



# 2024 ESG Report

### Forward-Looking Statements

This ESG Report contains forward-looking statements within the meaning of applicable U.S. securities laws, including statements regarding: our beliefs and expectations about the impacts of climate change and other environmental risks on our business; our plans to develop and/or commit to greenhouse gas (GHG) reduction targets or take other steps related to climate scenario analysis, measurement of future GHG emissions and identification of GHG reduction opportunities; our plans to further develop our ESG/sustainability program generally; our expectation that we will continue to report under the TCFD in the near term; our expectation that we will resume employee engagement surveys in the future; our beliefs and expectations regarding additional costs we will need to incur in order to comply with regulatory requirements or meet the expectations of our customers and investors; our beliefs about the cybersecurity risks that affect us; and our expectations regarding gender diversity, employee engagement, turnover and other human capital metrics at our company. Forward-looking statements may be identified by words such as “seek”, “believe”, “plan”, “estimate”, “anticipate”, “expect”, “intend”, “continue”, “outlook”, “may”, “will”, “should”, “could”, or “might”, and other similar expressions. These forward-looking statements involve risks and uncertainties, as well as assumptions that, if they do not fully materialize or prove incorrect, could cause our results to differ materially from those expressed or implied by such forward-looking statements. Factors that could materially affect our business and financial results and ESG-related outcomes include, but are not limited to: our ability to attract new customers and retain and expand sales to existing customers; our ability to successfully develop and market new product offerings and product enhancements; the loss of one or more large customers; competition; challenges retaining key employees and successfully hiring and training qualified new employees; security breaches or cyber-attacks; real or perceived malfunctions or errors in our products; and economic recession, inflation, tariffs or trade disputes, or political instability, as well as other factors described in the “Risk Factors” section of our most recent Annual Report on Form 10-K, as updated by the “Risk Factors” section of our subsequent Quarterly Reports on Form 10-Q (if any). Our filings with the Securities and Exchange Commission (the “SEC”) and other important information can be found in the Investor Relations section of our website at [investors.onespan.com](https://investors.onespan.com). Statements in this ESG Report are made as of August 2025, and the continued availability of this ESG Report after that date shall under no circumstances create an implication that the information contained herein is correct any date thereafter. We do not have any intent, and disclaim any obligation, to update the forward-looking information to reflect events that occur, circumstances that exist or changes in our expectations after the date of this ESG Report, except as required by law.



# Contents

1.	Letter to Stakeholders	p. 3
2.	Our People	p. 4
3.	Our Planet	p. 6
4.	Cybersecurity	p. 12
5.	Governance	p. 16
6.	ESG Datasheet	p. 18

# 2024 ESG Report: Letter to Stakeholders

As a global corporation with operations, customers, and suppliers worldwide, OneSpan understands that active management of our environmental and social impacts and risks is important to our long-term success. To this end, we are committed to conducting our business responsibly and to the ongoing development of our sustainability program as we continue to pursue efficient, customer-focused growth across our business.

In our 2024 ESG report that follows, you will find information about how we approach our relationship with employees, vendors and other stakeholders, evaluate our environmental impacts, manage cybersecurity risk, and promote effective governance. The report also features a concise datasheet containing key ESG metrics on page 18.

We hope you find this report helpful, and we look forward to updating you on our progress. Thank you for your support of OneSpan.

**Victor Limongelli**  
CEO and President

# Our People

We understand that achieving our business objectives will depend primarily on the skills, creativity, and determination of our people. To that end, we strive to create an environment that will attract, retain and develop talented people who are motivated to find opportunities and create new possibilities for our customers, for themselves and their teams, and for OneSpan. To achieve this goal, we focus on the areas described below.

- **Competitive Compensation and Benefits.**

We seek to provide our employees with competitive and fair compensation and benefit offerings, and use market benchmarks to ensure external competitiveness while maintaining equity within the organization. We tie incentive compensation to business performance and provide a range of health, wellness, family leave, savings, retirement, and time-off benefits for our employees, which vary based on local regulations and norms.

- **Nurturing Innovation.**

We strive to make OneSpan an engaging and rewarding place to work by encouraging innovation. In 2024, we held our first “InnoBoost” innovation program, which consisted of a series of educational workshops about the science of innovation and “gamestorming” activities designed to spark and develop new ideas that will solve customer problems and drive growth in our business. InnoBoost culminated in a 48-hour global event where cross-functional teams collaborated to turn the most promising ideas

from gamestorming sessions into concrete proposals, and three winning proposals were selected by a panel of senior executive and technical leaders. In addition to InnoBoost, we have a patent incentive program to incentivize and reward employees who develop patentable inventions.

- **Training and Talent Development.**

We promote and support employee development, compliance and organizational effectiveness by providing professional development and compliance training. All of our employees take a required annual training on the following topics: our code of conduct and ethics; cybersecurity; and preventing harassment and discrimination. In addition, we make a variety of professional development courses available to our employees at OneSpan’s cost. →

# The OneSpan team

OneSpan is powered by a team of 600 employees that spans the globe, consisting of approximately 330 employees in the Americas, 234 employees in Europe, the Middle East, and Africa, and 36 employees in the Asia Pacific region.

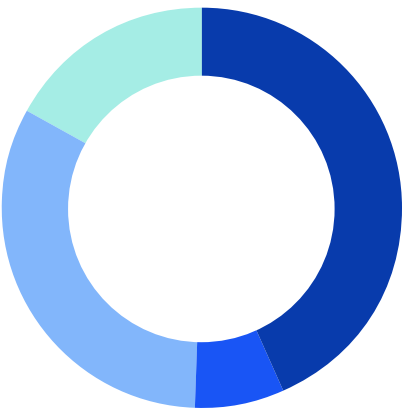
As of June 30, 2025, approximately 261 of our employees were in research and development, 43 in hardware operations, 195 in sales, marketing and customer support, and 101 in general and administrative.

