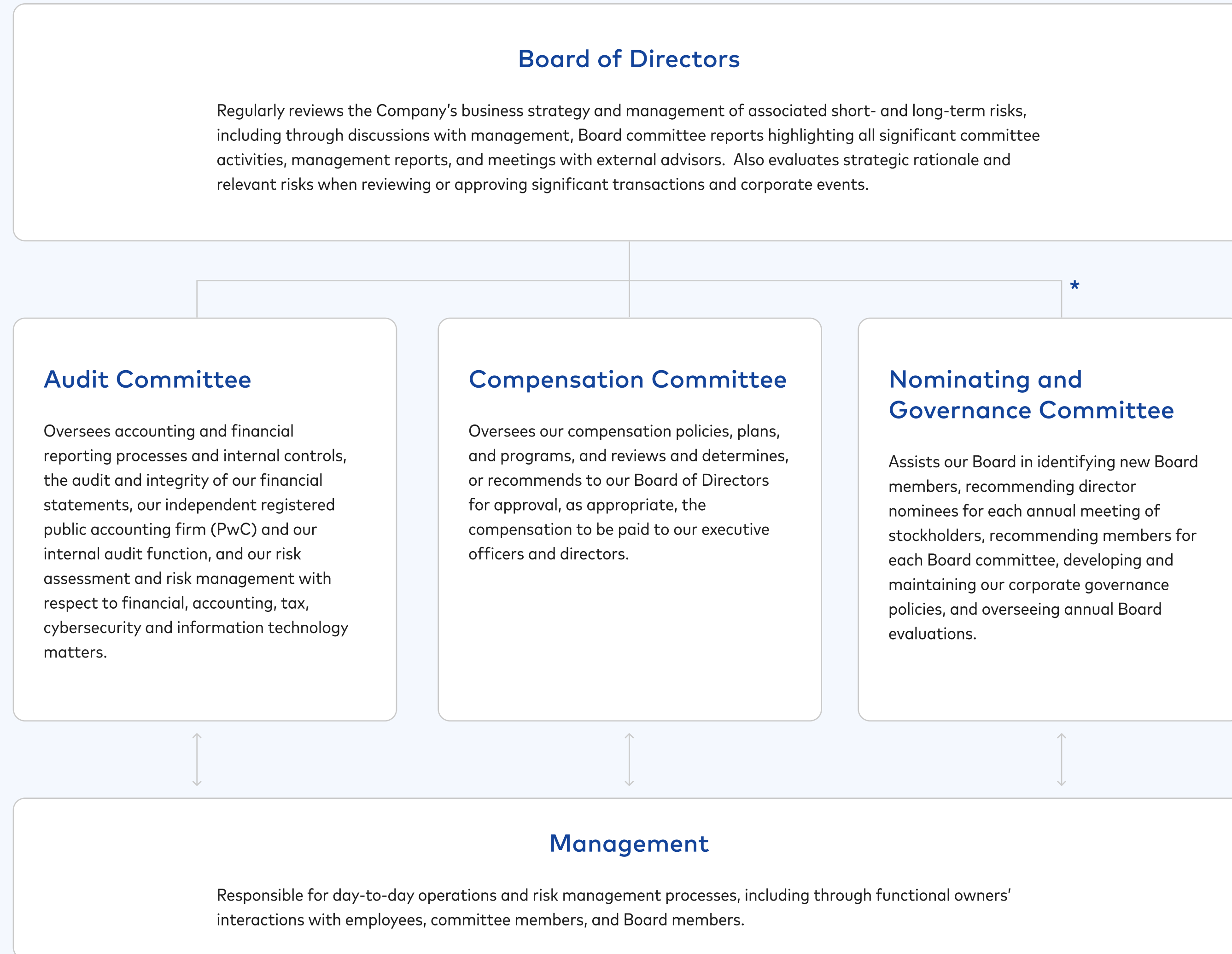
AT CONFLUENT, EXCELLENT corporate governance underpins the culture of trust we have developed with our stakeholders. We are devoted to maintaining a workplace where employees are expected to act respectfully, ethically, legally, and with integrity. Through our well-defined policies and robust governance structure we are able to ensure high standards across key areas such as human rights, diversity, fairness and belonging, business ethics, responsible data management and our supply chain. Our corporate governance is overseen by our Board of Directors and is guided by various governance, human resources, and compliance policies and practices.





