



**Lucid Software**

# Environmental, Social, and Governance Report

## Personal Message from **Chief Executive Officer**

July, 2025

I am proud to share Lucid Software's inaugural Sustainability Report, a significant milestone in our journey as a company. From the beginning, we have been driven by a dual focus: to innovate and deliver impactful software while fostering a diverse, inclusive, and sustainable future. This report serves as a clear expression of that commitment and provides a transparent overview of our progress, challenges, and aspirations in these critical areas.

What continues to inspire me about Lucid is the passion and purpose that drive our people. This team brings a rare combination of motivation, openness, and deep expertise. Over the last decade, I've seen how representation across geography, gender, culture, and education not only builds a more inclusive workplace, but directly drives greater innovation and delivers meaningful impact for our customers.

Our mission is to help teams see and build the future. That applies not only to how we support our users, but also to how we support each other and our communities. I'm encouraged by the progress Lucid has made and I'm confident that we can and will do even more, including actively working on meaningful diversity and environmental goals and supporting under-served communities. This report further details the work already underway, and I'm committed to ensuring we continue to drive these efforts forward in an impactful way.

Our vision is a future where great ideas can come from anywhere and where everyone has a fair chance to contribute and thrive. That's essential not only for building innovative software, but also for building a more equitable world. It's an honor to help lead Lucid toward that future, and I look forward to shaping a brighter future together with this inspiring team.

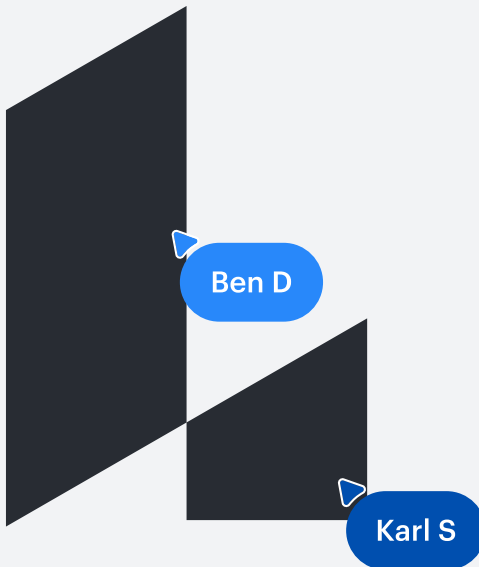
Sincerely,

*Dave Grow*  
CEO

[www.Lucid.co](http://www.Lucid.co)

## Company Overview and History

Lucid Software Inc. (“Lucid” or “we”) is a Software-as-a-Service (SaaS) provider that delivers innovative cloud-based solutions designed to streamline operations, enhance productivity, and drive digital collaboration for businesses and individuals worldwide. As an organization, we are committed to acting ethically in our business practices and as such, we recognize the importance of integrating sustainability into our operations and fostering a culture of corporate responsibility. We are committed to promoting long-term value creation for our customers and stakeholders while minimizing our environmental impact, driving positive social change, and maintaining high standards of corporate governance.



Lucid Software was founded in 2010 by Ben Dilts and Karl Sun. They originally set out to solve a simple problem: creating tools that help people collaborate and visualize complex ideas more effectively. The company’s first product was Lucidchart, a web-based diagramming tool. The idea was to provide an intuitive alternative to traditional diagramming software with the added benefit of cloud-based collaboration.

After launching Lucidchart, the company quickly gained traction with users who needed a cloud-based solution for diagramming. Lucid Software emphasized real-time collaboration, which was a significant innovation at the time. During these early years, Lucid steadily expanded their product features, improved Lucidchart, and started to build a user base that included both individuals and businesses.

By 2015, Lucidchart had become one of the most popular diagramming tools in the world, with millions of users across all industries. Lucid was helping its customers see and build the future faster with visual collaboration and data-backed intelligence. In 2020, Lucid expanded beyond diagramming with the launch of Lucidspark, an online brainstorming and collaboration platform. Lucidspark allowed teams to create and share virtual whiteboards where they could collaborate on ideas in real time. This was a logical step forward for Lucid, as it aligned with their core mission to improve team collaboration.

