# Global Impact Report 2023





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# About the report

The 2023 Global Impact Report is our fifth annual report on our environmental, social, and governance (ESG) progress.

As a business, we play a critical role in creating a sustainable world where everyone can thrive. And we remain committed to showing our progress in our ESG initiatives.

The data shared in this report is limited to the company's operations for our fiscal year 2023 (January 1, 2023, through December 31, 2023, unless otherwise noted). The data in this report may contain figures that are approximated or rounded based on the best measurements available to us.

Zendesk formalizes oversight of environmental, social, and governance

matters by convening our ESG committee of senior leaders to provide guidance and review of ESG priorities. These priorities and progress are also reviewed by The Audit Committee of the Zendesk Board of Managers.

The contents of this report are informed by the Global Reporting Index (GRI) Standards, the Sustainable Accounting Standards Board (SASB) Software and Services Standard, and the UN Global Compact (UNGC). Performance metrics are available in the appendix. The metrics and quantitative data are not based on generally accepted accounting principles and have not been audited. The inclusion of information and data in this report does not indicate that such information or data or the subject matter of such information or

data is material to Zendesk for purposes of applicable securities laws or otherwise.

Senior leadership and key stakeholders across Zendesk were involved in reviewing and validating the information herein. This report, in its entirety, has not been assured by a third party. It is noted where there are instances of third-party assurance.

This report utilizes certain trademarks and service marks for reference purposes.



# Message from our CEO

At Zendesk, our responsibility extends beyond serving our customers, employees, and shareholders—it encompasses our global community and environment. Our dedication to exceptional service is integrated into every aspect of our business, from the products we build to the communities we impact and the customer experiences we enrich.

In 2023, we continued our commitment to diversity, equity, inclusion, and belonging. We know that having a diverse Zendesk workforce, reflective of our customers and the consumers they serve, helps our business thrive. In support of our equity efforts, we took the lead in pay equity and transparency, proactively publishing salary ranges for all positions globally.

And, our annual independent pay equity study ensures fair and equitable compensation across our workforce.

Our social impact initiatives have effectively harnessed the skills of our employees, the power of our products, and our collective resources to assist numerous non profit organizations worldwide. During our two Global Impact Weeks in April and October, Zendesk employees contributed their time and skills to community service projects, both in person and virtually. Our Tech for Good program resolved nearly 700,000 support tickets, providing essential information to our partners' beneficiaries. Additionally, our Agents of Change upskilling initiative helped

Zendesk-certified graduates generate an estimated \$1.7 million in new wages.

On the environmental front, we've made substantial progress. We've maintained carbon neutrality for product operations and employee travel, and we've achieved 100% renewable energy usage in our offices. Our emissions reduction goals have been validated by the Science-Based Targets initiative, reinforcing our commitment to climate action. Furthermore, we were honored by USA Today as one of America's Top 10 Climate Leaders. These sustainability efforts not only make the world a better place, but also improve efficiency and resiliency in our business.

With the release of our fifth global impact report, we renew our pledge to these critical initiatives. We understand that being a responsible corporate citizen is imperative for building and maintaining trust with all our stakeholders and is good for our business.



"At Zendesk, our responsibility extends beyond serving our customers, employees, and shareholders—it encompasses our global community and environment."

**Tom Eggemeier** CEO, Zendesk



## About Zendesk

At Zendesk, we're on a mission to power exceptional service for every person on the planet. As the industry leader in customer experiences, we help businesses bring together the best of Al agents, workflow automation, and human agents for their customers and employees. With our software and expertise, businesses deliver service that increases customer loyalty and drives revenue at a reduced cost. Learn more at www.zendesk.com.

# Sustainable development goals alignment

At Zendesk, we believe we play a role in tackling some of the world's largest challenges. Throughout this report, we've noted where our actions and impact align with the United Nations Sustainable Development Goals (SDGs).









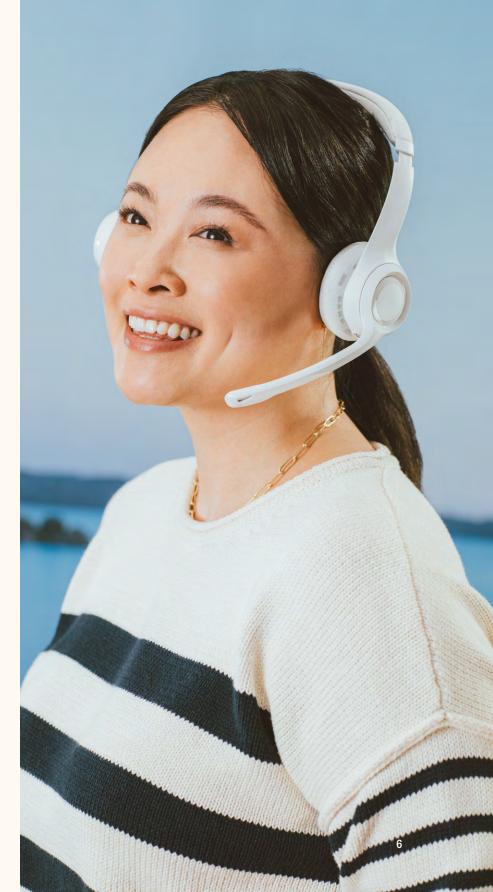












## Governance

Our priority is to provide exceptional service grounded in ethical and responsible practices. We are committed to implementing strong governance policies and practices that support our employees, customers, and wider communities.

Our focus on thoughtful corporate governance is critical to fostering an environment conducive to ethical behavior, integrity, and oversight.

We firmly believe that for us to achieve stable, long-term growth, we must regularly improve our environmental footprint and impact on the communities we operate in.

Our ESG committee provides governance and oversight and ensures coordination and best practice implementation across various governance, risk, and compliance functions at Zendesk.



### **Ethics**

At Zendesk, acting ethically is also paramount. This is why in 2023, under the guidance of our new VP of Integrity, Governance Risk, and Compliance, we updated our Code of Conduct to explicitly outline what it means to be a part of a responsible company. The Code includes ethical conduct guidelines, anti-bribery and corruption prohibitions, and directives for compliance with international laws and regulations. It also provides access to our dedicated anonymous whistleblower hotline for reports of violations.

Consistent with our intent to foster a proactive compliance culture, we added new sections to the Code of Conduct to reinforce speaking up and encourage the sharing of risk intelligence.

Alongside this revised Code of Conduct, we refreshed our suite of corporate policies, including our Global Anti-Bribery and Corruption Policy, Whistleblower Policy, and Global Trade and Sanctions Policy. These policies, approved by and subject to regular oversight and reporting by the Zendesk Audit Committee, facilitate effective risk management and compliance in a global market.

We also leaned into the power of responsible artificial intelligence (AI) in 2023, refreshing our AI governance approach for our product and employee use cases. We assessed the evolving regulatory landscape, published a statement of our vision for building responsible AI, and began to consolidate our approach across all AI stakeholders.

Our mandatory compliance training modules cover areas like risk management, harassment, privacy, security, anti-corruption, and anti-fraud. All employees are required to complete these modules. We have continued to evolve our training to align scenarios in these modules with relevant risk scenarios. Our Global Anti-Bribery and Anti-Corruption Policy assures all Zendesk employees, officers, and third parties working on our behalf fully comply with various anti-corruption laws, including the U.S. Foreign Corrupt Practices Act, the UK Bribery Act, and reasonably equivalent laws in the countries in which we operate. The policy addresses typical business practices, offering guidance on when they can potentially become improper or illegal. It clarifies that Zendesk neither offers nor accepts bribes or kickbacks and that we do not tolerate any form of corruption.