In addition, responsible data management is a top priority for Confluent. Our customers put their trust in us to handle and protect their data, and we align with industry and international security standards and undertake regular verification through third-party audits to ensure the highest levels of data security. We are also committed to upholding transparent communications with our customers on what types of data we handle and how. Our dedication to privacy and information security is demonstrated by the certificates that we currently hold, as furthermore described in this Governance section of the ESG Report.





Board of Directors

Strong corporate governance begins with our Board of Directors and our Board Committees. Our Board of Directors is composed of a majority of directors who are independent in accordance with the rules of the Securities and Exchange Commission (SEC) and The Nasdaq Global Select Market (Nasdaq). Our Audit, Compensation, Nominating and Governance, and Mergers and Acquisitions Committees are composed entirely of independent directors.

To support our progress with ESG-related commitments, our Nominating and Governance Committee oversees our ESG program and performance and works closely with our Audit Committee to assess related risks and SEC disclosures.

To learn more about our corporate governance practices, reference our [Annual Report and Proxy Statement](#). For further information on our Board of Directors, Charter and Bylaws, Committee charters, and Corporate Governance Guidelines, please see our [Investor Relations page](#).

* The Board also has a standing M&A Committee that meets on an as-needed basis.



Code of Conduct

Confluent's [Code of Conduct](#) describes our core values and establishes global standards for how we work with each other, our customers, and our partners. It defines our purpose, values, and principles, and sets a standard that all Confluent team members act respectfully, ethically, legally, and with integrity – both in words and in behavior. By adhering to the Code of Conduct, we make Confluent a stronger company, and protect our customers, our co-workers, and our reputation. Our Code of Conduct covers each of the following key areas:

- | | |
|---|--|
|  Our core values |  Avoiding conflicts of interest |
|  Fostering a culture of ethics and trust |  Being honest and accountable |
|  Providing a safe and inclusive workplace |  Being loyal, and |
|  Playing by the rules |  Speaking up |

Everyone who works at Confluent is expected to be familiar with, and adhere to, our Code of Conduct. All employees participate in Code of Conduct training, which includes our CEO discussing the importance of ethics, honesty, integrity, and compliance in all of our business decisions. We are committed to regularly reviewing and updating our policies and procedures, including the Code of Conduct.

As mentioned earlier in the report, Confluent has also implemented a new Business Partner Code of Conduct with requirements that suppliers avoid conflicts of interest, comply with all environmental, health and safety laws, adhere to a zero-tolerance policy towards corruption, respect all confidentiality obligations, and ensure the safety and privacy of personal data.





Human Resources Policies

At Confluent, we are committed to maintaining a workplace that promotes fairness and belonging for all employees. We are also committed to complying with workplace laws, as reflected in our Global Harassment and Discrimination Policy.

Confluent is dedicated to creating a diverse workplace and fostering an inclusive environment where employees are treated with respect and differences are embraced and viewed as assets so that employees thrive. After all, our collective differences, knowledge, skills, and perspectives contribute to our company's culture and success.

Confluent does not tolerate discrimination, sexual harassment, or other forms of harassment, including on the basis of race or ethnicity, color, creed, national origin, ancestry, sex, gender, gender identity or expression, sexual orientation, marital, familial or parental status, pregnancy, childbirth or related medical conditions, religion, age, physical or mental disability or condition, veteran and military status, genetic information, or any other characteristic protected by applicable federal, state, or local laws. As discussed below, we encourage employees to report any issues, concerns or suspected violations of our policies through our hotline or directly to any member of management, HR, Legal, or Compliance. All concerns are thoroughly investigated in a timely manner and, if the complaint or concern is substantiated, appropriate remedial actions are implemented. We also have a zero tolerance policy on retaliation. All employees who report concerns in good faith, as well as anyone who participates in an investigation, is protected from retaliation.

Anti-Slavery and Human Trafficking

We are committed to ensuring that our business operates in a responsible way that prevents slavery and human trafficking. We are also committed to playing our part in helping the world to improve practices designed to combat slavery and human trafficking, as described in our [Modern Slavery Statement](#).