In the following years, Lucid Software continued to refine its offerings. We introduced additional features and integrations, making it easier for users to connect with other tools like Slack, Microsoft Teams, and Google Workspace. Lucid Software also expanded its reach by improving its enterprise-level solutions and targeting larger organizations with advanced tools and security features.

By 2023, Lucid was considered one of the leading platforms for visual collaboration tools, used by millions of people around the globe, from small teams to large corporations. Lucid Software is now the leader in visual collaboration and work acceleration, helping teams see and build the future by turning ideas into reality. Its products include the Visual Collaboration Suite (Lucidchart and Lucidspark) and airfocus. The Visual Collaboration Suite, combined with powerful accelerators for Agile, cloud, and process transformation, empowers organizations to streamline work, foster alignment, and drive business transformation at scale. airfocus, an AI-powered product management and roadmapping platform, extends these capabilities by helping teams prioritize work, define product strategy, and align execution with business goals.

Through its history, Lucid has remained committed to simplifying complex tasks, empowering teams to communicate effectively, and creating tools that bring people together in both virtual and hybrid work environments.

# Vision

Lucid's mission is to help teams see and build the future. With our Work Acceleration Platform, Lucid helps teams enable effective collaboration, create alignment in teams, and drive change that helps build the future, faster. At Lucid, our vision is to be a leader in technology innovation while fostering a sustainable and inclusive future. We aim to leverage our technological expertise to drive positive environmental, social, and governance (ESG) outcomes across the globe, creating value for our customers, employees, communities, and stockholders. We believe that the future of business must balance growth with responsibility, contributing to a better world for all.

Lucid is committed to upholding the principles of Environmental, Social, and Governance (ESG) in our day-to-day operations and ong-term strategy. We aim to create measurable impacts in these areas by continuously assessing and improving our efforts.

# Environment

As climate change becomes an increasingly present concern for our customers and employees, Lucid is committed to taking climate change seriously and acting as a responsible steward of natural resources. Our sustainability efforts come in the form of both quick wins and longer-term, formalized efforts, and aim to take a holistic approach to its business impact on the planet and society. Our Utah offices are LEED certified, and additional efforts include a partnership with Rocky Mountain Power Blue Sky to match 100% of Lucid's electricity used in the U.S. with clean energy. Lucid partners with WasteLess Solutions, rescuing 1,570 pounds of food and providing 1,308 meals to the community in 2024. We have traditional recycling in all offices and launched a food waste recycling service in our SoJo office.

Lucid also prioritizes initiatives that involve employee participation, such as:

- Adopting trails in local community areas near our South Jordan, Utah and Raleigh, North Carolina offices.
- Providing employees with virtual workshops and additional educational resources about climate solutions, recycling, and food waste.
- Making subsidized public transit passes available to employees.

Our environmental initiatives are overseen by a dedicated sustainability committee. As a software company, Lucid does not manufacture or distribute any physical products; therefore, the most significant source of GHG emissions in our operations is the energy used in our office spaces and the datacenters hosting our SaaS products. Accordingly, our Scope 2 emissions consist mostly of purchased electricity and electricity associated with our products.

## Targets:

**Environmental:** Lucid has signed a Science Based Target Initiative (SBTi) letter to indicate our commitment to setting science-based emissions reduction targets aligned with the SBTi's target-setting criteria. This commitment is the first step to realizing Lucid's intention to reduce emissions in line with limiting global warming to 1.5°C above pre-industrial levels, as outlined in the Paris Agreement. Lucid's intention is to institute 5-10 year GHG mitigation targets in line with the 1.5°C reduction pathways.