As a company committed to high standards of legal and ethical business conduct, we support the elimination of modern slavery and human trafficking as outlined in the United Nations Universal Declaration of Human Rights. We also expect our suppliers to share our commitment to human rights and equal opportunity in the workplace and to abide by our Human Rights Policy. Our Code of Conduct prohibits any unlawful or unethical activity by any of our directors, officers, employees, or consultants. Additionally, we regularly support organizations—through volunteering, donations, and products—that align with our mission to promote dignity, inclusion, and respect for all people.

"Ease and peace of mind is critical for our employees as they navigate the global business environment. We will not make things difficult for them because of the threat of a few bad actors, but we will ask for their help to create the conditions where bad actors will not thrive."

**Dr. Hemma R. Lomax**VP, Associate General Counsel, Integrity,
Governance, Risk, and Compliance



### Data privacy & trust

Trust sits at the heart of our customer relationships. Our patrons—who come from diverse sectors like healthcare, financial services, government, and technology—trust us with large amounts of personal information.

Guided by our chief legal officer, privacy council, and data protection officer, Zendesk aims to follow the best industry practices to ensure data security and privacy. Our Audit Committee regularly oversees our privacy programs. In addition, we have a dedicated chief trust and security officer (CTSO) leading our strategy, policy, and processes to ensure security. To counter cybersecurity threats, our CTSO team leads the charge in spotting, tackling, and responding to such dangers.

We keep our Board updated on any potential threats to our business and how we plan to manage them. The Audit Committee provides frequent updates to our Board about these risks.

We possess several security-related certifications, including SOC 2 Type II, ISO 27001, ISO 27018, ISO 27701, HDS, and FedRAMP authorized with Low Impact Software-as-a-Service (LI-SaaS). These confirm our dedication to ensuring top-notch security for customer data.

We take pride in our global data protection and privacy program, which we continually strive to improve. Our privacy team collaborates with cross-functional stakeholders within the company to reinforce a culture of privacy.



"Trust and security form the bedrock of our customer relationships. We strengthen this foundation by rigorously maintaining a robust control framework and fostering a culture of proactive risk management."

Vinay Patel
Chief Trust and Security
Officer, Zendesk



The Zendesk Trust Center offers comprehensive details about how we maintain customer trust through our security and privacy standards. We also give our customers the option to choose the region where their data is hosted, in accordance with our Regional Data Hosting Policy.

Access management features like login alerts and two-factor authentication are part of our service, along with secure data storage and tools for users to control their data. At Zendesk, we trust in our security infrastructure, which is reviewed by independent third-party experts, to help our customers build a secure environment for their information.

To learn more, please visit our Trust Center.

# Social impact at Zendesk

Through our social impact programs, we activate our resources to further our nonprofit partners' missions and empower our employees to become active global citizens. We focus our efforts on areas that we are uniquely suited to support. Through our donations of grants via the Zendesk Foundation, expertise via our employee engagement programs, and products via our Tech for Good program, we have made a tangible difference in our global community.

#### **Fast facts**

#### Over \$2 million

given in 2023 by the Zendesk Foundation

**60 nonprofit organizations receiving Zendesk Foundation grants**, including
15 Tech for Good Impact Award winners

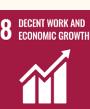
#### \$99.8K donated

to over 1,300 nonprofits through our annual end-of-the-year employee giving campaign









### **Zendesk Foundation**

Funded at a percentage of revenue, the Zendesk Foundation seeks to connect Zendesk's resources with nonprofit organizations addressing complex social problems. Since 2015, Zendesk and the Zendesk Foundation have donated over \$17 million to organizations around the world that are fostering community, promoting resilience in times of crisis, and creating career pathways into technology.

"At Zendesk, we know that we are most impactful when we develop strong relationships with our nonprofit partners, understand their specific challenges, and support them with our distinct resources. Through a true approach of partnership, we strive to empower our network of nonprofits."

# Megan Trotter VP, Social Impact & Sustainability, President, Zendesk Foundation



#### **Fostering community**

In 2023, the Zendesk Foundation supported nonprofit organizations that aim to support their communities and help people thrive. We pair our Foundation grants with employee volunteers, with the goal of building communities wherever we are.

This year, the Zendesk Foundation provided a grant to Second Harvest Japan to support their efforts, and our Tokyo employees volunteered by packing meal boxes and food packages for families in need.

#### **Creating career pathways** into technology

The Zendesk Agents of Change program supports nonprofit organizations that are providing upskilling and certification programs to address the opportunity gap for people of color, women, and other marginalized or overlooked groups.

Through Agents of Change, the Zendesk Foundation donates Zendesk software licenses and free certification exams to help prepare participants for careers in CX. The nonprofit partners provide standardized curriculums and additional tools their students need to succeed, including access to computers, core skills training, job interview preparation, and career counseling.

#### **Promoting resilience**

The unfortunate reality is that crises and disasters happen more often than they should, whether natural or human-made. That's why we invest in organizations that provide immediate crisis relief and advocate for human rights and health.

In 2023, the Zendesk Foundation supported World Central Kitchen (WCK) and its efforts to address hunger and poverty in times of conflict, crisis, and natural disasters.

The organization has successfully established programs that cover a wide range of social needs, including clean cooking, food safety and sanitation, culinary education, and building resilient food systems.



### Volunteerism

Volunteering is a core part of Zendesk culture, and our focus this year was to develop in-person and virtual volunteering opportunities that allowed Zendesk employees to meet, support, and connect with people in their community. In 2023, employees from 20 countries continued to invest their time and expertise in causes they cared about by volunteering over 4,900 hours throughout the year.

#### **Global Impact Week**

In 2023, we held our inaugural two Global Impact Weeks—one in April and another in October. During this time, Zendeskians from around the world came together to be a force for good in our communities.

"Investing my time in social impact work is an amazing way for me to give back to society and meet likeminded people and work on greater causes for the good. Getting involved brings so much positivity to my days as well as fuels good relationships at work by building trust and engagement at all levels."

#### Sahitya Pidaparthi

Senior Executive Assistant, Product Dev Program Management, Melbourne



Throughout the two weeks, employees showed up in person and virtually to volunteer their time with nonprofits they care about. Here are some highlights:

- In Manila, employees packed 1,800 meals for 180 children in collaboration with Rise Against Hunger Philippines.
- In Kraków, employees partnered with Akademia Przyszłości to teach children how to create art and game projects using Scratch interactive programming tools.
- Through Team4Tech, employees from the Bay Area, Singapore, and India worked in cross-functional teams to build marketing and tech solutions for an India-based nonprofit.

#### Pro bono volunteering

Through our Pro Bono Volunteer program, we bridge the gap between nonprofit needs and our business expertise by connecting employee skills with specific demands.

These pro bono opportunities not only enrich the employee experience but also have a profound impact on our nonprofit partners.

Additionally, many of these opportunities support some of our sponsored product partners in our Tech for Good program. In supporting these partners, employees can gain a strong understanding of our products while also utilizing them for societal benefit.