Employees by region



The Americas	330
Europe, Middle East and Africa	234
Asia Pacific	36

Employees by function



Research and development	261
Hardware Operations	43
Sales and marketing	195
General and administrative	101

As of June 30, 2025

- **Feedback and Coaching.**

We believe regular feedback is an important component of employee development. Our managers provide ongoing feedback and performance coaching to their direct reports in regular one-to-one meetings, and are also encouraged to solicit their teams' feedback on their own performance.

- **Creating Career Opportunities.**

In addition to regular feedback and coaching, we support the career development and goals of our employees through mentoring programs and career ladder programs. We are currently beginning the third year of a successful mentoring program for high-potential employees. We have also adopted a career ladder program for our research and development employees. The goal of this program is to set out a structured and supportive career development framework that fosters continuous learning, skill development, career advancement, and organizational success.

- **Engagement.**

We seek input from our employees regularly through a variety of channels, including informal interactions, regular one-to-one meetings between managers and employees, department meetings, quarterly virtual all-company meetings and employee engagement surveys. This input helps us assess our progress in promoting an environment where employees are engaged, productive, and have a strong sense of belonging. We also use employee feedback to identify areas where we can do better and expect our managers to actively work to improve those areas.

- **Hybrid Workplace Policy.**

For our employees who live near one of our offices, we have adopted a hybrid work model whereby employees generally come to the office in person two or three times per week, on days designated by local office leadership. For the rest of the week, employees may work either remotely or from their local office. We believe this approach maintains the flexibility of remote work while also providing a regular opportunity for in-person interactions to collaborate, innovate, and build relationships with colleagues.

- **Workplace Environment and Access to Talent.**

With approximately 600 employees around the world and customers in more than 100 countries, we believe that our business benefits from a workplace that includes employees with a range of perspectives, experience, backgrounds and cultures. All of our employees take an annual training covering harassment prevention and respect in the workplace.

We work with a variety of job sites and candidate application platforms to increase our access to a broad pool of potential employees. We also monitor the composition of our workforce by gender on an ongoing basis in order to make sure we are accessing and retaining a wide range of available talent. We measure gender composition overall, by job level, and by job family. As of December 31, 2024, 30% of our total employees and 28% of our employees at a manager level and above identified as female, and 69% and 72%, respectively, identified as male.



- **Community Outreach.**

We encourage employee volunteerism in the communities where we live and work by providing each employee with one paid day off each year to participate in volunteer activities of their choice. In addition, our main office locations regularly participate in events such as food, pet supply and holiday children's toy drives.

- **Monitoring Employee Turnover.**

We monitor voluntary turnover and total attrition, as a whole and by tenure, region, and by job family. Total attrition captures all reasons employees leave, including voluntary turnover and involuntary turnover due to job eliminations or performance reasons, whereas voluntary turnover is limited to elective departures by employees. Our voluntary turnover across our global employee base in 2024 was 12.4%, which we believe compares favorably with global voluntary turnover rates in the technology industry. Our total attrition in 2024 was 24.3%, primarily due to certain cost reduction and restructuring efforts implemented during the year.

- **Commitment to Human Rights and Well-Being, Near and Far.**

We maintain a variety of policies and procedures to promote positive workplace conduct, employee well-being and human rights both within OneSpan and beyond, including a code of conduct and ethics, a compliance concern reporting hotline, anti-discrimination and equal opportunity policies, human rights and anti-trafficking policies, a stress and burnout awareness training program, and a supplier code of conduct.

- **Employee Recognition.**

We recognize our employees for driving business results and exemplifying our company values. We believe that this recognition helps drive strong employee performance. Employees also have access to an internal communications channel to recognize their peers for their contributions to the company.





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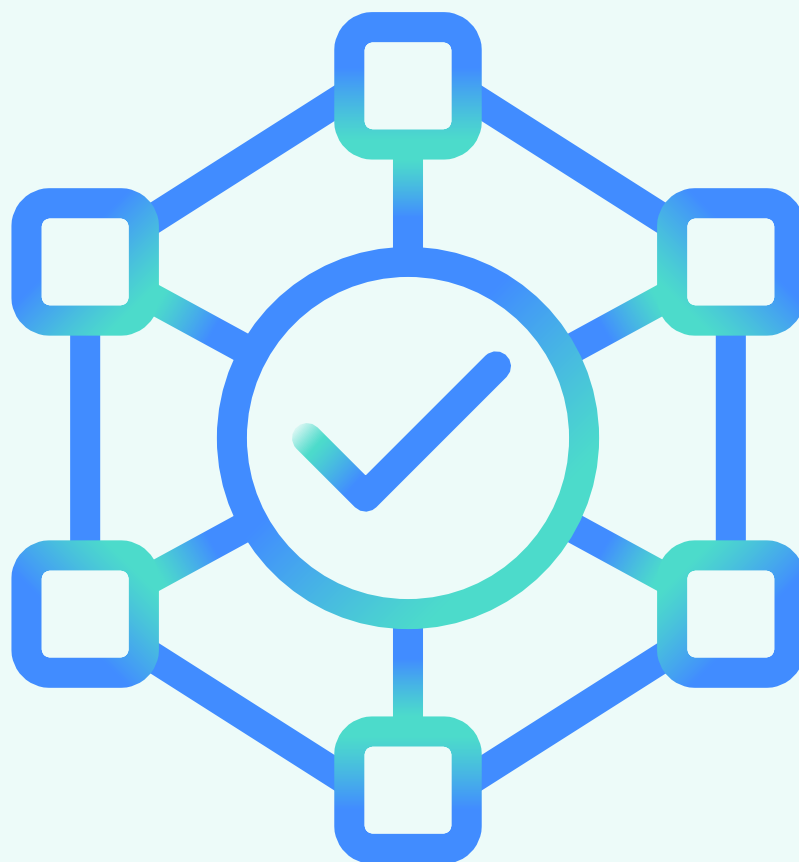
# Our Planet