Metric	2025*
EcoVadis score	43
Number of offices worldwide	4
Total number of employees	1,070
Total electricity consumed (MWh)	1,266.19
Scope 1 GHG emissions (tCO <sub>2</sub> e)	0
Scope 2 GHG emissions, location-based (tCO <sub>2</sub> e)	499.66
Total upstream Scope 3 GHG emissions (tCO <sub>2</sub> e)	9,618.05

\*As of January 31, 2025

## Social

### Social Impact

Employees that got a *mid-year* review:

**72.2%**

of total employees

**100%**

of non-quota bearing sales employees

Employees that got an *end-year* review:\*

**69.7%**

of total employees

**99%**

of non-quota bearing sales employees

\*departments covered by formal review process & feedback process for departments not included (if any)

Quota-bearing sales employees and leaders go through a separate review process outside of the standard mid-year and year-end reviews.

Number of employees who participated in major career development courses: e.g. Leading at Lucid, mentoring (mentor or mentee), other topics:

**766**

Total

**286**

Leading at Lucid

**490**

Mentoring program

### Equitable & Inclusive Workplace

At Lucid, we celebrate diversity and are committed to creating an environment where everyone is able to feel respected, safe, and included. We have formalized this commitment in our Equitable and Inclusive Workplace Charter, which is published and accessible to all employees. Each employee's unique background, personality, and perspective is core to building our inclusive culture. Our Diversity, Equity, and Inclusion committee actively supports women, LGBTQ+, and BIPOC employees, among others. The committee is sponsored by members of our executive team and focuses on maintaining company goals toward increasing diversity within the organization, ensuring that Lucid continues to be an inclusive environment where team members can share and communicate their differing perspectives respectfully and effectively. More details on these initiatives are as follows:

#### DEI Champions

Lucid provides a safe environment for Lucid employees to learn and grow in their personal DEI journeys through education and support. We are committed to amplifying marginalized voices to install greater inclusion and belonging at Lucid.

Activities included:

- Launched the *"Inclusive Lucid: Allyship at Work"* training in partnership with the nonprofit organization, Lean In.
- Established an internal program called "Unity Hour" for employees to regularly share their personal stories.

### Lucid BIPOC Coalition

The Lucid BIPOC (Black, Indigenous, People of Color) Coalition serves with the purpose of intentionally inspiring, promoting, and uplifting Lucid's BIPOC employees by cultivating a community where their everyday experiences, cultural background, and unique perspectives can be both understood and appreciated. We value providing all present and future BIPOC employees with support to develop and grow as tech professionals, while addressing the mental, physical and societal balance needed in their personal lives to navigate the world as people of color.

Activities included:

- Offered volunteering and educational opportunities around Juneteenth (which has been a company-recognized holiday since 2020).
- Actively created opportunities for BIPOC Lucid employees to make connections and build relationships internally
- Organized a virtual Black Heritage tour in Amsterdam with our EMEA office.

### LGBTQ+

The LGBTQ+ subcommittee seeks to build an inclusive and engaging work environment for LGBTQ+ Lucid employees, supporting greater diversity, equity, and inclusion efforts within Lucid and the technology sector more broadly.

Activities included:

- Supported the Salt Lake City Pride parade for six years running.
- Developed and hosted a "Coming Out Day Ally" training to educate employees on how to become effective allies.
- Became one of the first Utah companies to be a Certified Equality Utah Business Leader from Equality Utah.
- Partnered with Encircle Utah, a local nonprofit organization focused on supporting LGBTQ+ youth.
- Volunteered with Project Rainbow to place flags as part of Transgender Day of Remembrance.

### Veterans at Lucid

Veterans at Lucid provides a space for current and former service members and families to share experiences and increase belonging within Lucid as well as the greater tech community. By educating Lucid employees and sharing these experiences more broadly, we can help others understand and value the unique veteran skillset, promoting a more diverse Lucid community. Activities included:

- Actively supporting The Fisher House Foundation, a nonprofit that provides housing to veterans and their families during medical procedures at the VA Hospital.
- Provided educational and volunteer opportunities to employees during Memorial Day and Veterans Day.
- Donated backpacks to children of veterans through Operation Homefront.