## Pro bono volunteering by the numbers

#### 156

Total number of volunteers

### 1,739

Total number of pro bono hours

### \$365,190

Total value of pro bono volunteering

#### 28

Total number of nonprofits supported

#### 15

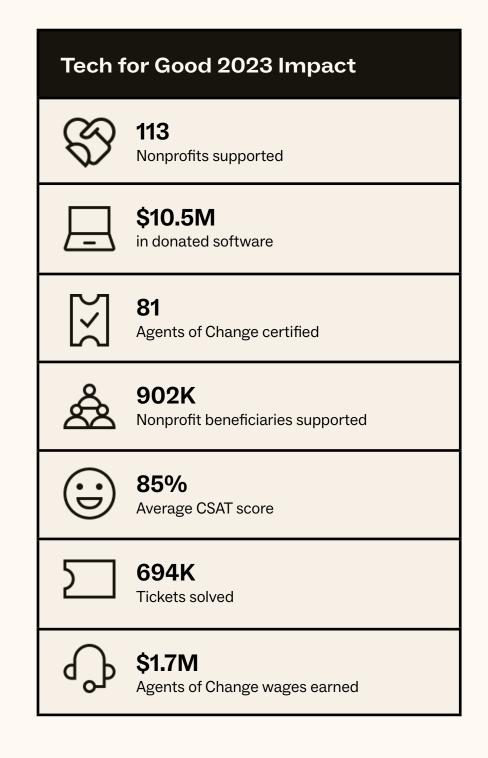
Total number of countries where nonprofits are located

#### 40

Total number of engagements

### Tech for Good overview

Zendesk's Tech for Good program provides free software, grant funding, and expertise to nonprofits that address urgent social problems. Leveraging our technology, Tech for Good grantees are scaling their services to accelerate their support for communities in need.





## Here are four ways nonprofits used Zendesk Tech for Good in 2023:

- 1. The IRC Signpost Project is an innovative digital platform aimed at helping crisisaffected communities around the world. It provides vital, often life-saving information in local languages to help people access services and make informed decisions. Utilizing Zendesk's multilingual support capability, Signpost created help centers in more than 20 countries, ensuring the broadest reach within 48 hours of any crisis. As a result, the organization expanded its operations tenfold in just three years. In 2023, Signpost reached over 60 million people, earning it the distinction of the UN Sustainable Development Goals (SDG) Action Campaign Award in 2023.
- 2. Spring ACT supports survivors of domestic abuse with urgent customer support responses. By using a chatbot, this dedicated team of nine full-time employees and about 80 volunteers can provide confidential, 24/7 support to survivors of domestic violence—no matter where they are in the world. Known as "Sophia," this always-on support channel instantly connects survivors with the information and resources they need to understand their rights, collect evidence, and seek help.
- Resource Center (ITDRC) streamlined its process for deploying life-saving assistance in an emergency by leveraging Zendesk Guide features. Volunteers can now find updated information on organizational policies, training resources, and field equipment available for use. When time is of the essence, this self-service portal

- helps ITDRC reduce the burden on its team, eliminate friction, and ultimately be more effective in getting the job done.
- **4.** Urban Alchemy (UA)—an organization that provides outreach and support to disenfranchised communities—collects, routes, and visualizes data via Zendesk, enabling practitioners to improve their response and scale their impact. As part of the CIRCLE project, the team receives and responds to all non-violent 911 calls related to homelessness, mental health, and addiction. They rely on Zendesk to collect information on each call, route it to their medics on the streets, and evaluate their results. Equipped with this valuable feedback, they can better service their community as the organization grows.

#### **Tech for Good Impact Awards**

In 2023, Tech for Good hosted the second annual Impact Awards, an open grant application program inviting nonprofit organizations worldwide to showcase their programs and request Zendesk software support. Nineteen members of the Zendesk Global Social Impact Committee reviewed more than 300 applications. Then, the Zendesk Social Impact team narrowed the pool to 15 final recipients.

Five recipients received grants of \$50,000, and an additional 10 organizations received grants between \$5,000 and \$25,000, with all 15 also receiving free Zendesk software.

All organizations successfully explained how Zendesk's suite of customer support products would help them scale operations, increase efficiencies, empower more clients, or drive greater impact.

2023 Tech for Good Impact Award Winners			
AMER	LATAM		
StreetCode Academy Closegap IssueVoter WellMoney SYE Initiative	Fundación Compromiso Laboratoría Tierra Grata		
EMEA	APAC		
WAVE myAgro Solidaridad Fairfood International	Passerelles Numériques Migrasia Medical Pantry		

#### **Zendesk Agents of Change**

The top five grantees from this year's Impact Awards will join Zendesk Foundation's job training program, Agents of Change. The program extends grants, Zendesk learning materials, and free software and certification exams to nonprofit organizations dedicated to serving underserved communities. With a goal of generating \$10 million in new hire wages by the end of 2024, the job training program will significantly scale this year with the inclusion of these five new grantees.

"Access to Zendesk certification tracks has been a major resource for apprentices to earn in-demand certifications to help support their career growth and marketability as tech professionals."

#### **Matt Velez**

Executive Director, National Instructors Institute at NPower



#### The 2023 Agents of Change

Fundación Compromiso: Offers free upskilling and employability training for individuals over age 16 facing socio-economic barriers in Latin America

Laboratoria: Empowers women in Latin America to grow their careers in the tech industry

Passerelles Numériques (PN): Provides upskilling and employment opportunities to lift vulnerable young people out of poverty in Vietnam, Cambodia, the Philippines, and Madagascar

StreetCode Academy: Delivers free tech education to BIPOC individuals in the U.S. so they can access the innovation economy

#### **West Africa Vocational Education (WAVE):**

Addresses West Africa's youth unemployment crisis by offering skills training and access to job opportunities



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The 2023 cohort will join our 2022 nonprofit participants, which include		
KindWork	NYC, USA	
Jobcare	Dublin, Ireland	
The Asia Foundation Skills to Work Program	Three programs in the Philippines, Malaysia, and India	
Nairobits	Nairobi, Kenya	
NPower	Headquartered in NYC, with multiple locations across the US	
Somas Projetos Sociais	São Paulo, Brazil	
Instituto da Oportunidade Social (IOS)	Headquartered in São Paulo, with locations across Brazil	
African Refugee Development Center (ARDC)	Serving refugees and asylum seekers in Israel	
Women in Technology (WITU)	Uganda	



Since 2022, the Agents of Change program has achieved the following milestones:

> 175 students graduated

> new agents certified

in total wages earned for graduates to date

# Environmental sustainability

We are facing a global climate crisis that affects all countries, businesses, and individuals. According to the latest UN Environment Programme (UNEP) Emissions

Gap Report, the world is setting alarming emissions and temperature records, and global greenhouse gas (GHG) emissions must fall dramatically and rapidly to reach the 1.5°C temperature goal set by the Paris Agreement.

At Zendesk, we believe companies play a critical role in creating a sustainable, thriving planet. That's why we're committed to decarbonizing our entire value chain and contributing to the 1.5°C-aligned future. Harnessing our "Reduce, Mitigate, and Accelerate" strategy, we integrate

environmental sustainability into key aspects of our business. This includes our workspace, product development, cloud operations, supply chain management, and employee travel. Beyond our four walls, we help scale innovative climate solutions and technologies essential for society's transition to net zero.

We have implemented ambitious climate targets to drive impactful actions and deliver measurable results. In 2023, we established new 1.5°C-aligned emissions reduction targets, which have been validated and approved by the Science-Based Target initiative (SBTi). This commitment ensures we reduce emissions at a speed and scale that is most needed by the planet.