Compliance

Across the company, we promote a culture rooted in fairness and responsibility, and our business conduct is based upon uncompromised adherence to our core values and the laws and regulations applicable to our business. We require our disclosures to our shareholders, regulators, and the general public to be full, fair, accurate, timely, and understandable. Equally, all of Confluent's corporate records must be true, accurate, and complete. In addition to our Code of Conduct, we have implemented policies that establish our expectations to behave fairly, ethically, and in accordance with the law. Among the policies we have adopted to guide our directors, employees, contractors, suppliers, and third party contractors, are a Global Anti-Bribery and Anti-Corruption Policy, an Insider Trading Policy, and an Acceptable Use Policy.

Whistleblower Policies and EthicsPoint Hotline

Ethical behavior is essential to everything we do at Confluent, and Confluent is committed to treating employees fairly. Teamwork, mutual respect, trust, and open communication are the foundation of Confluent's culture. Confluent executives have emphasized the importance of ethics by leading town halls on ethics and integrity for each department across the company, and we expect all managers to lead with courage and honor. Employees may report illegal or unethical behavior anonymously and confidentially. No employee may retaliate against any person who reports a known or suspected violation of the law, Code of Conduct or any company policies and procedures, or who participates in an investigation. In support of these objectives, we have adopted an Anti-Retaliation Policy as well as a Whistleblower Policy.

Our Whistleblower Hotline, accessible to all employees through our internal website and online to all third parties, offers anonymous reporting of any suspected violation of laws, rules, regulations, or the Code of Conduct, without fear of reprisal or retaliation. Employees may also contact ethics@confluent.io at any time with questions regarding ethics at Confluent.