The scientific consensus is that humanity must act quickly to reduce carbon emissions if we are to avoid the worst effects of climate change. The Paris Agreement calls for participating countries to cut carbon emissions sufficiently to keep the global temperature increase in this century well below 2 degrees Celsius over pre-industrial levels, with a goal of limiting it to 1.5 degrees Celsius. Closely connected to climate change are other environmental issues that impact the viability and quality of life of earth, including food and water scarcity, pollution, plastic waste, ocean acidification, deforestation, desertification and biodiversity loss.

With respect to OneSpan specifically, we believe our climate change and environmental risks are modest when compared to the other risks we face, such as risks pertaining to the growth of our business, competition, products and technology and other risks set forth in our most recent Form 10-K and subsequent 10-Q filings with the U.S. Securities and Exchange Commission. Nevertheless, over the longer term we may be impacted by climate change, both directly and indirectly through impacts to our customers, investors, employees, partners, suppliers, communities and other stakeholders. While it is difficult to predict the extent, nature and timing of these impacts, in order to build a business that will be resilient, responsive to our stakeholders, and successful in the years to come, we have begun what we expect will be an ongoing effort to monitor and manage our own climate and environmental impacts and do our part to support global efforts to limit the impacts of climate change.

In this 2024 ESG report, we are reporting on our climate change risks and opportunities in partial alignment with the recommendations of the Task Force on Climate-Related Financial Disclosure, or TCFD, beginning on page 7 of this report. Although the TCFD itself was disbanded in late 2023 due to having fulfilled its original mission, the TCFD framework remains a widely recognized framework for the reporting of climate related risks and opportunities across industries. The International Sustainability Standards Board (ISSB) will continue TCFD's work of standardizing and monitoring sustainability-related disclosures. We expect to continue to report under the TCFD for our annual ESG reports in the near term as we further evaluate ISSB standards and advance our sustainability program.

# Task Force on Climate-Related Financial Disclosures ("TCFD") Report



## Core Elements

# Governance

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## TCFD Disclosure Recommendation

- (a) Describe the board's oversight of climate-related risks and opportunities.
- (b) Describe management's role in assessing and managing climate-related risks and opportunities.

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## Disclosure

Establishing a robust ESG program is important to our Board and senior management team. The Corporate Governance and Nominating Committee (the "CGN") of our Board of Directors (the "Board") is responsible for overseeing our ESG program, including climate-related issues.

At a management level, Lara Mataac, our General Counsel and Chief Compliance Officer, is responsible for OneSpan's ESG efforts. Ms. Mataac joined OneSpan in June 2022, and since then she and her team have been working with the CGN and other members of the company's management team to advance our ESG program. Ms. Mataac's ESG and climate responsibilities include: developing and managing our ESG program; working with the management team and other stakeholders to identify our climate risks and opportunities; updating the CGN and Board on ESG progress and obtaining their input on our ESG efforts; and monitoring ESG and climate-related regulations and issues generally.

## Core Elements

# Strategy

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### TCFD Disclosure Recommendation

- (a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.
- (b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.
- (c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

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### Disclosure

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## Supply Chain and Operations

Our Digipass authenticator devices are currently manufactured by third party contract manufacturers in three factories located in Southern China and one factory located in Romania. Manufacture of the Digipass devices requires materials and components sourced from suppliers around the globe, including microprocessors, glass, liquid crystal, plastic housing, silicon, and batteries. After they are manufactured, the devices must be shipped to our Belgium warehouse or to a third party warehouse or temporary storage location and then either to our customers, which are typically banks and other financial institutions, or directly to our customers' end users.

We ship our devices to customers or their end users using sea, land and/or air transport, depending on the shipping destination and the preferences of the customer.

Due to the logistics involved in obtaining materials and components and in manufacturing, assembling and shipping our Digipass devices, our Digipass business is exposed to physical risks driven by climate change. The scientific consensus is that climate change may cause more intense natural disasters and extreme weather, and that these events may become more severe in higher warming scenarios. Floods, wildfires, sea level rise, hurricanes,

extreme heat waves and similar events could disrupt shipments of raw materials necessary for manufacturing or packaging of the devices, or the finished devices themselves. As a result, we may experience delays in processing customer orders, delays in revenue recognition, and higher costs for materials and shipping. For example, in 2022, we experienced delays and increased costs in obtaining microprocessors for our Digipass devices, due in part to energy shortages affecting our China-based contract manufacturers. These energy shortages were driven by extreme heatwaves and drought.

Risks related to the transition from fossil fuels to alternative energy sources in order to mitigate climate change, or “transition risks”, could also impact our Digipass supply chain. High demand for microprocessors to power electric vehicles was another key factor in the microprocessor delays and increased costs we saw in 2022. It is possible that we may see similar supply chain dislocations as the world transitions to alternative energy, and that these dislocations could negatively affect our Digipass operations.

