

Forward-Looking Statements

This report includes statements that are, or may be deemed to be, "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which are intended to be covered by the safe harbors created by those laws.

All statements, other than statements of historical facts, that address activities, events, or developments that we expect or anticipate may occur in the future, including such things as our outlook, our product development and planning, our pipeline, future capital expenditures, financial results, the impact of regulatory changes, existing and evolving business strategies and acquisitions and dispositions, demand for our services, competitive strengths, the benefits of new initiatives, growth of our business and operations, our ability to successfully implement our plans, strategies, objectives, expectations, and intentions are forward-looking statements.

Also, when we use words such as "may," "will," "would," "anticipate," "believe," "estimate," "expect," "intend," "plan," "project," "forecast," "seek," "outlook," "target," goal," "probably," or similar expressions, we are making forward-looking statements. Such statements are based upon the current beliefs and expectations of Skillsoft's management and are subject to significant risks and uncertainties. Actual results may differ from those set forth in the forward-looking statements. All forward-looking disclosure is speculative by its nature, and we caution you against unduly relying on these forward-looking statements.

Although we believe that the assumptions underlying our forward-looking statements are reasonable, any of these assumptions, and therefore also the forward-looking statements based on these assumptions, could themselves prove to be inaccurate. Given the significant uncertainties inherent in the forward-looking statements included in this document, our inclusion of this information is not a representation or guarantee by us that our objectives and plans will be achieved.







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Introduction

FROM PROMISES TO PROGRESS



Welcome. I'm proud to present Skillsoft's second annual ESG Impact Report.

When I assumed the role of CEO at Skillsoft in 2021, the world was undergoing a profound transformation. The convergence of a global pandemic, rapid digitalization, and widespread calls for social justice had given rise to unprecedented disruption. As a leader in corporate digital learning, Skillsoft stepped up to help organizations and their people redefine workplace culture, overcome critical skills gaps, and unlock human potential through the power of learning.

In the midst of so much change, a new social compact between employers and employees emerged, one rooted in the principles of mutual growth and shared responsibility. And, something remarkable happened. Leaders across the corporate landscape realized that when employees do well, organizations do well, too.

As we face public health crises, environmental concerns, economic and social inequities, and rapidly evolving technology especially Generative AI, this realization must extend beyond the workplace to include society at large, and the planet we share. But today, employees, consumers, and stakeholders demand more than a promise. *They demand progress*. That's why it's crucial for organizations to commit to sustainability and work towards transparent reporting that encompasses Environmental, Social, and Governance (ESG) factors.

Our sustainability and social impact initiatives are driven by our corporate values and our purpose: to help every individual reach their full potential through access to learning, leading to a future-fit, sustainable workforce. Our Corporate Social Responsibility (CSR) and ESG programs are also guided by the <u>United Nations Global Sustainable Development Goals</u>, with a particular focus on areas in which we can make the most impact.

For 2023, our aim was to establish a baseline for our environmental impact, establish and grow our ESG Steering committee, and take steps toward aligning our efforts with reporting frameworks. We continue to equip our employees — and all our customers — with the knowledge and skills needed to build a more sustainable and resilient future through continuous expansion of our ESG course offerings.

At Skillsoft, we believe that learning is sustainable fuel for collective growth. And together, we can create a world where doing well is inseparable from doing good.

Jeffrey R. Tarr

Chief Executive Officer, Skillsoft

About This Report

Our second annual ESG Impact Report highlights our ESG goals and progress as we deepen our commitment to sustainability and being a socially responsible business.

REPORTING PERIOD AND COVERAGE

Our first ESG report was published in November of 2022. The current report covers the entirety of Skillsoft's global operations and reflects 2023 calendar year activity except where noted.

REPORTING FRAMEWORK

In order to establish our environmental baseline, Skillsoft reported its first global, consolidated submissions to <u>CDP</u> and <u>Ecovadis</u>. We believe in transparency, and are committed to holding ourselves accountable and improving over time.

In addition, Skillsoft is in the process of evaluating and aligning our sustainability goals and activities with relevant sustainability reporting frameworks such as the Task Force on Climate Related Financial Disclosures (TCFD), the Global Reporting Initiative (GRI), and the Sustainability Accounting Standards Board (SASB). Skillsoft may issue an addendum to this report at a future time that provides additional organizational alignment with applicable frameworks.

OVERSIGHT AND MATERIALITY

This year, Skillsoft conducted its first double materiality assessment on its ESG program. The sustainability topics were evaluated by Skillsoft stakeholders for both impact materiality and financial materiality. Stakeholders from whom we sought feedback include customers, analysts, shareholders, and channel and social partners, as well as Skillsoft's Board of Directors, Executive and Senior Leadership Teams, and internal subject matter experts.

With the assistance of an external ESG consultancy, we surveyed more than 100 internal and external stakeholders to discern the sustainability topics most relevant to Skillsoft. In addition to the surveys, our ESG consultancy conducted thorough interviews with a subset of those stakeholders, including members of our senior leadership, to gain insight into Skillsoft's ability to drive environmental, social, and governance impact.

SUSTAINABILITY TOPICS MATERIAL TO SKILLSOFT

Talent Management
Diversity, Equity, & Inclusion
Employee Wellbeing
Data Security
Corporate Governance
Board Composition & Oversight





EMPOWERED BY PEOPLE, UNITED BY PURPOSE

If you were to ask us what we do, we'd say that Skillsoft drives continuous growth and performance for employees and their organizations by overcoming critical skill gaps, unlocking human potential, and transforming the workforce. We do this through a portfolio of high-quality content, a platform that is personalized and connected to customer needs, and a broad ecosystem of partners.

With 150,000+ expert-led skills-building courses in modalities ranging from video and audio to instructor-led training and practice labs, Skillsoft supports approximately 70% of the Fortune 1000 with today's sought-after competencies: leadership and business skills, technology and developer skills, and essential safety and risk management compliance. We leverage various learning modalities adaptable to different preferences, schedules, and learning styles — from books to videos, full courses to micro-learning, audiobooks to live bootcamps and coaching. Content is continuously updated with the latest insights, information, and training methods.

Today's learners want the right learning experience, delivered when, where, and how they want it. That's why our approach is mobile-first, and our expert-curated, cloud-based content is served on an open platform that reaches learners wherever they are.

But, if you were to ask us who we are, we'd say we are people. More than 2,400 of us, in 20 countries, from diverse backgrounds, on a journey together to fulfill our mission of lifelong learning:

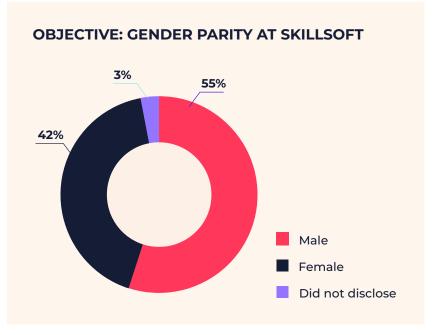
To propel organizations and people to grow together through transformative learning experiences.