### Women of Lucid

Our mission at Lucid is to support the women at Lucid and provide additional growth opportunities. We are committed to achieving gender parity in our workforce and leadership teams. We will ensure equal opportunities for all genders and will actively support policies that foster gender equity. Activities included:

- Hosted multiple career development speaker series, panels, and workshops to help women at Lucid better understand how to maximize their strengths and reduce bias in a work setting.
- Maintaining a long-time partnership with the Women Tech Council, supporting local community mentoring efforts and events like SheTech.
- Established networking groups for women with similar goals, hobbies, and backgrounds to better connect with and empower each other.

### Neurodiversity

The Neurodiversity subcommittee is a new subcommittee dedicated to fostering an inclusive and supportive environment where neurodivergent individuals thrive. Our mission is to increase awareness and understanding of neurodiversity among our workforce and the broader community, promoting empathy, acceptance, and celebration of differences. We are committed to providing support and professional development resources to our neurodivergent employees, ensuring they have equal opportunities to excel in their careers, and we strive to create a more sensory-friendly workspace that accommodates the unique needs of our diverse team, making Lucid a place where every employee can contribute their best work. Activities included:

- Conducted manager-specific workshops to better support neurodiverse team members who report to them.
- Created a safe place on Slack for neurodivergent employees to support each other.

### Mental Wellbeing

Lucid strives to uphold a welcoming culture where every person looks out for one another and helps each other grow and thrive. Mental health is a core priority at Lucid and we provide mental health resources, counseling services, and create a supportive environment where employees can openly discuss mental wellbeing.

### Physical Health

Lucid provides occupational health resources to all employees including workstation assessment and optimization guides used to verify office and remote working set-ups are comfortable and do not place any strain on physical health. We support employee health through wellness programs, including fitness membership reimbursements, weekly wellness sessions, health and wellbeing workshops, and promoting a healthy work-life balance. All Lucid employees must take a Health and Safety eCourse during onboarding that includes information about occupational health resources, emergency response protocol, and mental health resources with a 100% completion rate.

### Community Outreach

Lucid Heart is the community engagement arm of Lucid with a mission to give back and elevate our communities, both in the U.S. and internationally, through the power of education. Through LucidHeart, the company has partnered with several nonprofit organizations and low-income schools to donate both time and money.

Examples of service opportunities the company participates in throughout the year include mentoring through reading programs at local elementary schools, donating laptops for distance learning, compiling reading packets for pediatric hospitals and refugees, and leading coding and business competitions for diverse and underrepresented youth.

We also support annual holiday giving initiatives to provide students and families with needed items as well as gifts. Countless additional donations of time and funds are made each year by individual Lucid employees to local and international charitable organizations.

Metric	2025*
Percent of the total workforce across all locations who received regular performance and career development reviews	100%
Percent of the total workforce across all locations who are provided access to career or skills-related training	100%
Percent of the total workforce across all locations who have access to training on diversity, discrimination and/or harassment	100%
Employee engagement score as a percentage	74%
Total number of employees	1,070
Total number of new hires (2/1/2024-1/31/2025)	259
Total number of female employees	387
APAC	15
EMEA	26
North America	346
Total percentage of female employees (as a % of total employees)	36.17%
Board of Directors	16.67%
Executives	32%
Management	35%
Staff	38%
Percentage of Board of Directors members who self-identify as a minority race or other ethnicity	16.67%
Percentage of executives who self-identify as minority race or ethnicity	10%

\*As of January 31, 2025

## Employee Engagement and Human Equity

We strive for high employee engagement recognizing that our people are our most valuable asset. Lucid conducts annual internal employee engagement surveys to understand our employees needs and take action to improve employees' experiences. Additionally, Lucid participates in an annual external Great Place to Work survey to ensure we are a top employer to help retain our talent and attract new individuals to join our team. Lucid has consistently been awarded a Great Place to Work designation since 2019 when we first participated. Our leaders evaluate feedback from these surveys in order to implement positive changes at the company, department and team level. We are committed to providing equal opportunities for growth and development to all employees. Our approach includes ongoing professional development, career advancement programs, and open communication channels.