Our software-as-a-service (SaaS) offerings, such as our OneSpan Sign electronic signature solution, may also be vulnerable to physical risks posed by climate change. Our office facilities, our third party data centers that host our SaaS offerings, and the locations where our employees reside may be impacted by more frequent heatwaves, flooding, drought, higher

average temperatures, and changes in precipitation patterns. Most of our office facilities and employees are not located in regions that are considered highly vulnerable to climate change; however, severe weather events can nevertheless impact the physical well-being of our employees located in any impacted areas, which could result in increased absences and loss of productivity. Although we believe our third party data center providers have well-developed business continuity and risk mitigation plans, it is possible that our data center facilities could be negatively impacted by weather events, or that rates they charge to us will increase to reflect weather-related challenges (for instance, an increase in data-center cooling costs due to higher average temperatures or droughts).

The physical and transition impacts of climate change could also present opportunities for our business, although we do not expect these impacts to be material in the short- or medium-term, and it is uncertain whether they will become more significant in the long-term. Our solutions enable secure virtual agreements and interactions, which may become increasingly important due to climate change. Both physical and transition factors may reduce in-person meetings. More frequent heatwaves, floods, and other extreme weather events, as well as the impact of those events on fuel prices, may interfere with commuting to offices or traveling to meetings. Employers may also increasingly adopt “hybrid” office policies, both in response to employee preferences and in order to

reduce their facilities expense and the carbon footprint of their office locations. Local or regional governments may also adopt policies encouraging remote or hybrid work as a mechanism to reduce carbon emissions, air pollution or traffic congestion. All of these factors may lead to an increase in digital interactions and transactions, which could drive additional demand for our solutions. It is also possible that the destabilizing impacts of climate change, particularly in a 2°C or greater warming scenario which

features food scarcity, mass migrations, natural disasters and conflict over scarce resources, will enable further proliferation of scams, identity theft, deepfakes, and cybercrime, all of which thrive in times of crisis and disruption. While we hope that these more severe impacts can be avoided by global action to limit temperature increases, we believe our solutions could play a role in maintaining security and trust in digital agreements and transactions during unpredictable times.

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## Customers and Investors



A majority of our customers are banks and other financial institutions. Many of these organizations are subject to material climate risks, in part because their asset portfolios span a wide range of industries and geographies, including industries that will be heavily impacted by the physical and transition risks of climate change, such as agriculture, oil and gas, and mining. Banks are also subject to significant new regulations requiring reporting and mitigation of their climate-related impacts, particularly in the European Union. Since climate risks and regulations reach their entire supply chain, banks are now expecting their suppliers, including OneSpan, to measure, report and mitigate our climate related impacts.

We believe that the imperative to partner with our customers in

addressing climate risk is at once a risk and an opportunity. If we are unable to demonstrate to our customers and potential customers that we are committed to measuring, monitoring and improving our own climate and ESG impact, they may be more likely to look elsewhere for their solutions. Conversely, if we can show them that we will partner with them to achieve their ESG goals, we may be more likely to win their business and retain it long-term.

Similarly, our investors and prospective investors, many of whom are subject to similar risks and regulations as our bank customers, are also increasingly requiring additional ESG information as part of their investment decisions. Developing a robust ESG program could therefore be helpful for relationships with certain investors and other potential financing sources.



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## Compliance and Reporting Costs

Due to recent regulatory and political changes in the European Union and the United States, at this time, we no longer expect to incur material additional costs to comply with mandatory with regulatory requirements designed to combat climate change, such as the EU Corporate Sustainability Reporting Directive (“CSRD”) or U.S. Securities and Exchange Commission (“SEC”) disclosure regulations. The Omnibus Proposal published by the European Commission in February 2025 modifies the CSRD such that it would apply only to companies significantly larger than OneSpan. Although the Omnibus Proposal has not yet been formally approved, we expect that we will continue to be excluded from coverage under the final version. In addition, the current U.S. presidential administration

intends to withdraw the climate change disclosure requirements previously proposed by the U.S. SEC, and we are not subject to few U.S. state climate laws that are currently in effect or expected to be adopted. Regulatory costs may become more significant to us again in the future, but the timing of any such developments will depend on numerous factors and are difficult to predict.

Although we do not expect to be subject to significant mandatory regulations regarding climate change in the near term, we plan to continue to incur costs to maintain and advance our ESG program in order to meet the customer and investor expectations discussed above. We do not believe these costs will be material to our overall business in the near term.

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## Employee Hiring and Retention

Several recent studies have indicated that employees consider the ESG programs of potential employers in deciding where to work. This trend appears to be particularly notable among younger workers. Some studies have also found a correlation between a company’s focus on ESG and employee retention. Although this has not been a significant factor in our hiring efforts to date, in the medium- and long-term, it could present both a risk and opportunity for us in a competitive market for hiring and retaining high quality talent.

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## Scenario Planning

We have not yet conducted a scenario analysis of our strategy based on different climate-related scenarios, including a 2°C or lower scenario, but may do so in the future. Generally, we believe that the severity of all of the risks described above, particularly the supply chain risks related to our Digipass business, will be greater in higher warming scenarios

## Core Elements

# Risk Management

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## TCFD Disclosure Recommendation

- (a) Describe the organization's processes for identifying and assessing climate-related risks.
  - (b) Describe the organization's processes for managing climate risks.
  - (c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.
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## Disclosure

In June 2024, we assessed our climate-related risks and opportunities by surveying our 9-person senior management team. For the survey, we developed a list of 12 potential climate risks based on disclosures from comparable companies and our own business circumstances, and asked that members of senior management (i) rate both the impact and likelihood of these risks as high, medium or low and (ii) as a supplementary measure of the relative importance of these risks, stack-rank them order of significance.



For the impact and likelihood assessment, we calculated a composite score for each risk by averaging its impact and likelihood ratings from all respondents (with high, medium and low rankings corresponding to 3, 2, and 1 points respectively).