#### Reduce

value chain emissions in alignment with the latest science



#### **Mitigate**

global emissions by purchasing highquality carbon offsets



#### Accelerate

carbon removal technologies and transition to a net zero economy





Public goals	Definitions	Status
100% renewable energy	On an annual basis, purchase renewable energy and certificates equivalent to the amount of electricity we use in our global offices.	Achieved
Carbon neutral product	On an annual basis, reduce GHG emissions generated from Zendesk's office operations and product development (e.g., product engineering, data hosting, and cloud operations) as much as possible. Compensate for any remaining or unabatable emissions using high-quality carbon credits.	Achieved
Carbon neutral travel	On an annual basis, reduce GHG emissions generated from Zendesk employees' business travel, commuting, and home offices as much as possible. Compensate for any remaining or unabatable emissions using high-quality carbon credits.	Achieved
Purchase carbon removal from 2023 to 2030	In partnership with Frontier and Watershed, purchase a diverse portfolio of promising, engineering-focused carbon removal technologies through offtake agreements <sup>1</sup> .	On-track
1.5°C Science-Based Targets	We commit to reduce absolute Scope 1 and 2 GHG emissions from our offices by 84.2% by 2030 from a 2019 base year.  We commit to continue active annual sourcing of 100% renewable electricity through 2030.  We commit that 68.4% of our suppliers by emissions, covering purchased goods and services, and capital goods, will have science-based targets by 2027.	Approved by the SBTi. On-track

We are recognized as <u>one of the top</u> 10 climate leaders by USA Today and rated Bronze by EcoVadis.



<sup>1</sup>Offtake agreements are contracts to buy carbon removal in the future at a predetermined price once it is delivered.

### Reducing our emissions

In our commitment to combat climate change, our primary responsibility is to reduce the emissions within our own value chain. While our business has continued to grow, our carbon intensity—measured by total emissions / million \$ revenue decreased by 18% from 2020 to 2023. This reduction reflects our dedicated efforts to integrate sustainability objectives seamlessly into our core strategy and operations.

#### **FY23 GHG Emissions by Scope** (Metric Tons CO2e)

Scope 1	243	(0.4%)
Scope 2 (Market-based)	0	(0%)
Scope 3	60,287	(99.6%)





### Workplace sustainability

Our leased offices and co-working spaces are hubs where our employees collaborate and connect in person. In 2023, more employees opted for a hybrid work setup, using office spaces to enhance customer support and drive business growth.

## Select environmentally sustainable offices

As we update and expand our global office portfolio, sustainability performance is a crucial factor in choosing new locations. In 2023, we made a strategic decision to relocate our Melbourne office to a more contemporary building with high environmental performance.

The building boasts <u>advanced sustainability</u> <u>features</u>, including:

- 4 Star Green Star performance rating by the Green Building Council of Australia
- Runs on 100% renewable energy
- Carbon neutral certified

# Align with world-leading green building standards and improve energy efficiency

We uphold the highest sustainability standards in both the design and construction of our office spaces. In 2023, our Kraków office earned two globally recognized green building certifications: Leadership in Energy and Environmental Design (LEED) Gold and WELL Gold, demonstrating our deep commitment to sustainability and employee health. LEED- and WELL-certified buildings optimize the use of natural resources, minimize their impact on climate change, and promote human health and well-being.

Our Kraków office is one of the very few tenant spaces in Poland pursuing these ambitious certifications. To date, it is the fourth office fit-out certified in WELL in Poland, and it is the first project in Poland to achieve a WELL Certificate under the newest version of the WELL Building Standard.





Furthermore, we collaborate with our landlords and local utility partners to identify and implement energy-saving measures aimed at reducing emissions.

For instance, our Madison, Wisconsin office in the U.S. partnered with the energy management company <u>Focus on Energy</u> to analyze the energy use of the office.

We identified meaningful opportunities to save energy, such as adjusting heating and cooling setpoints, adjusting startup and setback times, and changing the occupancy mode for weekends and holidays.

# Continue achieving 100% renewable energy

We continue to achieve 100% renewable energy across our global offices by enrolling in local utilities' green tariff programs and purchasing high-quality Energy Attributes Certificates (EACs). We do this because we believe we have a key role to play in accelerating clean energy transition and grid decarbonization. That's why we joined the Clean Energy Buyers Alliance (CEBA) – to collaborate with other corporate leaders to catalyze industry-wide movements.



#### **Our Flex Office program**

To improve our remote employees' access to flexible working, in 2023, we implemented a Flex Office program with our new flexible workspace partner, <u>Upflex</u>. This new partnership will help us expand our access to on-demand coworking spaces in more than 10,000 locations in 135 countries.

We hope this program makes it easier for our employees to find safe, convenient, and environmentally friendly workspaces close to home; collaborate with their colleagues; and connect to our customers with a minimized carbon footprint from commuting. Moreover, Upflex plants a tree for every booking we make, which is an important way to mitigate climate change.

### **Employee travel**

Since 2022, we've achieved carbon neutrality on our employees' business travel, commuting, and the emissions associated with them working from home.

Post-pandemic, there is an increasing business need to meet with coworkers and customers in person, and many travel restrictions have been lifted. At Zendesk, we remain dedicated to providing a variety of alternatives that extend well beyond the digital realm.

So in 2023, we implemented sustainable travel guidelines to further our commitment to carbon-neutral business travel. Integrated into our updated Travel & Expenses (T&E) policy, these guidelines support employees in making conscientious choices, emphasizing essential business travel and prioritizing low-carbon transportation options.

#### Here are notable highlights:



Environmental sustainability is one of the key objectives of the T&E policy.



Zendesk employees are encouraged to favor virtual meetings and events when possible and to choose more sustainable transportation methods when planning their travel.



Specific sustainability recommendations are included for each type of travel activity, including air, ground transportation, and accommodations.

### Product and engineering

All Zendesk products are carbon neutral. We achieved carbon neutrality by reducing emissions generated from Zendesk's office and product operations and compensating for any remaining or unabatable emissions using high-quality carbon credits.

# Reducing product emissions through partnership, optimization, and efficiency

Our product emissions primarily come from cloud engineering and data hosting. In 2022, we started migrating many of our workloads to instances powered by AWS Graviton processors. This allowed us to optimize infrastructure costs and enhance efficiency while boosting cloud performance and reducing carbon emissions.

By using the energy-efficient AWS Graviton-based instances, we improved performance by up to 30 percent, lowered costs by up to 42%, and achieved better environmental sustainability while increasing its capacity for innovation.

Although we have migrated our core application to AWS Graviton-based instances, our efficiency journey continues. We want to expand the adoption of AWS Graviton-based instances across our entire fleet, improving the energy efficiency and performance of our cloud workloads.

"As a SaaS company that runs in the public cloud, we recognize that a significant part of our Scope 3 emissions comes from our cloud usage. Yet, we view this not as a challenge, but as an opportunity to make a difference. Through strategic optimization, we've managed to shrink our cloud carbon footprint. We firmly believe that optimizing cloud usage goes beyond business strategy—it's a testament to our commitment to the environment."

**David Boothroy**VP Software Engineering
at Zendesk

#### Commitment to sustainable Al

As Zendesk introduces more Al products and features, including Zendesk Al and Advanced Al, we want to ensure these innovations are developed and deployed responsibly and support our carbon-neutral product commitment.

We are committed to minimizing the carbon footprint of our Al products and features, so we have implemented a sustainable Al strategy. This entails working with cloud providers to gain clearer insights into Al's impact, adopting green engineering practices, and incorporating sustainability considerations into our Al-related Business Code of Conduct.