*Source: Skillsoft FY23 10-K

BEING A RESPONSIBLE BUSINESS BEGINS WITH SHARED VALUES

Skillsoft team members around the globe understand our corporate values and live them daily. It's a journey we embrace through the lens of our corporate values:

WE ARE ONE TEAM: We unite under one mission.

WE ARE OPEN AND RESPECTFUL: We assume positive intent and ensure everyone feels welcome.

WE ARE CURIOUS: We believe that knowledge is power and humility is the engine of learning.

WE ARE READY: We expect change and prepare for it always.

WE ARE TRUE: We earn the trust of the people we work with, and our customers, every day.

Through the power of democratized learning, we keep our purpose close to our product. We are committed to the growth of our people. We are committed to the growth of our business. And, we are committed to the growth of the organizations we serve, and our local and global communities.







We believe every person has the potential to be amazing. And, we've built a powerful, environmentally-friendly platform that enables people to grow in ways they never thought possible — both personally and professionally.

Like our customers, we're always evolving — making sure individuals, teams, and enterprises have exactly what they need to unleash their edge. We are driven to help build a future-fit workforce, skilled and ready for the challenges of tomorrow, empowered to create a more sustainable world.

We're proud of our team's commitment to learning and of the organizational culture of learning we support. In 2023, Skillsoft employees increased the hours they spent learning year-over-year by 118%.



















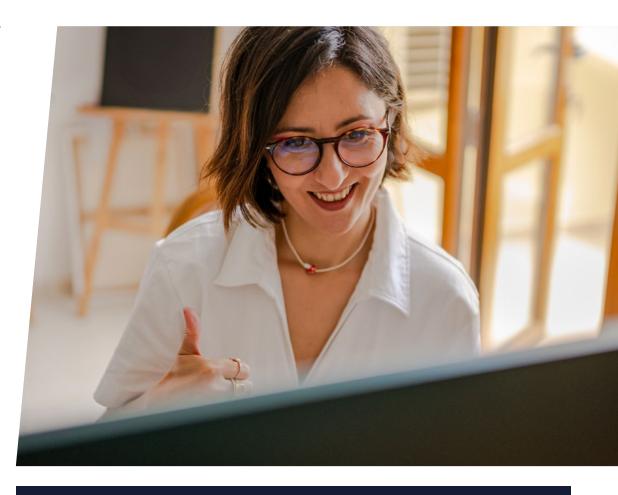


PRIORITIZING CONNECTIONS WITH EACH OTHER

Skillsoft Connect creates "virtual water cooler" experiences to help remote and hybrid employees build stronger relationships with their peers. When asked about this year's 24 Skillsoft Connect sessions, 98% of participants said they made a new connection and 99% said they would recommend Skillsoft Connect to a friend or colleague.

"HOW HAS ATTENDING SKILLSOFT CONNECT IMPACTED YOUR DAY?"







TOP SKILLSOFT COURSES

DEVELOPING AS A LEADER

BUILDING A STRATEGIC COMMITMENT TO SUSTAINABILITY

NAVIGATING YOUR TEAM THROUGH STRATEGIC CHANGE

LEADERCAMP ON-DEMAND: UNDERSTANDING CORPORATE ESG AND SUSTAINABILITY

OUR COMMITMENT TO CORPORATE SOCIAL RESPONSIBILITY

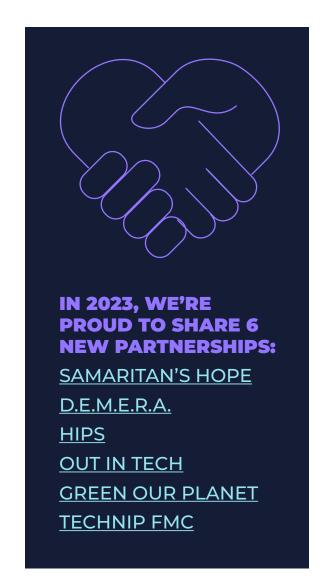
Skillsoft has a long and proven track-record of giving back to the communities where we live and work, primarily in the form of in-kind giving of our own products and services as well as charitable financial donations. In addition, we have built industry-leading diversity, equity, and inclusion (DEI) and social justice training, reports, and digital learning curriculum that we provide to all our employees as well as our customers. These important programs help them improve their understanding of social issues, create more inclusive and sustainable cultures, and foster best practices.



Working with <u>So Others May Eat (S.O.M.E.)</u>, members of the Skillsoft team from the Washington DC area put together hygiene and dignity kits for the city's unhoused and needy men and women.



Skillsoft team members participated in the annual <u>Samaritans Hope 5K</u> fundraiser. The organization was able to exceed its fundraising goal and the Skillsoft team was proud to be a part of it, helping to raise awareness for this important lifesaving cause.





STEPPING UP FOR OUR PLANET AND ITS PEOPLE



In recent years, the word "sustainable" has become ubiquitous. Historically, it referred to recycling policies, green practices, and decreasing carbon footprints, all of which are critical as we seek to save our planet, undeniably in crisis. But, no one could have predicted where we'd be today. The pandemic and the collective trauma that has surfaced. The Great Resignation. Global inflation and economic uncertainty. Quiet quitting. Worldwide calls for social justice. These macro factors affect us all, both personally and professionally.

It's clear that the health of our planet must not be separated from the prosperity of its people.

That's why, as Skillsoft's CSO, "sustainability" now holds two distinct yet interwoven meanings for me. First, I'm proud to lead our Corporate Social Responsibility (CSR) program and spearhead our ESG initiatives. As responsible corporate citizens, it's our duty to contribute positively to the world in which we operate. And, we're fully committed to doing so. Perhaps more importantly, and with exponentially greater potential for impact, we also empower our customers to advance their own expertise in ESG practices, with a curriculum portfolio of over 1,000 sustainability-focused courses and reference materials.. Second, I also share the entire organization's commitment to helping our customers build a sustainable workforce, one that is skilled and ready to meet today's challenges head-on while also focusing on the promise of tomorrow.

Manpower Group recently found that 75% of employers report difficulty in filling roles. This translates to a skills shortage — driven by technological change, a massive demographic shift, and the rapid emergence and obsolescence of skills themselves. This new landscape poses a significant threat to both employees and businesses, especially as advances in artificial intelligence (AI) have brought the future closer.

At Skillsoft, we play a pivotal role in helping our customers address these skills gaps through reskilling and upskilling their existing workforce. We keep our purpose close to our product. We're on a mission to help the World Economic Forum reskill one billion people by 2030, unlocking doors to new opportunities and a more sustainably skilled future.

And, in line with our commitment to collective growth, Skillsoft is a signatory to the *United Nations Global Compact*, in support of helping the U.N. achieve their **SDGs** by 2030.

Read on to discover how we're aligning our vision of sustainability with the UN SDGs.