Based on this calculation, the 12 climate-related risks were ranked as shown below, listed from the most significant to the least significant risk. All of these risks had a composite score between “low” and “medium” (between 1 and 2 points), except for the first risk listed, which had a “medium” composite score.

- |                                                                                                                                                                              |                                                                                                                                                            |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><b>1</b> More frequent natural disasters such as floods, hurricanes, and wildfires may cause supply chain disruptions for our Digipass devices and related components</p> | <p><b>7</b> We may not be able to meet the ESG/ climate standards of certain investors and lenders on the timeframes they request or require</p>           |
| <p><b>2</b> Sustainability objectives or concerns on the part of our customers may encourage them to move away from using our Digipass physical authentication devices</p>   | <p><b>8</b> Our competitiveness in the hiring market may be negatively affected by lack of a robust ESG/climate program</p>                                |
| <p><b>3</b> We may not be able to meet the ESG/ climate requirements of our customers or potential customers on the timeframes they request or require</p>                   | <p><b>9</b> More frequent heat waves, wildfires, and extreme weather events may negatively impact the health, safety and productivity of our employees</p> |
| <p><b>4</b> Dislocations and changes from the transition to a lower-carbon economy may impact the supply chain for our Digipass devices and related components</p>           | <p><b>10</b> Higher data center cooling costs due to an increase in average temperatures may result in an increase in our data center expenses</p>         |
| <p><b>5</b> More frequent natural disasters may impact our data centers, warehouses, and offices</p>                                                                         | <p><b>11</b> Carbon taxes or trading schemes, if adopted in countries we operate in, may increase our operating costs</p>                                  |
| <p><b>6</b> More frequent natural disasters may increase our insurance costs</p>                                                                                             | <p><b>12</b> Additional climate-related regulations may increase our operating costs</p>                                                                   |

The results of the stack ranking exercise were generally consistent with the composite risk score results.

With respect to assessment of climate risks relative to other risks we face, we conducted an enterprise risk survey of 22 members of our senior management

team in early 2025. Respondents were asked to rate the impact and likelihood of 20 risk categories. Respondents identified ESG risk as the lowest risk area out of those 20 categories. Supply chain risk, which is one of our more significant climate-related risks, was rated as 9th out of the 20 categories.

Core Elements

# Metrics and Targets

## TCFD Disclosure Recommendation

- (a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.
- (b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks.
- (c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.

## Disclosure

## Metrics

We use the following metrics to assess climate-related risks and opportunities:

- Scope 1, 2, 3 and total greenhouse gas (GHG) emissions in accordance with the Greenhouse Gas Protocol
- GHG revenue intensity
- Approximate percentage of top 50 vendors with an ESG program
- Approximate percentage of top 50 vendors committing to GHG reduction targets
- Percentage of new vendors (of any size) reporting that they have an ESG program

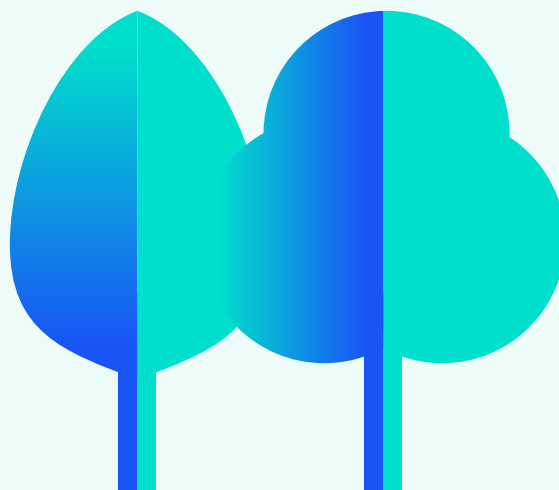
Please refer to “ESG Datasheet” at the end of this report for these and other metrics for 2021 through 2024.

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As shown in the ESG Datasheet, our total GHG emissions and GHG revenue intensity in 2024 was 61% lower than in 2023. This decrease was primarily due to a corporate restructuring program that began in late 2021, accelerated significantly in 2023, and is expected to conclude by the end of 2025. The restructuring program was designed to better position OneSpan for long-term success by making the company profitable across both of our business segments. As a result of the restructuring, we eliminated approximately 336 positions and reduced our overall operating expenditures significantly. Because our GHG footprint is calculated mostly based on our expenditures, in accordance with spend-based methods permitted by the Greenhouse Gas Protocol, this reduction in spending caused a material reduction in our GHG footprint.

Our 2024 GHG footprint was also impacted by a decline in our Digipass device shipments relative to 2023. Our Digipass shipments and revenue have generally declined in recent years as certain of our bank and financial institution customers have adopted

a “mobile first” approach, which prioritizes using mobile authentication solutions over traditional hardware authentication devices, particularly for consumer banking. This trend has generally resulted in a reduction of sales volumes of our Digipass hardware authenticator devices, as banks adopt a higher mix of software authentication licenses delivered through software applications on mobile devices. Additionally, the decline in hardware sales from 2023 to 2024 was accentuated due to the timing of several Digipass device deals that were completed in late 2023 instead of early 2024 as originally expected.



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## Targets

We have not yet adopted climate-related goals or targets, but may do so in the future. We are currently focused on improving and refining our

GHG emission measurement process, including by taking steps toward greater use of activity-based, rather than spend-based, GHG footprint calculations.