One significant and immediate opportunity in promoting environmentally responsible Al is ensuring transparency regarding its environmental impact.

That's why in 2023, we conducted an indepth analysis of the carbon impact of our own Al solutions. This assessment included the carbon emissions generated during the building and utilization of Zendesk Al, as well as the emissions saved through the automation and streamlining of CX activities.

At this inflection point of the AI revolution, we recognize that we have a responsibility to ensure our technology contributes to a low-carbon, sustainable future. We want more companies to join us on this journey, so we <u>published a guide</u> that outlines key actions for companies to take. We know this is only the beginning, and as we continue to measure and reduce the environmental impact of our Al products, we will share more learnings with our communities and customers.



We estimate that the suggested macros feature of Zendesk AI saved nearly 20 million minutes of agents' time for our customers since it launched in October 2021. It also helped reduce over 600 tCO2e carbon emissions—almost five times its own original carbon footprint.

# Supply chain sustainability

Through our procurement process, we expect our suppliers to act with the highest ethical standards in accordance with our <u>Supplier</u> <u>Code of Conduct</u> and to collaborate with us in our collective sustainability journey.

The year 2023 was big progress for supply chain sustainability. The SBTi approved our target to engage 68.4% of our suppliers to set their own science-based targets by 2027. As of the end of FY23, about 18% of our suppliers (by emissions) have set SBTi-approved targets, and about 11% are committed to setting targets within the next few years.

To realize this target, we have assembled an internal working group comprising crossfunctional leaders and developed our supply chain sustainability strategy. It includes:

### 1. Embed sustainability into sourcing and procurement operations and decisions.

By factoring Science-Based Targets (SBT) into our Request for Proposal (RFP) activities and evaluation procedures and by testing a set of sustainability provisions, we seek to send a strong message to our suppliers that sustainability is a priority for Zendesk. We intend to leverage contractual requirements to motivate suppliers towards sustainable practices.

### 2. Enable suppliers to set targets and make progress by sharing tools and resources.

We recognize that suppliers vary in their ability and preparedness to address climate challenges, and we are committed to engaging them at their current levels of progress while empowering them to take further action. In 2024, we plan to conduct instructional webinars to guide suppliers on target setting and provide helpful resources through our procurement.

### 3. Enhance data transparency of our value chain to ensure accountability.

Setting targets is just the first step. The world must transition from pledges to measurable progress. Therefore, we urge our suppliers to publicly disclose their carbon footprint data and emission reduction progress. Additionally, in early 2024, we surveyed our top suppliers to gain deeper insights into their ability to report product-specific emissions data. This data is vital to measuring our Scope 3 decarbonization progress.

We hope that by setting targets, our suppliers will not only reduce emissions associated with the products or services they provide to Zendesk but also inspire their own suppliers and communities to prioritize sustainability. Together, we aim to create a substantial, multiplying effect.

# Carbon offsetting and removal

To achieve a net zero future, we must utilize all existing solutions at hand while also fostering the development of promising, emerging technologies.

## Purchasing high-quality carbon credits

In addition to reducing our own emissions, we purchase a diverse portfolio of carbon avoidance and reduction credits to offset the residual emissions associated with our products and employee travel. The credits originate from readily implementable climate mitigation projects, including areas like energy efficiency, renewable energy, and conservation and restoration of nature.

Beyond addressing climate change, our projects are creating substantial social and economic benefits for local communities. These positive impacts include curbing biodiversity loss, enhancing access to clean water, advancing gender equality, and generating worthy job opportunities. In this way, we are also contributing to many of the United Nations Sustainable Development Goals (UNSDGs).

While acknowledging the environmental, social, and economic benefits, we also recognize the inherent flaws of the voluntary carbon market and the increasing scrutiny of it. We are dedicated to contributing toward its improvement through active participation and learning.

Zendesk's carbon offsetting efforts contribute to UNSDGs.



























All our carbon credits align with globally recognized verification standards endorsed by the <u>International Carbon Reduction and Offset Alliance (ICROA)</u>, such as the Gold Standard.

We know transparency is critical to stakeholder trust. That's why we are committed to disclosing detailed information about our avoidance and reduction carbon credit projects. Find our latest carbon projects list <u>here</u>.

To bolster the quality and overall integrity of our nature conservation projects, we started working with <u>Pachama</u> in 2023. This partnership focuses on supporting nature-based climate solutions, such as the preservation of endangered forests.

#### **Accelerating engineering-focused** carbon removal

The majority of climate models agree that our human society must remove already-emitted carbon dioxide from the atmosphere by five to 10 gigatons per year by 2050—roughly the equivalent of the United States' annual emissions—to avoid the worst impacts of climate change. While nature-based solutions play a significant role in addressing climate change, it's not enough to depend solely on nature.

We are committed to accelerating the commercialization and deployment of engineering-focused carbon removal technologies from 2023 to 2030, so we are partnering with the Frontier and Watershed communities. As part of this initiative, we sign purchasing agreements with promising technology companies, committing to purchase carbon removal units (CDRs) at a

predetermined price upon delivery. We hope to send strong demand signals, bend the cost curve, and contribute to the scaling of these crucial technologies.

In 2023, we proudly signed offtake agreements with four leading companies: Charm Industrial, CarbonCapture, Heirloom, and Lithos.

#### Biomass carbon removal and storage (BiCRS): Charm Industrial

Charm Industrial focuses on biomass carbon removal and storage (BiCRS). It transforms inedible waste plant biomass, which naturally captures carbon dioxide (CO<sub>2</sub>) during photosynthesis, into bio-oil. This bio-oil is then injected into EPA-regulated wells, where biooil sinks and solidifies, permanently storing the captured carbon.

"The support of Zendesk was critical for us to get to where we are today as a leader in permanent carbon removal. Their ongoing investment -most recently via Watershed's partnership with Frontier-enables us to continue to scale our operations and grow our climate impact."

#### Katie Holligan

Head of Operations, Charm Industrial

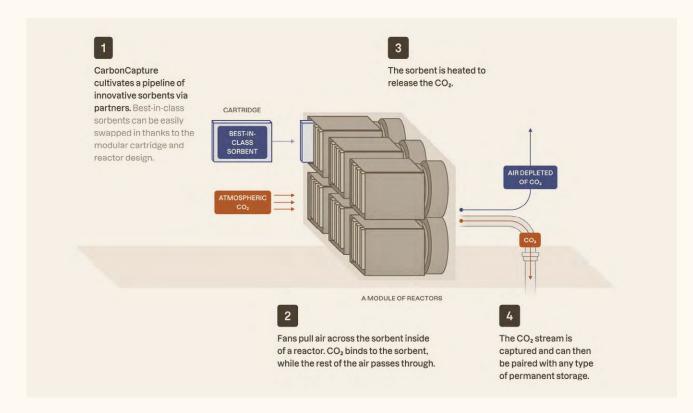
## Direct air capture: <u>CarbonCapture</u> and <u>Heirloom</u>

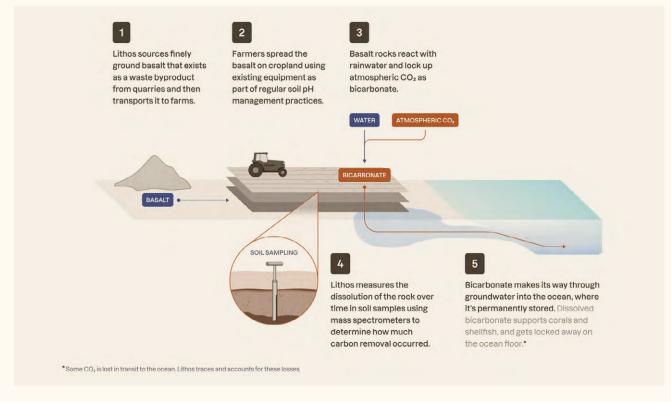
CarbonCapture and Heirloom use special materials (sorbent or solvent) that attract  $CO_2$  from the surrounding air and then store the captured  $CO_2$  safely underground or turn it into minerals for permanent removal. By 2030, we aim to collectively remove over 70,000 tons of  $CO_2$  from the atmosphere.