Michelle Boockoff-Baidek

Chief Marketing Officer, Chief Sustainability Officer

SUSTAINABILITY AT SKILLOFT

ALIGNED WITH THE UNITED NATIONS, GUIDED BY PURPOSE

<u>The 2030 Agenda for Sustainable Development</u>, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future.

At its heart are 17 Sustainable Development Goals (SDGs), which are an urgent call for action in a global partnership. These goals recognize that ending poverty requires strategies that improve health and education, reduce inequality, and spur economic growth, all while tackling climate change.

That's a bold vision.

But, in our most recent <u>CSR report</u>, we noticed a trend: businesses are narrowing their focus to the areas in which they feel they can make the greatest impact.

In that spirit, as we work to build a sustainable workforce, we've made a commitment to focusing on these three UN SDGs.



Quality Education: Available anytime, anywhere, on any device, Skillsoft's AI-driven platform makes learning personalized and accessible. We offer a blend of self-paced, expert-curated online courses and learning journeys, hands-on practice, virtual live classes, and coaching to close skill gaps and enhance career growth.



Gender Equality: Despite progress, a great gender disparity still exists across the globe today. Skillsoft supports women with access to learning in both the technology and power skills they need to compete, and helps advance education for women and girls in marginalized communities, through our partnerships with organizations such as *iamtheCODE*.



Decent Work and Economic Growth: Digital learning with Skillsoft can transform lives and organizations. We help democratize learning with powerful cloud-based tools and unmatched enterprise-wide smarts and skills. And, with our acquisition of *Codecademy* in April 2022, we're creating a worldwide community of more than 84 million learners, ready for the jobs of tomorrow.



To help us measure our progress on the SDGs we support, we recently completed the *UN's Communication of Progress Report*, and submitted our *CEO Statement of Continued Support*.

As we work to align our strategies with reporting frameworks in the year to come, this *ESG Impact Report* shares our continuous efforts to support our people, our business, and our customers as we learn to thrive — sustainably — in an ever-changing world.

BUILDING AND BRIDGING

According to our most recent <u>IT Skills and Salary Report</u> executives are still struggling with finding and recruiting the skills and talent they need.

That's why the concept of a sustainable workforce is so timely and important.

Rather than buying new talent, leaders must adopt a "build and bridge" approach. Building the skills you need and bridging gaps with your current workforce can fuel significant growth.

For employees, it's about ensuring skills remain in-demand and promoting career growth. And for organizations, it's about maintaining agility, profitability, and competitiveness by making strategic investments in their people.

Of course, building a sustainable workforce is about much more than skilling.

Employers must evolve across many dimensions to attract and retain talent — for instance, creating inclusive environments, redefining leadership, evaluating childcare and leave policies, and focusing on employee well-being. Above all, leaders must be willing to connect with employees on the issues that are most important to them.



"TRUE SUSTAINABILITY ISN'T A FLIMSY BADGE OF HONOR — IT'S A REAL COMMITMENT."

- INC.



Skillsoft's popular podcast is designed to help leaders and learners alike unleash their edge. Recent episodes have included:

<u>Using AI for Good: The Ethical and</u> <u>Responsible Usage of AI</u>

Big Business for Big Change: Using the Intersection of Technology & Sustainability for Good

Behind and (Beyond) Prison Walls: The Transformative Power of Learning

Aligning Your People with Your
Purpose to Build a High Performing
Organization

Can Your Organization Do Well and Do the Right Thing?

Ethical Leadership: How to Do the Right Thing Everyday

The Power of Reinvention: Filling the "Mom-Gap"

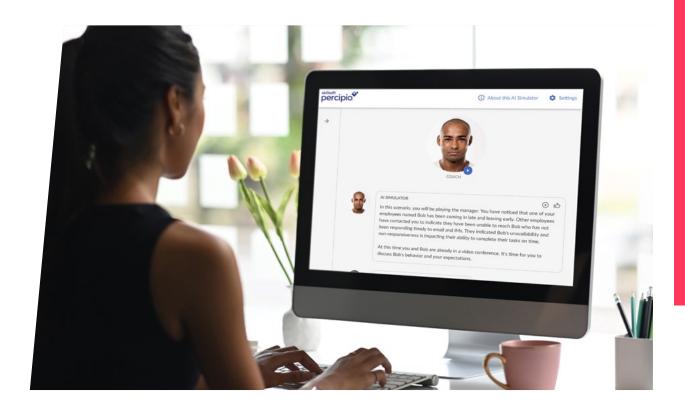
Leading with Emotional Intelligence



SKILLING FOR TODAY'S NEEDS AND TOMORROW'S OPPORTUNITIES

The leaders of tomorrow need a balance of technical and power skills to ensure they remain competitive. And today, companies worldwide are looking for AI experts to help them find ways to use the tech to improve their products and operations. The demand is skyrocketing for skilled talent. Among the top digital badges earned this year, AI reigns supreme.

Since January 2020, Skillsoft has issued over 53 million digital badges to learners across the globe.



"GENERATIVE AI WILL IMPACT NEARLY **EVERY KNOWLEDGE WORKER, CREATING AN UNPRECEDENTED UPSKILLING AND RESKILLING NEED FOR ORGANIZATIONS. OUR CHATGPT LEARNING JOURNEY ENSURES OUR CUSTOMERS ARE ABLE** TO SEIZE THE **OPPORTUNITY REPRESENTED BY GENERATIVE AI, ALL** WHILE DOING SO IN A SAFE AND ETHICAL **MANNER.**"

> — JEFF TARR, CEO, SKILLSOFT



TOP DIGITAL BADGES EARNED IN 2023

GENERATIVE AI AND ITS IMPACT TO EVERYDAY BUSINESS

HARNESSING THE DISRUPTION OF GENERATIVE AI

NAVIGATING AI ETHICAL CHALLENGES AND RISKS

RECOGNIZING HALLUCINATIONS, INACCURACIES, AND BIAS IN AI

ESTABLISHING AI GUARDRAILS AND GOVERNANCE

REIMAGINING THE CUSTOMER
EXPERIENCE WITH GENERATIVE AI

CUSTOMER SPOTLIGHT: SUSTAINABLE WORKFORCE

The impact of COVID-19 caused significant disruptions to <u>WM's</u> operations. However, the collection and disposal of trash, recycling, and composting had to continue, necessitating a human-centered leadership approach. The Learning and Leadership Development team focused on empowering frontline leaders, those motivating and guiding employees.

The "Frontline Leadership Development (FLD) Program" was developed with support from Skillsoft to improve the mental health and wellbeing of WM's 33,000 hourly workers. It focuses on the skills of empathy, social connection, self-reflection, and honest conversation, and incorporated blended learning, self-paced learning, virtual instructor-led training, and digital coaching.



WM recognizes that a sustainable workforce — one that can meet today's needs and tomorrow's goals — is dependent on employees who feel valued and have a genuine sense of belonging.

And, it's working. The retention rate for program participants was 28% higher than for non-participants. And, 100% of participants felt it helped them be more effective in their roles.