# Cybersecurity

OneSpan provides solutions in two key areas: advanced secure authentication and digital agreements. Our secure authentication solutions protect devices, users, and applications with robust multi-factor and passwordless authentication and other fraud prevention technologies. Our digital agreements solutions combine identity verification, electronic signatures, and digital workflows to streamline agreements, enhance compliance, and accelerate business processes. We empower organizations to automate and secure both customer-facing and revenue-generating processes, supporting a wide range of use cases—from simple transactions to complex workflows requiring elevated security.



# Cybersecurity Risk Management and Strategy

We maintain an enterprise cybersecurity risk management program designed to assess, identify, and manage material cybersecurity risks within our corporate information security environment and the systems we develop and operate for the benefit of our customers. Our cybersecurity risk management program is based upon best practices and standards for cybersecurity and information technology, including the National Institute of Standards and Technology (NIST) Cybersecurity Framework (CSF) and the International Organization Standardization (ISO) 27001 Information Security Management System Requirements.

- **Policies and Training.**

We maintain security policies, standards, and processes that apply across our operations and that are approved by management, communicated to our personnel, and reviewed on an annual basis. We provide a global security awareness education program that includes mandatory security and privacy awareness training for all personnel, regular phishing identification exercises, focused training opportunities for particular roles, and incident response training for key individuals.

- **Risk Assessment and Safeguards.**

We conduct regular assessments of risks and vulnerabilities to the confidentiality, integrity, and availability of data in our systems, and we implement safeguards to reduce these risks and vulnerabilities to a reasonable and appropriate level. For internal information systems and assets, we conduct regular internal reviews, employ continuous security monitoring, and conduct periodic independent reviews of the key components of our security program. For customer-facing products and services, in addition to internal reviews and testing, we undergo external reviews and penetration testing using an independent third party provider. Our cloud platforms for SaaS solutions are audited annually by external independent auditors who review our platforms against the Service Organization Controls (SOC) 2



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and ISO 27001, 27017 and 27018 standards, and some of our Digital Agreement products are available on a FedRAMP compliant platform. Some of our products are certified under specific technical standards or industry guidelines, such as FIPS 140-2 and FIDO. Our Digipass authentication fulfillment services are also audited annually by external independent auditors against the SOC 2 standard. We conduct self-assessment activities for those standards or regulations that are not covered by the external auditors, such as the General Data Protection Regulation in Europe. Additionally, we periodically engage third party consultants to assist with identifying, assessing, and/or managing cybersecurity threats.

- **Incident Management.**

We have a documented incident response plan for identifying and responding to cybersecurity incidents that focuses on isolating, containing, mitigating, and eradicating the threat as quickly as possible. In the event of a cybersecurity incident, we will follow a documented incident escalation procedure. For a discussion of whether any cybersecurity risks have, or are likely to materially affect us, please see 1A, Risk Factors, in our Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission on February 27, 2025 for a discussion of identified cybersecurity risks.

- **Third Party Risk Management.**

Our vendor security risk management program covers vendors that require connectivity to our systems or access to confidential information. We utilize a trust intelligence platform for managing data privacy and data governance which includes third party risk management. Security reviews are performed periodically, based on vendor criticality, to identify potential security issues with the vendor systems or practices. New vendor contracts are reviewed by our legal and security teams, as appropriate, to confirm that security and data protection are appropriately addressed.

- **Material Cybersecurity Incidents.**

We did not experience any material cybersecurity incidents for the fiscal year ended December 31, 2024. We do not believe that there are currently any known risks from cybersecurity threats that have materially affected or are reasonably likely to materially affect OneSpan or our business strategy, results of operations or financial condition.

# Cybersecurity Governance

Our Board is primarily responsible for overseeing the assessment and management of our risk exposure, including the balance between risk and opportunity and the totality of risk exposure across the organization. The Audit Committee oversees the company's cybersecurity risks and exposures.

We operate our security program under a global Information Security Charter approved by the Audit Committee, and the Audit Committee receives security updates and information about cybersecurity risks from the Chief Information Officer (CIO) and Chief Information Security Officer (CISO) at least quarterly. Our Board generally reviews the company's overall risk management program at least annually, including the corporate insurance program which includes our cybersecurity insurance policy. We maintain an Information Security Steering Committee which is composed of key senior leaders who oversee the corporate information security program and our cybersecurity posture. Cybersecurity threats with the possibility of heightened criticality are escalated to a management team comprised of C-level executives and legal department representatives.

The CIO leads our global information technology organization and has nearly 30 years of information technology leadership experience, including acting as CIO at two cloud-based technology providers. The Chief Technology Officer has over 20 years of experience leading product management, engineering, and operational teams at global organizations, including at a fraud management and information security company. Our Senior Vice President of Research and Development, who manages research, development and engineering for our digital agreements business unit, has more than 25 years of information technology experience, including at another publicly traded technology company. Our Vice President of Engineering, who manages research, development and engineering for our security solutions business unit, has over 20 years of information security and technology experience at both publicly traded and private companies. Our CISO reports to the CIO and is responsible for leading our information security organization and overseeing our information security program. The CISO has over 26 years' experience in information technology and security, including serving as Chief Information Security Officer at two cloud-based technology companies. Team members who support our cybersecurity risk management program have relevant education and experience in the fields of cybersecurity, risk management, security architecture, data protection, application security, audit, compliance, incident response, identity governance and governance of enterprise information technology.