#### **Enhanced weathering: Lithos**

Lithos accelerates the natural ability of rocks to absorb carbon by spreading superfine crushed basalt on farmlands and measuring the removal empirically in a process known as "enhanced weathering". Globally, enhanced weathering approaches could account for two to four gigatons of carbon removal per year by 2050, which would fulfill 40% of the projected global carbon removal need.

The scale of this offtake will generate large amounts of field data across diverse soil types and climate conditions. Lithos is committed to sharing this data with scientists and academics to accelerate transparency, scientific collaboration, and the development of more accurate geochemical models.





### Climate risk assessment

As we strive to transition into a low-carbon company and contribute to improving the state of the world, we recognize the increasing risks that climate change poses to businesses and its potential impact on our long-term success. That's why in 2023, we conducted a climate risk assessment to identify relevant physical and transition risks, analyze the financial implications under various climate scenarios, and enhance our climate change mitigation and adaptation strategies.

Guided by recommendations from the

Task Force on Climate-Related Financial

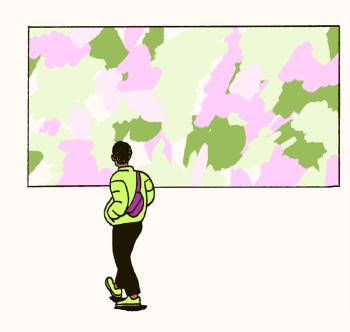
Disclosures (TCFD) and in collaboration with over 12 internal functional units, we evaluated 20 physical and transition risks, along with 12 opportunities related to climate and nature.

Our risk screen revealed that no climate or

nature risks came out to be major or high<sup>2</sup> for Zendesk. The top physical and transition risks identified are noticeable but manageable, given the nature of our cloud-based company, ongoing business resiliency activities, and sustainability initiatives.

However, climate science is rapidly evolving, and we know the climate crisis poses a systemic risk to all companies, including Zendesk. There are also big opportunities to capture in the global transition to a low-carbon economy. Therefore, we will continue monitoring the top risk areas identified, incorporate them into our Enterprise Risk Management (ERM) processes, and improve our climate mitigation and adaptation strategies to ensure the continuous success of our business.

By publishing a Climate Risk Report in line with the TCFD recommendations and the standards of the International Sustainability Standards Board (ISSB), we are committed to transparently sharing the ways climate change could affect our company and our approaches to mitigate and adapt to risks, capitalize on opportunities, and improve resilience.



<sup>2</sup> According to Zendesk's Enterprise Risk Management (ERM) risk rating scale

## Our culture and values

At Zendesk, we are also committed to fostering a more inclusive, equitable, and welcoming environment for our employees that enables their success, supports their well-being, and strengthens their sense of belonging. We are intentional in creating a workplace culture where team members are encouraged to bring their authentic selves to work. This involves embodying our core values and principles while also tending to the growth and development of our employees and furthering our dedication to diversity, equity, inclusion, and belonging (DEI&B) within our company and the communities we serve.

In 2023, we deepened our commitment by adding the pillar of belonging to our global diversity, equity, inclusion, and belonging (DEI&B) strategy. Belonging is not merely a concept; it's a cornerstone of our approach to fostering a workplace culture that thrives on diversity, equity, and inclusion. As we navigate the intricate global landscape, we recognize that this entails prioritizing the well-being, inclusion, and sense of belonging of every individual within our organization.

As we partner internally to build a more inclusive environment, we seek to drive sustainable change with the following actions:

Demonstrating purposeful leadership:
 Leaders establish a link between inclusive
 leadership and strategic business
 principles to exemplify the expected
 behavior in communication and
 self-reflection.

- Leading transformational change:
   Implement and deliver DEI&B programs and initiatives and collaborate with leaders to manage implementation, monitor advancements, and commemorate significant milestones.
- Developing inclusive capability and fostering behavioral change: Create programs that enhance DEI&B awareness across the organization and motivate employees to apply knowledge while embracing inclusive behavior.

In focusing on a hybrid work model, with both in-office and remote work environments, we've been able to enhance inclusivity. This model also increased employee engagement, showcasing our leaders' ability to lead adeptly, adapting to each work environment.

Furthermore, flexibility remains a fundamental component in attracting and retaining our colleagues. While we recognize the advantages of remote work, we also understand the importance of working physically together. In coming together in person, we are enhancing connections, enabling collaboration and fostering learning.



"We take pride in the strides we achieved in 2023, and our unwavering commitment to equitable outcomes and impactful results will continue into the future. Our goal is to ensure that individuals from diverse backgrounds not only flourish within Zendesk but also extend our impact to our customers and communities."

Anastasia Talton
Head of Diversity, Equity
& Belonging



### **Benefits**

Zendesk's benefits strategy places mental health in the context of nurturing the whole person. Recognizing the interconnectedness of mental health with physical well-being and other facets of an employee's life, the company adopts a holistic approach that encompasses the following:

- Physical well-being: Movement and mindfulness are encouraged through mental and physical fitness partners and apps. Yoga, fitness, and meditation classes are also offered.
- Mental well-being: Employees have access
  to therapists through our mental health
  platform and employee assistance
  program. They can also use a mental fitness
  app to improve their resilience and reduce
  stress and anxiety.

- Financial well-being: Additionally, employees have access to financial education and coaches through the mental health program, which helps to reduce anxiety stemming from financial issues.
- Community and social well-being: A wide range of programs within and outside of Total Rewards promote work-life harmony and strengthen social connectedness.

Caring for our employees and their families is ingrained in our business philosophy, which is why we are dedicated to delivering comprehensive health and well-being benefits. The challenges of recent years have taken a toll—both physically and emotionally—like never before. In response, we conducted a thorough review of our benefits to ensure a holistic offering that caters to the diverse needs of our employees, regardless of where they find themselves on their personal and professional paths. Here are some notable highlights of the inclusive benefits we extend to our employees:

16+ weeks paid parental leave for birthing and non-birthing parents

Surrogacy, adoption, and family-forming funds

3 weeks pregnancy loss leave, including for abortion and miscarriage

10 days emergency leave for catastrophic events such as natural disasters

Access to mental health and coaching resources

Competitive PTO and quarterly Recharge Fridays

Back up child care via care.com (where available)

Paid leave for deployed military/reservists

# Learning & development

We invest in growing our employees as we grow our organization. Establishing equitable access to varied experiences, leadership opportunities, and educational initiatives enhances our collective growth—both as individuals and as a community. Individuals choose Zendesk not only for employment but also for the opportunity to advance their careers at Zendesk. This journey begins when they join Zendesk and continues throughout their time here.