"People are looking for an authentic leader who understands them, who asks about them, who cares about them, who wants to grow and develop them. I think of WM as an ecosystem of retention, and creating engagement, long-tenured employees, and a culture of growth. We're really shifting from a trash collection company to a sustainability company."

PHIL RHODES,Head of Learning and Leadership Development,
WM



CUSTOMER SPOTLIGHT: SUSTAINABLE WORKFORCE

<u>Delta Dental</u> serves more than 80 million Americans, protecting more smiles than any other dental insurance company, with the largest network of dentists nationwide, quick answers, and personalized service.

In an increasingly digitized world, customers are seeking authentic human connection. By adding Skillsoft's power skills training to their existing roles-based training, Delta Dental's Customer Advocates built stronger, more supportive relationships with callers — and modernized company culture. The result?



The program realized an aggregate learner satisfaction score of 94.4% for contact center new hires, and a 13-point increase in the NPS scores of low performers. Customers are happy — helping Delta Dental maintain its status as a premium brand that successfully meets customers' expectations. Perhaps even more importantly, employees recognized that the organization was investing in their growth and development, and began to perform at higher levels.

By addressing skilling for the whole person — the powerful combination of roles-based technical skills and power skills like agility, communication, empathy, problem-solving, and resilience, *Delta Dental is building and nurturing a truly sustainable workforce*.



"Skillsoft's high-quality customer service learning content has been critical to upskilling our staff and improving the customer experience. The value of flexibility that on-demand content offers to a team like ours — one with staff across the country answering millions of customer calls each year — cannot be overstated."

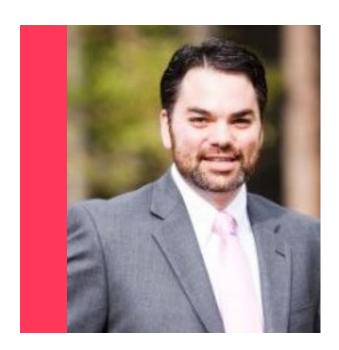
BEN SIEKE,

Director of Talent Development and Learning, Delta Dental of California and Affiliates





ESG, MORE THAN AN ACRONYM



It's an honor to drive Skillsoft's ESG efforts. The term "ESG" represents a fundamental shift in how organizations like ours operate and are perceived by the world.

ESG encompasses a framework that evaluates impact on the environment, relationships with society, and mechanisms with which we hold ourselves accountable. ESG factors are reinforced by the public's growing awareness of the environmental and social impact businesses have on our world.

While prioritizing sustainability stretches far beyond positive environmental impact, rapid climate change is sounding a loud alarm. And we can't continue to let the planet pay the price of doing business.

The fact is, we're likely to cross a critical threshold for global warming within the next decade. Shifting course means the world joining together immediately to slash greenhouse gases roughly in half by 2030, and then stop adding carbon dioxide to the atmosphere altogether by the early 2050s.

While each of us can play an individual role in protecting our planet, it's vital that people, businesses, and communities come together in a grand partnership. One significant way many businesses are addressing environmental issues is by raising awareness via employee training. In fact, we've observed a 60% year-over-year increase in the number of new learners acquiring green skills and competencies using Skillsoft's platform.

As we grow our ESG program, I invite you to take a look at some of the ways Skillsoft is leaning into green — both minimizing our own footprint and maximizing our reach.

Toby Ralston *Director, ESG*



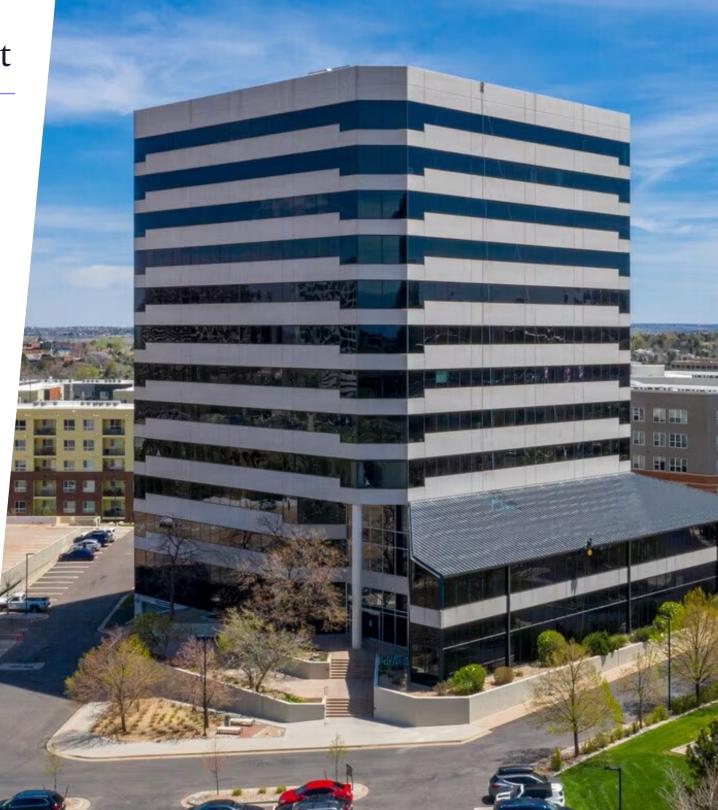
LOOKING FOR GREENER ALTERNATIVES

At Skillsoft, we are an inherently digital company. We've delivered online learning for decades, with a largely digital supply chain of knowledge workers and content. And, we enable customers around the world to be more responsible in the way they train their workforce by curtailing unnecessary travel, printing, and other activities that can tax natural resources.

We encourage our own Team Members to work remotely. And, in 2023 Skillsoft relocated its corporate headquarters to a LEED-certified building in Greenwood Village, Colorado. LEED (Leadership in Energy and Environmental Design) is the most widely used green building rating system in the world. Belleview Tower leverages the latest energy-efficient technologies, including occupancy sensors and LED lighting.







MAKING CONSCIOUS CHOICES FOR POSITIVE IMPACT

We select business partners and vendors based, in part, on consideration of their carbon impact. We've taken steps to reduce our office space, accommodating hybrid working styles and reducing our own footprint. Our "remote-first" ethos minimizes potential emissions from commuting. And, we encourage our employees to think about the small changes we can all make as individuals.

While we, as an organization, already have a relatively low carbon footprint, we're intent on reducing it further. For 2023, our internal goal has been to establish a baseline to help us evaluate the boundaries, risks, and opportunities of our impact — and to make some strategic decisions on what actions to take going forward.

That's why we've developed an internal cross-functional team whose purpose is to evaluate and act upon climate-related risks and opportunities. Our ESG Steering Committee, led by Skillsoft's CSO and reporting monthly to our ELT, is a multi-disciplinary committee of senior-level personnel tasked with tracking potential reporting, regulatory, and climate-specific developments for our organization.