# Responsible Vendor Management

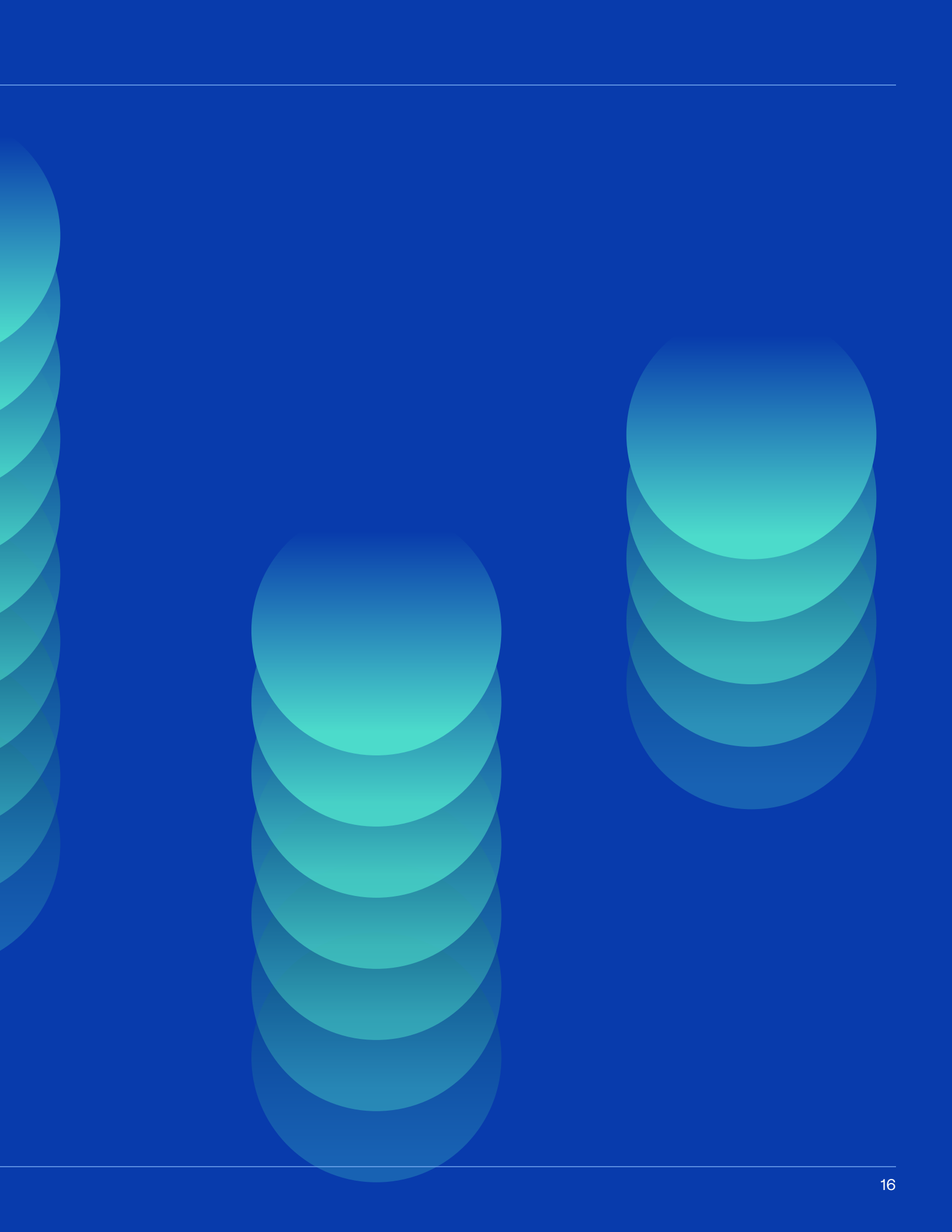
OneSpan understands that responsible vendor management is a key component of our ESG program. We have taken the following measures in furtherance of this goal:

- We require that our vendors either agree to our Supplier Code of Conduct or confirm that they will adhere to a substantially equivalent policy of their own. Our Supplier Code of Conduct addresses human trafficking, worker's rights, compliance with regulations, diversity, and health and safety, among other topics.
- We require that our contract manufacturing partners who manufacture our Digipass devices agree to our supplier code of conduct, represent they use no conflict minerals or forced/child labor, make commitments to responsible sourcing and sustainability, allow compliance audits, and sign annual compliance certifications.
- We conduct a security and privacy review of vendors who will have access to OneSpan systems, confidential information, or personal data.
- In 2023, we adopted a Supplier Diversity Policy that reflects our commitment to actively seek opportunities to conduct business with a competitive, diverse set of suppliers. Consistent with this policy, we have enhanced our efforts to identify and conduct business with diverse suppliers. These efforts have resulted in our spend with diverse suppliers increasing from approximately \$259,000 in 2022 to approximately \$457,000 in 2024.

# Governance

We are committed to effective corporate governance and high ethical standards. We believe that strong corporate governance policies and practices strengthen the accountability of our Board and management, lead to better business performance and align the long-term interests of our management team with our stakeholders, including our stockholders, our customers and our employees.





Highlights of our current corporate governance policies and practices and features of our Board include:

Board Composition

- |                                                                             |                                                                                                   |
|-----------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|
| ✓ All seven of our directors are independent under Nasdaq listing standards | ✓ Disclosure of Board skills matrix in the proxy statement for our annual meeting of stockholders |
| ✓ Declassified Board                                                        | ✓ Separate Chair and CEO, with independent Chair                                                  |

Board Governance

- |                                                                         |                                                                                            |
|-------------------------------------------------------------------------|--------------------------------------------------------------------------------------------|
| ✓ Majority vote standard for uncontested director elections             | ✓ Regular executive sessions of the independent directors                                  |
| ✓ All standing Board committees consist solely of independent directors | ✓ Active stockholder outreach program                                                      |
| ✓ Regular Board self-evaluation and assessment of Board composition     | ✓ Specific key risk management functions designated to Board committees                    |
| ✓ Annual Board review of overall risk management program                | ✓ Executive officers and directors prohibited from hedging and pledging OneSpan securities |
| ✓ Stock ownership requirements for directors, CEO and CFO               | ✓ Code of Ethics and Conduct administered by management under the supervision of our Board |



## Board Leadership Structure

OneSpan's current leadership structure provides for the separation of the roles of the CEO and the Chair of our Board. Garry Capers serves as the independent Chair of our Board and Victor Limongelli serves as our CEO and President. At this time, in light of the company's size and the nature of our business, our Board believes that the separation of these roles serves the best interests of OneSpan and our stockholders. If in the future the Board decides to appoint a Chair who is not independent from management, our Board will appoint a Lead Independent Director pursuant to our Lead Independent Director Policy adopted in 2017.