We enhanced our performance management framework, prioritizing the cultivation of employee growth and development. This framework is centered around creating a culture characterized by clear expectations, regular and constructive feedback that propels growth, and the continual development of employees so they can excel

in their current roles while pursuing future career aspirations.

This year's employee engagement survey indicated that manager and employee development conversations were occurring more frequently. Guided by employee feedback, we are taking steps to simplify access and enhance the quality of skill development opportunities for all employees. We believe this is a foundational requirement for fostering a culture of belonging. This is an area of improvement and a key objective for us in 2024.

Leaders play a crucial role in shaping the employee experience, translating the growth and development aspirations into reality. Our commitment to inclusive leadership behaviors promotes equity across our talent practices and enriches the diversity of our community. The foundational behaviors of these inclusive leadership expectations include:

#### Innovate:

Create new ways to make our vision real

### **Collaborate:**

Build capability through connections

### **Operate:**

Build capability through connections

### Inspire:

Motivate performance through purpose

### **Champion:**

Place the customer at the center of our solutions

When our leaders authentically embody these expectations, they drive connection and collaboration throughout our organization, creating a more efficient and bold Zendesk.

# **Employee Communities**

Employee Communities (ECs) play an important role in building our inclusive culture. They amplify the voices of underrepresented groups within and beyond Zendesk and provide spaces where all individuals can experience a sense of belonging, encouragement, and empowerment. Employee Communities directly impact our global business and culture with focuses on:

### Career:

Growing future leaders and expanding our talent networks

### **Connection:**

Increasing connection and belonging

### **Community:**

Expanding market reach and external impact

### **Culture:**

Motivating performance through purpose

### **Champion:**

Amplifying equity and inclusion

# Investing in our Employee Community leaders

Recognizing the valuable contributions of our Employee Community leaders and the significant leadership role they play within the company, Zendesk is delighted to partner with BetterUp. Through this partnership, our Employee Community leaders gain access to live one-on-one career coaching and dynamic, personalized digital experiences designed to accelerate their ongoing professional development and foster personal and professional growth.



# Pay equity and transparency

A key priority in our Total Rewards strategy is to ensure pay equity, and we are committed to this goal globally. We regularly monitor and proactively address statistical disparities identified in our annual pay equity reviews to ensure equal pay across genders worldwide and race/ethnicity in the United States.

We are dedicated to ensuring our diverse workforce receives fair compensation for their work through competitive base wages, bonuses, and benefit programs. These reward initiatives are meticulously designed to acknowledge our employees' valuable contributions to value creation and business outcomes.

Currently, only a few U.S. states and local governments require employers to disclose salary ranges, and in 2023, Zendesk chose to extend this practice to our global workforce. Moreover, we display base salary ranges for all our U.S. job listings and aim to do the same worldwide.

Additionally, we commission an annual third-party pay equity analysis. This comprehensive review includes total direct compensation, base pay, bonuses, and long-term incentives, scrutinizing differences by location, function, country, and job level to ensure our evaluation is exhaustive. The study helps us impartially assess our compensation strategies, address any discrepancies, and preempt potential imbalances during promotion and reward processes. We believe this rigorous approach is the best way to maintain and verify pay equity.

Our unwavering commitment to transparency in our pay practices is pivotal in fostering employee trust. This transparency not only upholds our values but also reinforces our dedication to creating a workplace that is genuinely inclusive and equitable.



GLOBAL IMPACT REPORT 2023

## Representation

In 2023, enhancing the diversity of our workforce remained a top priority.

Despite facing challenges common to many companies in the technology sector, we are proud of the substantial strides we made toward achieving our goals. In addition to prioritizing diverse talent pipelines, we dedicated efforts to nurture our underrepresented talent. Noteworthy initiatives include collaborations with BetterUp and the Executive Leadership Council. The following outlines our achievements in advancing representation in 2023:

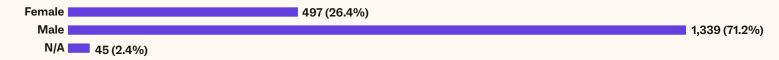
### **Gender Overall**



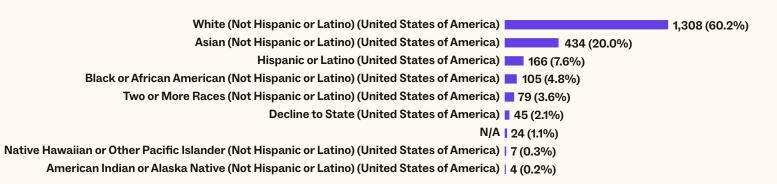
### **Gender Leadership Roles (Director+)**



### **Gender Technology Roles**



### Race/Ethnicity (U.S. Only)

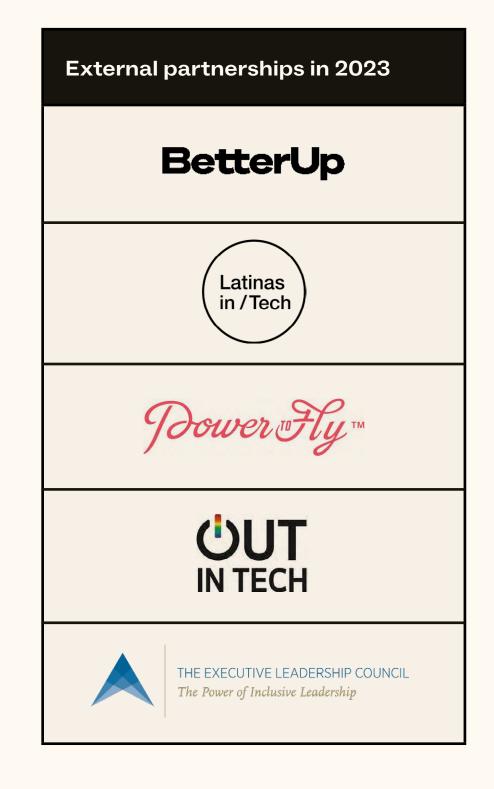


GLOBAL IMPACT REPORT 2023

# External partnerships

Zendesk supports organizations leading innovative and inspiring initiatives in the realm of diversity, equity, and inclusion. Our investment aims to broaden our influence and bolster the effectiveness of these organizations. We take pride in collaborating with them to foster a more inclusive culture for both our employees and the communities we serve.

In our commitment to creating a positive global impact, we recognize the power of collaboration and the strength that lies in building meaningful external partnerships. By joining forces with organizations, communities, and entities aligned with our values, we strive to amplify our efforts, foster innovation, and contribute to positive change on a global scale.





# Accessibility

We want individuals using assistive technology to have a successful and positive experience when they're accessing Zendesk. The customer service industry employs millions, so our technology must be accessible. If people cannot utilize our technology, they may miss out on job opportunities. Additionally, as the provider of customer service software for other companies, we have a responsibility to ensure their customers can get help, regardless of how they access technology or experience the world.

The objective of our Product Development organization is not only to meet the industry standard, WCAG 2.1AA, but to surpass it whenever possible.

# In 2023, accessibility continued to be a top priority:

- By striving to deliver accessible products, we can drive disability inclusion at scale across our product ecosystem with our customers and, in turn, their customers.
- We are consistently enhancing the quality of our end-user, admin, and agent-facing interactions. Our teams are responsible for adhering to best practices across the entire product cycle, from the initial design to the final testing phase.
- To identify and address potential barriers, we conducted third-party audits, reviewed customer feedback, user research, internal manual and automated testing, and internal usage of the products using assistive technology.