## Achievements

Maintain flexible work policies that support work-life balance for employees with caregiving responsibilities.

# 74%

Employee satisfaction rate in the Company's most recent annual survey

# Corporate Governance

## Code of Conduct

Actions speak louder than words. While our business represents what we do and our values represent who we are, Lucid's Code of Ethics and Conduct outlines how we expect employees and other Lucid representatives to behave. Lucid's Code of Ethics and Conduct outlines that Lucid is committed to promoting honest and ethical conduct, including fair dealing and the ethical handling of actual or apparent conflicts of interest; full, fair, accurate, timely, and understandable disclosure; and compliance with applicable governmental laws, rules, and regulations. We expect all employees to act with integrity in all their dealings with customers, colleagues, and business partners.

## Anti-Bribery and Anti-Corruption (ABAC)

Lucid is dedicated to fostering and maintaining the highest ethical standards in each jurisdiction in which it conducts business. Bribery and corruption, which are antithetical to our commitment to operating with the utmost integrity and transparency, are prohibited in certain countries in which we operate. It is Lucid's policy to comply fully with the United States Foreign Corrupt Practices Act (the "FCPA"), the United Kingdom Bribery Act 2010 (the "Bribery Act"), the United States Travel Act, the OECD Anti-Bribery Convention, and all other applicable anticorruption laws (collectively referred to as the "Anti-Corruption Laws"). Employees are required to do annual ABAC training and report any potential violations through our confidential whistleblower program.

## Modern Slavery Commitments

We are fully committed to combating modern slavery and human trafficking in all its forms. We take active steps to ensure that no part of our business or supply chain exploits vulnerable individuals, and we adhere to all relevant laws and regulations in this regard.

## Achievements

Metric	2025*
Percentage of employees who have acknowledged Lucid's Code of Conduct	100%
Percentage of employees who have completed Code of Conduct training between 2/1/2024 and 1/31/2025	100%
Percentage of employees who have acknowledged Lucid's Anti-bribery and Anti-Corruption policy	100%
Percentage of employees who have completed Anti-bribery and Anti-corruption training between 2/1/2024 and 1/31/2025	100%
Number of whistleblower reports	0
Percentage of all operations for which risk assessment concerning business ethics issues has been conducted	100%
Total amount of monetary losses as a result of legal proceedings associated with corruption and bribery (\$)	\$0
Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations (\$)	\$0

\*For FY'25 (February 1, 2024 through January 31, 2025)

## Data Privacy and Information Security

At Lucid, we take data privacy and security seriously. Our commitment to protecting sensitive data aligns with internationally recognized standards, ensuring that our customers, employees, and stakeholders can trust our platform and business practices. We adhere to the General Data Protection Regulation (GDPR), California Consumer Privacy Act (CCPA), and other global data privacy laws, while continuously enhancing our security posture through industry-leading best practices.

## Security Certifications and Compliance

Lucid's Information Security Management System (ISMS) and Privacy Information Management System (PIMS) ensure that security is built into every aspect of our operations. We maintain ISO/IEC 27001 certification across all operational sites and comply with:

- ISO/IEC 27701 – Privacy Information Management System, supporting GDPR and global privacy regulations.
- SOC 2 Type II – Demonstrating strong controls over security controls.
- NIST 800-53 & NIST Cybersecurity Framework (CSF) – Aligning our security practices with U.S. government and industry standards.
- PCI DSS Compliance – Ensuring safe and secure payment processing.
- FedRAMP (For Government Customers) – Offering a secure cloud collaboration tool that meets the requirements for the United States government.