The committee works in partnership with organizational SMEs, who evaluate and make recommendations to leadership and our Board on how Skillsoft can mitigate climate-related risks and identify climate-related opportunities with respect to our products and services. We're pleased to report that for the first time, Skillsoft has calculated (and audited) its global, consolidated greenhouse gas emissions for Scope 1, 2, and partial 3.

And, to further establish our baseline, Skillsoft has submitted our results to <u>CDP</u> and <u>Ecovadis</u>. Through this work we have positioned ourselves, in 2024, to set science-based targets that will allow us to continue keeping our purpose close to our product: low-carbon, digital skilling tools. And, we will start to engage our supply chain in supporting our ESG plans and goals, completing the end-to-end value chain collaboration toward a more sustainable future. Based on all of this activity and our progress to date, we're proud to report that we're building an even more comprehensive corporate ESG strategy for 2024.



GREENHOUSE GAS (GHG) EMISSIONS	FY2023 (Absolute)
Total Energy Consumption (MWh)	5,062
Total Scope 1 GHG Emissions (MT CO ₂ e)	291
Total Scope 2 Location-Based GHG Emissions (MT CO ₂ e)	989
Total Scope 2 Market-Based GHG Emissions (MT CO ₂ e)	1,086
Total Scope 3.6 GHG Emissions (MT CO ₂ e)	2,811
Total Scope 3.7 GHG Emissions (MT CO ₂ e)	1,411

Fiscal Year 2023 figures (i.e., Feb 22 - Jan 23)



HELPING OTHER ORGANIZATIONS ON THEIR ESG JOURNEY

Skillsoft empowers more than 17,000 companies worldwide to grow more responsibly. Our ESG content not only helps employees understand their role in driving sustainability, but also saves time and resources for the organizations we serve. In fact, our commissioned Forrester study found that our extensive library of legal and Environmental, Health, and Safety (EHS) courses had the potential to reduce the need for creation of custom content, freeing up an average of \$178,000 worth of a training team's time.

LEARNING CONSUMPTION VIA SKILLSOFT'S PERCIPIO PLATFORM

Year-over-year increases in environment-focused content



increase in learners accessing green content

increase in learning hours spent on green content

more badges earned upon completion of green content*

more searches for green content*

*Percipio-only



TOP SKILLSOFT COURSES

SUSTAINABILITY: PRODUCT SELECTION

SUSTAINABILITY: WASTE REDUCTION

SUSTAINABILITY: INDUSTRY AND **BUSINESS PROCESSES**

SUSTAINABILITY: CLEAN, GREEN **ENERGY CHOICES**

SUSTAINABILITY: ADOPTING A GREEN LIFESTYLE

CUSTOMER SPOTLIGHT: LOW CARBON SOLUTION

Parent company to PNM and TNMP, <u>PNM Resources</u> serves electricity to approximately 800,000 homes and businesses in New Mexico and Texas. From an ESG perspective, the organization has committed to achieving 100% emissions-free energy by 2040.

Simultaneously, PNM Resources is working to create the workforce of the future — dedicating time and effort to ensure its team is skilled and knowledgeable in renewable energy resources and technology.



"Given the complex compliance requirements utilities face, our teams needed to be agile in responding to ever-changing demands," says Kerry Foster,

Learning and Development Program Manager Lead. "We needed a low-carbon solution that would provide standard, high-quality training opportunities to all our locations — but also allow each location to choose courses that are specific to their circumstances."

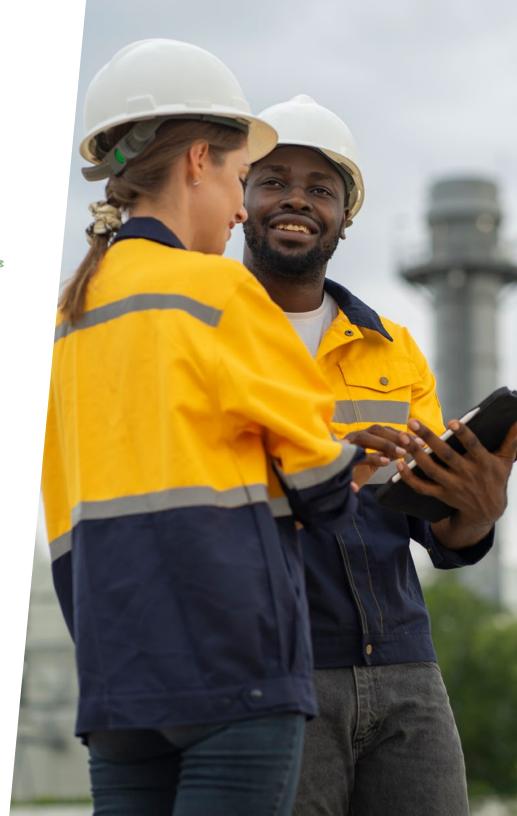
PNM Resources turned to Skillsoft to enable them to maintain the level of training they require across the enterprise. And in less than a year, for 1,560 compliance learners, PNM Resources achieved a 40% adoption rate with 100% training completions.



"Skillsoft makes it possible for us to provide quality training across the board in areas that may have federal requirements. Leveraging Skillsoft's compliance content helps us provide relevant courses — from entry-level to advanced — without reinventing the wheel. It provides a level playing field for all employees, regardless of location or role. Even better, Skillsoft updates its content as new laws are passed or regulations change; this means we can deploy the most up-to-date training available to our team."

KERRY FOSTER,

Learning and Development Program Manager Lead, PNM Resources





HARMONIZING AND ALIGNING EMPLOYEES



In my 20 years of Human Resources experience, it's been amazing to watch HR truly join the C-Suite. HR is now seen as a function that's a true "strategic partner" and recognized as critical to the success of every business. Even the title "Chief People Officer" is emblematic of positive mindset change.

Why? Well, ask a CEO what keeps them up at night, and talent tops the list. Most businesses' most significant expense, and greatest resource, is its people—and retaining a motivated, skilled, and diverse workforce is now a key input to driving productivity, mutual growth, and business success.

I became Chief People Officer at Skillsoft at a time of both workforce and business transformation. In the midst of a worldwide pandemic, Skillsoft had been growing, we had acquired Global Knowledge, an instructor-lead training business, <u>Codecademy</u>, a platform offering coding classes, and <u>Pluma</u>, now Skillsoft Coaching, a personalized coaching platform. We came together quickly, and with our mantra "no person left behind," my team and I have been focused on getting the company's 2,400+ employees harmonized and aligned.

At Skillsoft, we believe in opening doors to new opportunities for all through the power of learning. But learning starts with listening. That's how we are creating a workplace culture where diverse voices are heard and respected, and DEI and wellbeing take center stage. Our practices are evolving, based in part on data from culture surveys that help us promote workplace equality and foster growth and inclusivity; and human rights policies such as equitable parental leave, which grants equal time off regardless of gender, promoting work-life balance.

In times of global upheaval, our workplaces should serve as safe, healthy environments where connections are made and diversity thrives — unlocking innovation, boosting morale, and strengthening our collective performance. And when we work together as a united team, we are better able to serve our customers and give back to our communities, opening doors to new opportunities for all through the power of learning.