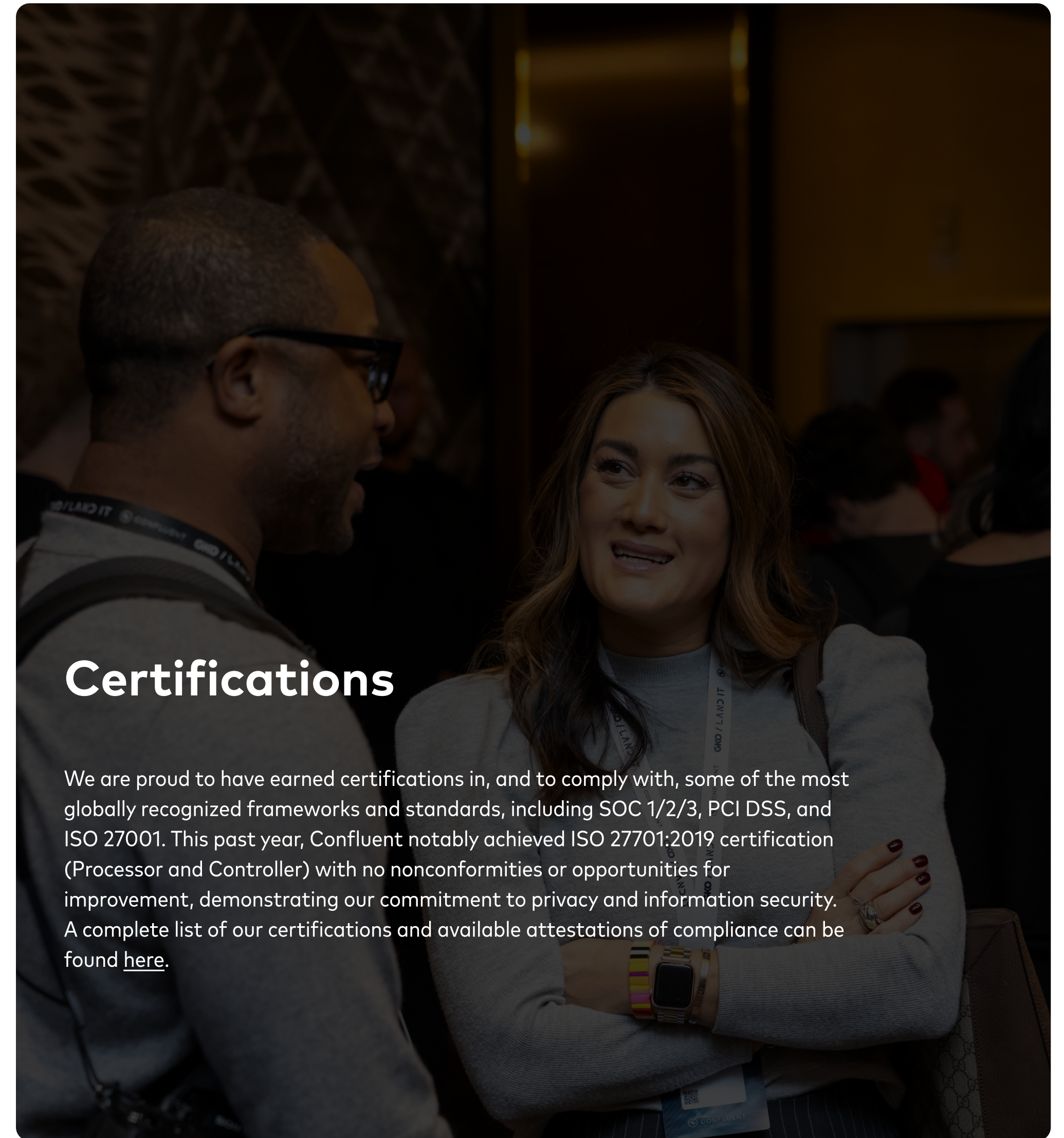


Data Privacy and Security

Data privacy and security is of utmost importance at Confluent. Many of our stakeholders operate in highly regulated industries across the globe, and we take our data management responsibilities very seriously. Confluent's Privacy team works to achieve compliance with the European Union's General Data Protection Regulation (GDPR), the California Consumer Privacy Act (CCPA), and other applicable privacy laws. We also support our customers in their own compliance efforts regarding Confluent Cloud. Our [Privacy Policy](#) (Confluent Privacy Notice) details how we collect, use, and share personal information, and how persons can exercise their privacy rights. We do not share with third parties any information that identifies, or could reasonably identify, a customer, except in line with our Privacy Statements, or if we are required by law to do so.

In line with Confluent's dedication to openness and transparency, Confluent is transparent about [the number of requests for personal data that it receives](#). Published annually, the Confluent Transparency Report aims to offer the Confluent community insight into the requests for information received from entities such as law enforcement, regulatory bodies, judicial authorities, or other government or public agencies. At the date of publication of this ESG Report, there have been no investigations by authorities regarding personal data resulting in administrative fines or other corrective actions directed at Confluent.

Regarding data security, we implement layered security controls designed to protect Confluent Cloud customer data and employee data and minimize the likelihood and impact of unauthorized access to our network and systems. We incorporate multiple logical and physical security controls including access management, least privilege, strong authentication, logging and monitoring, vulnerability management, bug bounty programs, and many others. We continuously invest in our security capabilities, including maintaining and enhancing our existing technologies to continue to stay ahead of new security threats. For additional information on how Confluent approaches privacy and security, please visit our [Trust & Security](#) page. To learn more about our Confluent Cloud security controls, please see our [Security Whitepaper](#).



Certifications

We are proud to have earned certifications in, and to comply with, some of the most globally recognized frameworks and standards, including SOC 1/2/3, PCI DSS, and ISO 27001. This past year, Confluent notably achieved ISO 27701:2019 certification (Processor and Controller) with no nonconformities or opportunities for improvement, demonstrating our commitment to privacy and information security. A complete list of our certifications and available attestations of compliance can be found [here](#).



Investments

In January of 2023, Confluent announced its first ever acquisition in Immerok GmbH, a leading contributor to Apache Flink. In February 2024, we made another acquisition by acquiring Notable. With this acquisition, we welcomed a small team of highly talented individuals to Confluent. This team focuses on developing a no-code data visualization capability that simplifies navigation and identifies important insights. Confluent's investments are carefully carried out responsibly, considering environmental, social and governance aspects as part of the due diligence process.



On behalf of Confluent's ESG Council, we thank you for your interest in our 2024 ESG Report. We are committed to continuing to assess and improve our ESG efforts and look forward to working with all of our stakeholders to build a better future. For any questions on our ESG policies and practices, please contact us at ESG@confluent.io.