## Privacy by Design and Secure Development

At Lucid, we embed security into every stage of product development through our Secure Software Development Lifecycle (SSDLC). This process facilitates applications that are secure by default, with built-in safeguards that protect against vulnerabilities.

- Threat Modeling & Code Analysis – We proactively assess risks at the component and system levels, using static (SAST) and dynamic (DAST) security testing to identify flaws before deployment.
- Vulnerability & Penetration Testing – Our annual penetration tests, bug bounty program and continuous vulnerability scanning mean that security weaknesses are identified and mitigated.
- Zero-Trust Architecture – Lucid strictly controls system access, implementing role-based access controls (RBAC), Multi-Factor Authentication (MFA), and quarterly access reviews to enforce security.

## Operational Excellence & Service Resilience

Lucid is committed to high availability and reliability so that our customers can collaborate without disruption. Over the past year, we have achieved:

- 99.99%+ uptime with only 8 service disruptions totaling 34 minutes and 48 seconds.
- Total customer downtime (license-days): 0.

Through disaster recovery (DR) and business continuity planning (BCP), we ensure minimal impact from incidents, with redundancy, failover capabilities, and real-time system monitoring in place.

With quarterly tests to verify:

- Customer SLA/SLO commitments.
- RTO commitment of 24 hours.
- RPO commitment of 12 hours.

## Data Protection and Compliance

Lucid follows strict data protection and encryption standards to keep customer and employee information secure.

- Encryption in Transit and at Rest – All data is encrypted at rest using AES-256 and in transit using TLS 1.2+.
- Incident Response Plan – A structured Security Incident Response Plan (SIRP) for rapid detection, containment, and remediation of security threats.
- Third-Party Risk Management – Vendors are evaluated against SOC 2, ISO 27001, and penetration testing standards to prevent supply chain risks.

## Continuous Monitoring and Transparency

Lucid maintains a culture of security and compliance, reinforced by:

- Quarterly access reviews to verify permissions and minimize risks.
- Automated security monitoring and anomaly detection for real-time threat identification.
- Regular third-party audits for ISO 27001, SOC 2, and compliance certifications.
- Employee privacy and compliance and cybersecurity trainings to maintain awareness across the organization.

Lucid also provides transparency through its Trust Center, keeping customers informed about our latest data protection and security policy updates, threat responses, and compliance status.

### **AI Security and Compliance**

Lucid prioritizes privacy, security, and compliance in the development of our AI product features. Our AI governance framework protects customer data while enabling secure, AI-powered collaboration.

Lucid's AI capabilities, including Collaborative AI, AI Prompt Flow, and Custom GPT, are built with strong security controls:

- Third-Party AI Governance – Our features utilize Microsoft Azure OpenAI Service, which incorporates strict access controls and data protection.
- Encryption – AI data is encrypted in transit (TLS 1.2+) and at rest (AES-256).

### **AI Transparency and User Control**

Lucid allows enterprise admins to disable AI features at an organization level. We do not:

- Use customer data to train third-party AI models.
- Share AI-generated content externally without user consent.

By combining responsible AI policies, security controls, and transparent governance, Lucid delivers trustworthy, secure AI-powered collaboration.

## Continuous Improvement

We believe in continuous improvement and the integration of environmental, social and governance principles into every aspect of our operations. We will regularly assess and update our policies and practices to reflect emerging trends, technological advancements, and stakeholder expectations.

At Lucid, ESG is not just a corporate responsibility; it is embedded into our business model, shaping how we operate, innovate, and contribute to society. We are dedicated to making meaningful progress on environmental, social, and governance issues, driving long-term value for our stakeholders and contributing to a more sustainable, equitable and secure future.

This policy will be reviewed annually to ensure its continued relevance and effectiveness. We welcome feedback from all stakeholders and encourage active participation in our ESG efforts.