Ciara Harrington
Chief People Officer



GIVING BACK AND BREAKING NEW GROUND

Skillsoft's commitment to fostering diversity, equity, inclusion, and gender equality is evident in the CSR partnerships we've grown. Our CSR Steering committee works to identify partners aligned to our three CSR pillars helping to create more equitable access to learning.

The pillars are:

WOMEN+ — Empower women+, whose careers were impacted far greater than men during the pandemic, to re-enter the workforce and reskill for the jobs of tomorrow.

LEARNING DESERTS — Provide access to learning and meaningful skilling programs to areas of the United States and world lacking career and growth opportunities.

RESEARCH — Advance the science of learning. Tap into Percipio learner behavior analysis and partner with leading research firms to validate the impact of learning and skill development.

We regularly donate assets in our content library to not-for-profit organizations that work with populations of learners we are working diligently to reach. We currently provide more than 550,000 in-kind licenses and, as we look forward, we hope to issue a total of 50 million by 2030.

In the past year, we've also made monetary donations to organizations, as well as encouraging employee participation through donation-matching and volunteer opportunities to donate time and talent. Skillsoft's volunteer hours program empowers every team member to volunteer up to four working hours per quarter with their favorite organization.

Guided by our CSR Steering Committee, we proudly support 22 active partners, including *Special Olympics*, a global movement of athletes and supporters creating a new world of inclusion through the power of sport. We also work with *iamtheCODE* towards their mission of enabling one million young women from marginalized communities to learn to code by 2030.

SKILLSOFT IS PROUD TO SUPPORT THESE ORGANIZATIONS AND THEIR IMPORTANT WORK

ASSOCIATION FOR TALENT DEVELOPMENT — ATD BAY COLONIES ASSOCIATION FOR TALENT DEVELOPMENT — ATD HOUSTON

B.E. A S.H.E.R.O.

CGI P-TECH PROGRAM

COALITION TO SALUTE AMERICA'S HEROES

CODE LIKE A GIRL (CLG)

D.E.M.E.R.A. DIGITAL EDUCATION METHODOLOGY IN ETHIOPIA REFORM ACTION

DIVERSITY CYBER COUNCIL

ELLEVATE NETWORK — ELLEVATEHER

GREEN OUR PLANET

HIPS

IAMTHECODE

LRMG (PTY) LTD — MAHARISHI EDUCATION

MAKE-A-WISH FOUNDATION(UK)

OUT IN TECH

SO OTHERS MIGHT EAT (SOME)

SAMARITAN'S HOPE

SPECIAL OLYMPICS, INC.

SYRACUSE UNIVERSITY — IVMF

TALENT RISE FOUNDATION LTD

TECHNIPFMC

UNITED SERVICE ORGANIZATIONS, INC. AKA: USO



SPECIAL OLYMPICS: INCLUSION WITHOUT EXCEPTION

Last year, Skillsoft made champions of 10,000 volunteers at the Special Olympics USA Games, with an interactive and engaging online training program that would address the whole volunteer experience.

This year, our partnership continues to grow and evolve, not only through donating time and financial resources, but also expanding our content partnership to support their employees with DEI content directly.

And, in October, we presented their Unified Leadership Program here at Skillsoft, to help increase awareness around the needs of people with intellectual and developmental disabilities. In March 2024, we plan on hosting a second event, as part of our new goal to bring one global DEI learning event per fiscal half to our own employees.





ATHLETE, SPECIAL OLYMPICS



OUR CULTURE: EMPOWERING EACH OTHER THROUGH CONNECTION

In today's changing world, employees are seeking purpose, dignity, and community. At Skillsoft, we don't see DEI initiatives as ancillary activities, but as a *central business imperative*. We intentionally foster connection, providing our people with opportunities to learn and grow, celebrate their uniqueness, give back to their communities, and find common ground. Monthly Skillsoft Connect sessions provide opportunities for networking, while our Hub initiative brings people face-to-face, which is so important in today's remote and hybrid work environment.

Our Employee Advisory Groups (EAGs) are key places of community, education, camaraderie, and action for groups of employees across Skillsoft. They serve as social hubs of our workplace culture. They support ongoing community education and members' voices serve as guideposts in our DEI journey, and even inform our DEI strategy. Through representation, inclusion, and active listening, we demonstrate genuine care for one another and unlock the power of our collective potential.



SKILLSOFT'S "LIVE WELL WORK WELL" THEMES FOR 2023 INCLUDED:

- Taking Time Off for Physical, Mental, and Emotional Health
- WellBeats Virtual Fitness Program
- World Mental Health Day
- The Importance of Caring
- Gratitude
- Recharging
- And more



Skillsoft was recently named one of Built In's 100 Best Places to Work for 2023. But we realize we still have work to do. And that requires a shared commitment from leaders and employees, starting before a new colleague's first day.

In 2023, Skillsoft set out to build a formal DEI strategy to be adopted by our executive leadership team, with a new goal-setting framework to help build more equitable systems and processes, from recruitment to career development.

Through the lens of the employee lifecycle, each member of our Executive Leadership Team has been assigned at least one bias-breaking objective and key result (OKR) that is diversity-, equity-, or inclusionaligned. By doing this, we tie our executive performance metrics to the success of our DEI strategy.

In 2022, we also piloted our first-ever global culture survey. We identified three culture pillars to align with our goals and actions for 2023. These include Manager Enablement and Career Pathing, Reducing Friction, and Building Community. To date, we've implemented multiple initiatives for each, and look forward to reporting meaningful progress.

> "THE KEY SKILL THAT INCLUSIVE LEADERS SHOULD DEVELOP IS EMPATHY. EMPATHY ALLOWS LEADERS TO LISTEN EFFEC-**TIVELY, UNDERSTAND, AND CREATE A SENSE OF BELONGING** FOR THEIR TEAM MEMBERS. EMPATHY HELPS TO MITIGATE MISUNDERSTANDINGS AND FORMULATE SOLUTIONS THAT ARE BENEFICIAL TO ALL. EMPATHY DRIVES INCLUSIVE ACTIONS, **SUCH AS AMPLIFYING MARGINALIZED VOICES."**

STATEMENT, THE WOMEN'S INITIATIVE FOR NETWORKING & SUCCESS AT SKILLSOFT



EMPOWERING OUR CUSTOMERS AND COMMUNITIES THROUGH LEARNING

It's critical to view DEI training as more than a cure for bias and discrimination in the workplace. Instead, we must regard it as an investment in developmental journeys for organizations and individuals alike.

The truth is, making a commitment to advancing DEI is not just the right thing to do, it's the smart thing to do.

Skillsoft's DEI content helps organizations weave inclusion into the daily fabric of corporate culture — through engaging content, discussion forums, new leadership experiences, storytelling, social connection, interactive videos, and more.







In our continuing efforts to address gender inequity, Skillsoft published and presented more than a dozen stories from women around the world whose careers (and lives) were uprooted by the pandemic.