## Our Board's Role in Risk Oversight

Our Board is primarily responsible for overseeing the assessment and management of OneSpan's risk exposure, including the balance between risk and opportunity and the totality of risk exposure across the organization. Our Board does so directly and through each of its committees. Our Board and its committees regularly discuss with management the company's major risk exposures, their likelihood, the potential financial impact such risks may have on the company and the steps the company takes to manage any such risks. The Audit Committee oversees the company's risks and exposures regarding financial reporting and legal and regulatory compliance, as well as cybersecurity risks. The Management Development and Compensation Committee oversees risks relating to our overall incentive compensation programs and succession planning, including those for senior management. The Corporate Governance and Nominating Committee oversees ESG-related risks and risks related to compliance with our Corporate Governance Guidelines and Code of Conduct and Ethics.

Our Board generally reviews OneSpan's overall risk management program at least annually, including the corporate insurance program. Throughout the year, management updates our Board and relevant committees about factors that affect areas of potential significant risk. We believe that this is an effective approach for addressing the risks faced by OneSpan and that our Board's leadership structure also supports this approach by providing additional independent risk oversight.

For more information regarding our Governance practices, please review our Proxy Statement for our 2025 Annual Meeting of Stockholders.



ESG Datasheet

People	2024	2023	2022	2021
Employees <sup>1</sup>				
Total	571	676	790	879
By Region (No. / %)				
Canada	213 / 37%	251 / 37%	300 / 38%	323 / 37%
Europe	212 / 37%	241 / 36%	292 / 37%	369 / 42%
United States	100 / 18%	124 / 18%	134 / 17%	126 / 14%
Asia-Pacific	33 / 6%	38 / 6%	37 / 5%	35 / 4%
Middle East	9 / 2%	17 / 3%	15 / 2%	12 / 1%
Latin America	4 / < 1%	5 / < 1%	12 / 1%	14 / 2%
By Gender				
Women (No./ %)	174 / 30%	207 / 31%	244 / 31%	242 / 27%
Men (No./ %)	395 / 69%	466 / 69%	534 / 68%	633 / 72%
% Gender by Management Level – Managers (Women/Men)	28% / 72%	29% / 71%	27% / 71%	19% / 79%
% Gender by Management Level – non-Managers (Women/Men)	31% / 69%	31% / 68%	32% / 67%	29% / 70%
Employee engagement				
Voluntary Turnover Rate	12%	10%	16%	20%
% Participation in Employee Engagement Survey <sup>2</sup>	n/a	n/a	93%	93%
Overall Employee Engagement <sup>3</sup> - % Favorable	n/a	n/a	75%	68%

1 Employee numbers are as of December 31 of the years shown.

2 We did not conduct an Employee Engagement Survey in 2023 or 2024 due to our leadership transition.

3 Engagement is a measure of people’s connection and commitment to OneSpan and its goals.

Environment	2024 <sup>4</sup>	2023	2022	2021
<b>Greenhouse Gas (GHG) Emissions<sup>5</sup></b>				
Direct (Scope 1) GHG emissions (tCO <sub>2</sub> e)	159	124	106	68
Indirect (Scope 2) GHG emissions (tCO <sub>2</sub> e)	111	103	207	215
Other indirect (Scope 3) GHG emissions (tCO <sub>2</sub> e)	8,608	22,134	24,757	23,237 <sup>6</sup>
Total GHG emissions (tCO <sub>2</sub> e) <sup>7</sup>	8,877	22,362	25,070	23,520
GHG emissions intensity (tCO <sub>2</sub> e per USD \$1M revenue)	37	95	114	110
<b>Vendors</b>				
Approximate percentage of top 50 vendors with an ESG program	60%	64%	68%	n/a
Approximate percentage of top 50 vendors committing to GHG reduction targets	36%	46%	48%	n/a
Percentage of new vendors with an ESG Program	29%	20%	n/a	n/a
<b>Approximate spend with diverse suppliers<sup>8</sup></b>	<b>\$457,000</b>	<b>\$450,000</b>	<b>\$250,000</b>	<b>\$149,000</b>

<sup>4</sup> Please see page 11 for a discussion of the significant decline in our GHG emissions from 2023 to 2024.

<sup>5</sup> Carbon accounting is a rapidly evolving field, and therefore the figures in the table above may be revised in the future based on methodology changes, data refinements, and similar developments.

<sup>6</sup> Our 2021 scope 3 GHG emissions, total GHG emissions, and GHG emissions intensity figures have been revised from those published in our 2022 ESG Report based upon updated carbon accounting methodologies using CEDA emissions factors.

<sup>7</sup> The sum of the Scope 1, 2, and 3 figures may not equal the total GHG emissions figure due to rounding.

<sup>8</sup> We consider the following types of businesses diverse suppliers: small business, minority-owned, women-owned, disadvantaged/disabled-owned, veteran-owned, and LGBTQIA+-owned.



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