# Data appendix

Company	FY 2023	Framework
Organization name	Zendesk, Inc.	GRI 102-1
Products & services	Products & services	GRI 102-2
Location of headquarters	San Francisco	GRI 102-3
Statement from CEO	Page 4	GRI 102-14
Reporting period	January 1, 2023 - December 31, 2023	GRI 102-50
Reporting cycle	Annual	GRI 102-52

<sup>&</sup>lt;sup>1</sup> The numbers here reflect regular employees only and exclude fixed-term employees and interns.

Social	FY 2023	Framework
Charitable donations (Zendesk Foundation)	Over \$2M	UNGC Principle 1, 2, 4, 8, 10
Programs for upgrading employee skills	Page 38	GRI 404-2
Employee engagement <sup>2</sup>	Response Rate = 88%³ 72/100	TC-SI-330a.2
Happy working at Zendesk <sup>4</sup>	71/100	
Recommend Zendesk as a great place to work <sup>5</sup>	72/100	
Human rights policy	Zendesk Human Rights Policy	GRI 412-1
Supplier code of conduct	Supplier Code of Conduct	GRI 414-1
Supplier diversity	Supplier Code of Conduct	
Acceptable use policy	User Content and Conduct Policy	GRI 102-16

GLOBAL IMPACT REPORT 2023

<sup>&</sup>lt;sup>2</sup> Two questions that make up the employee engagement outcome: (1) How happy are you working at Zendesk? (2) I would recommend Zendesk as a great place to work.

 $<sup>^{\</sup>rm 3}\,2023$  data reflects outcomes of the November 2023 survey.

<sup>&</sup>lt;sup>4</sup> Calculation represents the number of employees who responded 4 or 5 on a 5-point scale where 1 = Not at all and 5 = Completely happy. 2023 data reflects outcomes of the November 2023 survey.

<sup>&</sup>lt;sup>5</sup> Calculation represents the number of employees who responded 4 or 5 on a 5-point scale where 1 = Strongly Disagree and 5 = Strongly Agree. 2023 data reflects outcomes of the November 2023 survey.

Diversity	FY 2023	Framework
Equal pay assessment	Yes	GRI 405-2
Gender representation <sup>6</sup>	Page 41	
Global tech <sup>7</sup> Female Male	26.4% 71.2%	TC-SI-330a.3
Global leadership (Director+) Female Male	44% 55.5%	
Total company Female Male	39.2% 59.1%	

Diversity	FY 2023	Framework
Representation by ethnicity <sup>8</sup>		GRI 405-2 TC-SI-330a.3
White	60.2%	
Asian	20.0%	
Hispanic or Latinx	7.6%	
Black or African American	4.8%	
Native Hawaiian or other Pacific Islander	0.3%	
Two or more races	3.6%	
American Indian or Alaska Native	0.2%	
Decline to state	2.1%	
Not specified	1.1%	

<sup>&</sup>lt;sup>6</sup> Note that missing and declined to state data is not reported here. Zendesk recognizes that gender identity is not binary and is actively working to more inclusively reflect the full spectrum of gender identity.

<sup>&</sup>lt;sup>7</sup> Zendesk classifies "tech" employees by job role. Technical roles are those that rely heavily on knowledge and skills in areas such as engineering and mathematics to support the business.

<sup>&</sup>lt;sup>8</sup> Ethnicity data is captured from only U.S.-based employees.

Governance	FY 2023	Framework
Governance structure	<u>Management Team</u>	GRI 102-18
Highest governing body managing ESG issues	Board of Managers oversees the ESG Committee	GRI 102-29
Zendesk cookie policy	Zendesk In-Product Cookie Policy	TC-SI-220a.1
Data privacy policy	Zendesk Privacy and Data Protection	TC-SI-220a.1
Code of conduct	Code of Conduct	GRI 102-16

Environmental metrics <sup>9</sup>	FY 2023	Framework
Strategy and management		
Environmental policy	Zendesk Environmental Policy	UNGC Principle 7
100% renewable energy goal set	Yes	GRI 302-4 UNGC Principles 8, 9
Discussion of the integration of environmental considerations into strategic planning for data center needs	See the 'Reducing product emissions through partnership, optimization, and efficiency' section of this report	TC-SI-130a.3 UNGC Principle 8
Emissions reductions initiatives	See the 'Reducing our emissions' section of this report	GRI 305-5 UNGC Principle 8
Engagement with supply chain on climate-related issues	Yes	GRI 308-1 UNGC Principle 8

<sup>&</sup>lt;sup>9</sup>Zendesk's voluntary environmental reporting is informed by the below leading frameworks:

<sup>•</sup> The <u>Sustainability Accounting Standards Board (SASB)</u> Sustainability Accounting Standard for the Technology and Communications Sector, Software & IT Services industry

<sup>•</sup> The Global Reporting Initiative (GRI) Standards

<sup>•</sup> The Ten Principles of the <u>United Nations Global Compact (UNGC)</u>

Environmental commitments & progress		
100% renewable energy	Achieved	GRI 302-4
Carbon neutral product	Achieved	
Scope 1 + 2 market-based emissions (MTCO2e)	243	GRI 305-1, 305-2
Percentage offset	100%	GRI 305-1, 305-2
Residual Scope 3 emissions from product value chain (MTCO2e)	14,978	GRI 305-3
Percentage offset	100%	GRI 305-3
Carbon neutral travel	Achieved	GRI 305-3
Residual Scope 3 business travel and commuting emissions (MTCO2e)	18,936	GRI 305-3
Percentage offset	100%	GRI 305-3
Science-based target	Approved by the SBTi	Principle 8
Carbon removal purchasing	On-track	Principle 8

Greenhouse gas emissions		
Emissions by Scope (MTCO2e)		
Scope 1 emissions	243	GRI 305-1
Scope 2 (location-based) emissions	1,211	GRI 305-2
Scope 2 (market-based) emissions	0	GRI 305-2
Scope 3 emissions	60,287	GRI 305-3
Scope 3 emissions by category (MTCO2e)		
Purchased goods and services	38,529	GRI 305-3
Capital goods	2,473	GRI 305-3
Fuel and energy-related activities	288	GRI 305-3
Waste generated in ops	21	GRI 305-3
Business travel	15,706	GRI 305-3

Greenhouse gas emissions (contd.)		
Employee commuting	3,230	GRI 305-3
Commuting transportation emissions	193	GRI 305-3
Work From Home (virtual commuting) emissions	3,037	GRI 305-3
Upstream leased assets	39	GRI 305-3

Energy		
100% renewable energy progress	100%	GRI 302-4
Total electricity consumption (MWh)	3,103	GRI 302-1
Electricity consumption covered by Utility green power programs (MWh)	2,057	GRI 302-1
Electricity consumption covered by high-quality EACs (MWh)	1,046	GRI 302-1
Total energy consumption (MWh)	4,109	GRI 302-1

### **Electricity and Energy Consumption by City** Electricity use (MWh) Other Energy use (MWh) City Framework By city GRI 305-2 302 San Francisco 966 722 471 Dublin Manila 379 253 Kraków Melbourne 152 47 Singapore 151 Madison 150 131 Montréal 143 16 66 London

### Electricity and Energy Consumption by City (contd.) Electricity use (MWh) Other Energy use (MWh) City Framework By city GRI 305-2 Tokyo 40 16 Novi Sad 28 24 Copenhagen Montpellier 20 23 Lisbon 9

# zendesk