STUDIES SHOW THAT ORGANIZATIONS WITH INCLUSIVE CULTURES ARE:

3X MORE LIKELY

to be high performing

6X MORE LIKELY

to be innovative and agile

8X MORE LIKELY

to achieve better business outcomes

Source: "The diversity and inclusion revolution: Eight powerful truths," Deloitte Review. issue 22



TOP SKILLSOFT COURSES

EMBEDDING INCLUSION INTO EVERYDAY EXPERIENCES

ADOPTING NEW LEADERSHIP MINDSETS TO DRIVE DEI

ACTIVATING DEI CULTURE SHIFTS

REIMAGINING THE EMPLOYEE
EXPERIENCE: DEI FROM HIRE
TO RETIRE

MOVING FROM BIAS TO INCLUSION IN A DEI JOURNEY

CUSTOMER SPOTLIGHT: J.D. IRVING LIMITED

Jessica Madia, Director of DEI at the Canadian business J.D. Irving Limited (JDI), had a clear goal for her DEI training program. She wanted to empower employees at all levels across the organization to make a difference and push DEI goals forward — without a bigger budget.

Jessica chose Skillsoft content to build a highly accessible — and wildly popular — DEI certificate program that has **helped JDI earn the Employer Diversity Award from Atlantic Business Magazine** for two years running.





"Accessibility is so important. We often see folks in DEI start with training leaders first, and they wait for it to trickle down as budget allows. But the biggest impact happens when you create foundational learning for everybody. Once I audited Skillsoft's DEI courses, I was like, 'This is fantastic.' What makes all the difference are those roundtable discussions where you get to be a fly on the wall as people share their lived experiences. You're not just logging in to have somebody talk at you. You get to listen and understand their perspective."

JESSICA MADIA, Director of DEI, J.D. Irving





COMPLIANCE, A WELCOMING ENABLER



Being a compliance professional these days is a bit of a balancing act. On the one hand, companies doing business across the globe are operating in a more stringent regulatory environment than ever before. On the other hand, many of these organizations have implemented remote or hybrid work models, resulting in much less visibility and oversight control and, unfortunately, enhanced risk.

Compliance training — tailored to the risks, challenges, and opportunities specific to your organization and workforce — has never been more important.

Strategic, forward-thinking compliance focused governance is the best way to understand and reduce risk in the business as a whole and in strategic initiatives — from workforce management to customer engagement, launching new products and services, reaching corporate sustainability goals, and more.

Many people assume that compliance is all about rules, and of course, that's part of it. But, compliance can evolve to be a powerful differentiator and competitive advantage. How? By making it clear to your colleagues that you're a trusted advisor — and not the resident "no person" at your organization. That means understanding the company's mission, business and and strategic iniatives and working with the team to find an effective path forward when faced with any compliance and risk related challenges — as those challenges are always evolving.

As ESG emerges as a critical mandate for so many organizations around the globe, compliance — and specifically compliance training and education — can be a great enabler of a powerful and effective ESG program. At Skillsoft, we're nurturing a culture of continual learning, and compliance is an important part of that.

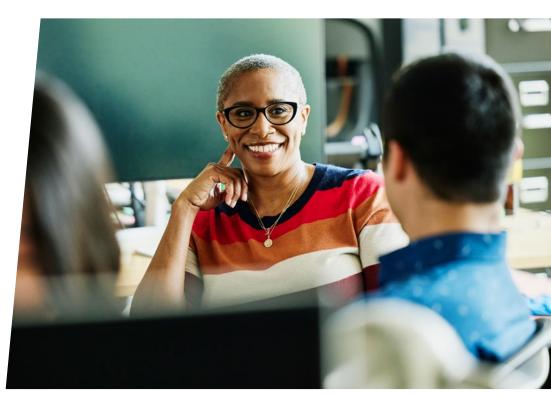
We're also supporting our customers on their ESG journeys with more than 1,000 ESG-related learning courses and reference materials.

With a shared understanding, clear direction, and individual accountability, we all perform better — as people, as workers, and as global citizens.

Stephen Martin

Chief Compliance Officer

Hephen Martin



FROM COMPLIANCE TO COMMITMENT

To be effective, governance must move beyond traditional corporate compliance. For Skillsoft, ESG involves a deep-rooted commitment to sustainability, DEI, ethical business practices, and a proactive stance in response to environmental and social challenges.

Central to our commitment is our ESG Steering Committee, which meets regularly to review and respond to emerging ESG trends. This multidisciplinary team of senior-level professionals is responsible for monitoring and addressing potential reporting, regulatory, and climate-specific developments that impact our organization, our people, and the customers and communities we serve. Our committee reports monthly to our Executive Team and to our Board sponsor.

Working together helps us avoid communication breakdowns, competing goals and interests, lack of engagement, resource constraints, confidentiality and security risks, cultural and organizational differences, and a lack of accountability.

PROTECTING OUR PEOPLE, PROJECTING OUR PURPOSE

From a comprehensive code of conduct for ourselves and our suppliers, to an ongoing DEI focus, Skillsoft takes pride in cultivating a safe, inclusive, equitable, and compliant workplace culture through our trainings and initiatives.

But, change is a gradual process, and we recognize that the most transformative progress occurs when we empower our employees to embrace these initiatives daily. And that begins in the C-Suite. In support of the more equitable future we envision, our CEO, Jeff Tarr, has signed the CEO Action Pledge for Diversity and Inclusion, which brings together more than 2,400 CEOs who have pledged to:

- Cultivate environments that support open dialogue on complex and often difficult conversations around diversity, equity and inclusion
- Implement and expand unconscious bias education and training
- Share best-known diversity, equity and inclusion programs/initiatives as well as those that have been unsuccessful
- Engage boards of directors when developing and evaluating diversity, equity and inclusion strategies.

In 2023, we asked our employees to participate in internal trainings centered around business ethics, anti-bribery, and anti-harassment. Since our last report, 84% of our eligible employees have completed business ethics training, and 92% have completed the anti-bribery and harassment training.



THE ROLE OF ESG TRAINING: IT PAYS TO DO THE RIGHT THING

Skillsoft helps protect organizations around the world in 500+ risk areas. We partner with top legal and safety experts to develop accurate and up-to-date training content in more than 30 languages with translation support and cultural adaptation.

According to Forrester Consulting's *Total Economic Impact (TEI) study* to examine the potential ROI enterprises may realize by deploying our compliance training, using Skillsoft compliance solutions offered organizations significant potential benefits — including \$3.37 million over three years versus costs of \$807,000, representing a net present value of \$2.56 million, and an ROI of 317%.



"THE COMPLIANCE, SAFETY, AND CODE OF CONDUCT COURSES YOU CHOOSE FOR YOUR TEAM CAN MAKE ALL THE DIFFERENCE. THEY SERVE AS A VISIBLE AND TANGIBLE EXPRESSION OF YOUR ORGANIZATION'S COMMITMENT TO ETHICAL BEHAVIOR, RESPONSIBLE BUSINESS PRACTICES, AND

ITS ROLE AS A RESPONSIBLE CORPORATE CITIZEN ON A GLOBAL STAGE."

— ASHA PALMER, SENIOR VICE PRESIDENT, COMPLIANCE SOLUTIONS, SKILLSOFT



ETHICAL TECH: AI AND COMPLIANCE

At Skillsoft, we incorporate AI into our transformative skilling platform to deliver the best possible experience for learners across the globe, and are proud to be recognized by the <u>Business Intelligence Group's 2023 Artificial Intelligence Excellence Awards.</u>

With any data-based technology, the potential for positive impact is limitless. But so is the potential for harm. That's a responsibility we don't take lightly.

Skillsoft is committed to maintaining a sustainable AI policy for our team that is current, flexible, and clearly outlines our ongoing expectations in these areas:

- Ethics: AI as a force for good
- **Reputation and trust:** Lead by example with integrity
- Compliance with applicable laws: Mitigate legal risk
- Data privacy and security: Protect safety of confidential data
- Bias and fairness: Promote equity and inclusion
- Social Impact: Empower to lead and succeed

"THE WORLD'S LEADING
GENERATIVE AI MODELS
HAVE BEEN TRAINED ON
TROVES OF COPYRIGHTED
CONTENT, A FACT THAT
COULD TRIGGER MASSIVE
LIABILITY AND TRANSFORM
THE ECONOMICS OF THE
INDUSTRY."

- FORBES







A Look Ahead

FROM PROMISE TO PROGRESS TO POTENTIAL

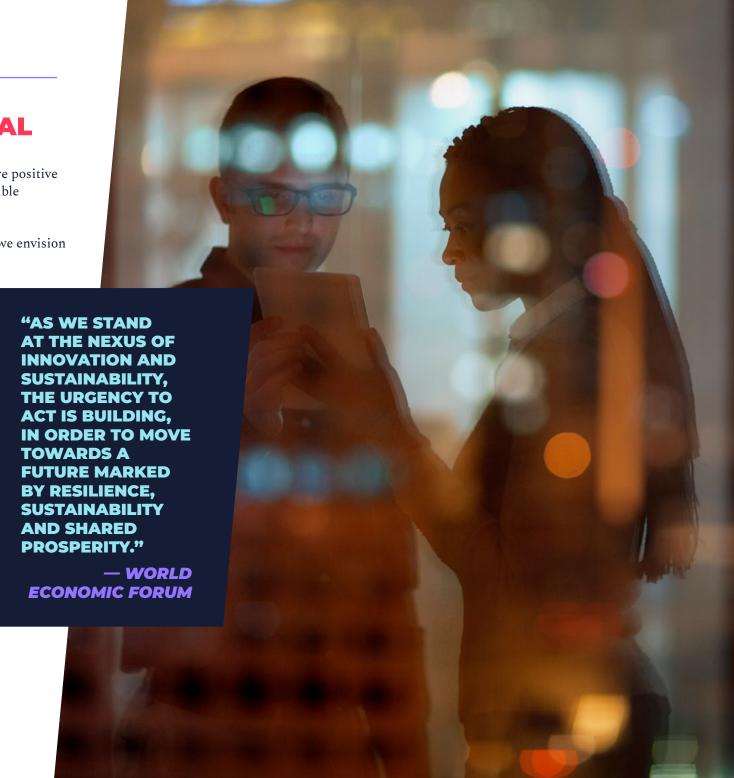
We've always believed in the power of learning to transform lives, propel business growth, and inspire positive social change. Since we began our ESG journey, we've deepened our commitment to being a responsible business for our stakeholders, our customers, and our planet.

We're also committed to continual progress as we shape and evolve our ESG strategies. Here is how we envision our progress can lead to future potential:

ENVIRONMENT: In 2023, we've established and audited our baseline emissions, and submitted our results to *CDP* and *Ecovadis*. We look forward to setting and measuring our progress toward science-based targets. And, we expect to engage our suppliers in supporting our ESG plans and goals, weaving sustainability into our end-to-end value chain.

SOCIAL: Thanks to insights from our annual Global Culture Survey, we've uncovered three powerful pillars for driving social progress internally. We've expanded our dedication to underserved communities through strengthened partnerships and introduced a senior leadership program focused on breaking down biases through DEI-aligned objectives. Through these proactive measures and more, we anticipate the emergence of a more diverse, equitable, and inclusive global culture.

GOVERNANCE: In 2023, we conducted our first double-materiality assessment, providing us with fresh focus for future-forward ESG initiatives. We've expanded our ESG steering committee, and increased employee training, fostering a culture that understands ethical practices. And, we're devising comprehensive policies for the use of AI that prioritize safety, transparency, and ethics, paving the way for a more innovative — and sustainable — future.





Resources

YOUR ESG ROADMAP BEGINS HERE

GUIDE: HOW TO BEGIN YOUR CORPORATE SUSTAINABILITY JOURNEY

This guide provides a step-by-step process to help you navigate implementing sustainability goals and training to move your organization's ESG strategy to the next level.

WHAT IS ESG?

Check out our introductory-level course designed to acquaint employees with the concepts of ESG. Environmental, Social & Governance (ESG) Awareness For Employees

LEARNING SOLUTIONS: AN OVERVIEW

Find custom learning programs that transform your team, from tech skills to leadership prep:

Technology Skills Leadership and Business Skills **Compliance and Ethics** Support and Services

RESEARCH REPORTS

From Women in Tech to CSR, you can Lean into Learning with our informative annual reports.

SKILLSOFT BLOG

Covering DEI to tech trends, there's always something new brewing on our blog.

Top 6 Trends For Compliance Officers To Consider In 2023

Keeping Training Ethical With The Power Of Skillsoft

Building An ESG Steering Committee

VOICES FROM THE EDGE

Check out our podcast, The Edge, for candid, thought-provoking conversations on the topic of learning and growth in the workplace.

WATCH A WEBINAR ON-DEMAND

Learn the ABCs of ESG with our CSO and special guests.

CSR Meets ESG: Bringing Measurability to Social and Environmental Initiatives

EXPLORE MORE CUSTOMER STORIES

Discover real-world success stories and how our customers drive sustainable business growth through learning.



Skillsoft (NYSE: SKIL) delivers transformative learning experiences that propel organizations and people to grow together. The Company partners with enterprise organizations and serves a global community of learners to prepare today's employees for tomorrow's economy. With Skillsoft, customers gain access to blended, multimodal learning experiences that do more than build skills, they grow a more capable, adaptive, and engaged workforce. Through a portfolio of best-in-class content, a platform that is personalized and connected to customer needs, world-class tech and a broad ecosystem of partners, Skillsoft drives continuous growth and performance for employees and their organizations by overcoming critical skill gaps and unlocking human potential.

Learn more at www.skillsoft.com.

MEDIA INQUIRIES

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