

MAY 2023

Environmental, Social & Governance Fiscal Year 2023 Impact Report

Table of Contents

	A letter from our CEO	1
	About Zuora	3
	Identifying & prioritizing our ESG areas of focus	4
Social	Employees and culture	5
	Championing ZEOs on their career journey	6
	Diversity & Inclusion	13
	Supporting and impacting our communities	20
Environmental	Supporting a sustainable future	25
	Prioritizing climate mitigation	26
	Driving climate innovation through the Subscription Economy	30
Governance	Building trust: privacy and security	35
	Corporate governance	38
Appendix	SASB Index	42
	Forward-looking statements	46
	About Zuora & contact information	47

A letter from our CEO



Zuora's purpose is to help people subscribe to modern ways of doing business – ways that are better for people, better for companies and ultimately better for the planet. At Zuora, we call this vision: The World, Subscribed™.

Subscribing to this philosophy has the power to encourage new mindsets that put people first (instead of products) and focus on sustainable growth. And it's inspired how we approach Environmental, Social and Governance (ESG) authentically at Zuora.

E - Environmental

Goodbye, ownership. Hello, usership.

Zuora focuses on Usership as a concept centered around the outcomes and experiences people want, instead of the ownership model of the past that fuels a world of landfills filled with obsolete products. It's also how we think about future-proofing our relationship with the planet.

Encouraging as-needed use, shared use, reuse and the Circular Economy can all be fostered by the as-a-service models Zuora powers. These business models provide ongoing feedback and data, particularly usage, that can help improve performance, from supply chain management to energy efficiency. For example, we see this in our customer base with Nokia's mobile phone subscription, Circular. The service incentivizes subscribers to hold onto phones for longer by earning credits that go toward sustainable causes, and gives phones a second life when subscribers upgrade. Encouraging 1 million people to keep their Nokia X30 5G for an extra year has the potential to save the carbon dioxide equivalent needed to [power 5,253 homes](#) for a whole year.

Here at Zuora, we're working toward a positive evolution that's moving away from the product-first world of the past. In fiscal year 2023, we **maintained carbon neutrality** after achieving it last year, and reached **100% renewable energy** for our global offices for the first time.

S - Social

Building a people-first world

In today's world, our workplaces are increasingly intertwined with our sense of self, which we take seriously at Zuora. A people-first world must establish a positive relationship between people and their work. We're focused on building an inclusive community, culture, company and experience that everyone wants to subscribe to. That includes our employees (who we call ZEOs) and shareholders alike.

A people-first world also has the power to be more accessible. Today, access to many goods is not equal and is often determined by income, where someone lives, the color of their skin, gender, sexual orientation and more. Shifting from Ownership to Usership creates untapped potential to increase access to many goods and services to create a very different world.

At Zuora, this translates to how we're building a more inclusive and equitable team with access to benefits, learning, volunteering and growth opportunities. In fiscal year 2023:

- 42% of ZEOs self-identify as being from underrepresented groups,* progressing toward our goal to have **50% of our global workforce** self-identify as members from underrepresented groups by the end of fiscal year 2025.
- **81% of our ZEOs** gave back through volunteer hours or company-matched donations.
- We maintained our Pledge 1% commitment, **donating over \$1 million** to mission-aligned nonprofits around the world.

G - Governance

Recurring accountability

To truly be people-first, companies must be accountable to the people that they serve, and the Subscription Economy is driving this to new levels. Unlike the transaction-based model, recurring revenue businesses have to earn their customers' business every month. People – customers, employees, shareholders – have the choice to walk away from any relationship they subscribe to if it doesn't meet certain expectations.

This accountability comes through at Zuora in how we are governed and the policies we have in place to ensure we conduct business in an ethical, legal and socially responsible manner. Our Board of Directors in particular plays a major role, providing counsel from various viewpoints by reviewing our corporate governance policies, monitoring emerging corporate governance issues, overseeing our overall risk profile and setting expectations regarding Zuora's corporate governance practices. Our Board is composed of accomplished leaders and in fiscal year 2023, 40% of our Board members were women and 40% identified as belonging to an ethnic minority group.**

Modern business can create a better world. No matter the economic climate, we remain committed to these Environmental, Social and Governance topics in our latest ESG Impact Report. And while we're proud of the progress we've made, there's always more to be done.



Tien Tzuo

Founder, CEO and Chairman
of the Board of Directors

* For purposes of this report, underrepresented groups are currently defined as women globally and US-based employees who self-identify as Asian, Black or African American, Hispanic or Latinx, Native American or Alaska Native, Native Hawaiian or Pacific Islander, or two or more races.

** For purposes of our Board diversity, an individual is deemed an ethnic minority if they self-identify as Black, African American, Hispanic, Latino, Asian, Pacific Islander, Native American, Native Hawaiian, or Alaska Native.



About Zuora

Zuora provides a leading monetization platform for recurring revenue businesses, enabling companies to unlock customer-centric business models. After starting with Zuora Billing in 2007, Zuora's award-winning multi-product portfolio now also includes Zuora Revenue, Zuora Collect, and Zephra, all powered by the Zuora Platform. Zuora serves as an intelligent hub that monetizes and orchestrates the complete quote to cash and revenue recognition process at scale. Through its industry leading technology and expertise, Zuora helps more than 1,000 companies around the world, including BMC Software, Box, Caterpillar, General Motors, Penske Media Corporation, Schneider Electric, Siemens, and Zoom, nurture and monetize direct, digital customer relationships. Headquartered in Silicon Valley, Zuora operates offices around the world in the Americas, EMEA and APAC.

Our Values

Our company values are core to who we are. They are fundamental to our decision-making process and guide us, both as individuals and as a company, to help deliver on our shared purpose and vision.



Subscriber Obsessed

ZEOs put subscribers at the center of everything we do. We strive to create an unparalleled experience for our customers and enable them to do the same for theirs.



Build Trust

ZEOs know that trust must be cultivated. We actively nurture partnerships and act with integrity, transparency, and open communication.



Better Together

ZEOs combine our individual powers to achieve the impossible. We create inclusive cultures and build high-performing teams in pursuit of our shared purpose and goals.



Own Our Outcomes

ZEOs think like CEOs. We are empowered to take initiative, focus on outcomes, and hold ourselves accountable for results that move the needle.



Catalyze What's Next

ZEOs keep a finger on the pulse of how the world is changing. We stay curious, learn, and innovate to propel ourselves, our customers, and the market into the future.

2007

Founded

ZUO

NYSE Ticker

2018

IPO

Redwood City, CA

Global Headquarters

**\$396M
USD**

FY23 Total Revenue

**\$87B
USD**

FY23 Transaction Volume

1,000+
Customers

1,500+
ZEOs

Identifying & prioritizing our ESG areas of focus

In May of 2022, we published our first Environmental, Social, and Governance (ESG) Impact report covering fiscal year 2022 to provide stakeholders with a baseline of our efforts and accomplishments across all three areas. In fiscal year 2023, we established a global ESG cross-functional leadership team to develop and bring ongoing focus to our strategy. Our ESG work has become a key component of how we deliver impact and build trust for our stakeholders. We believe this is critical for driving our long-term business success.

Based on our fiscal year 2022 materiality assessment results, our focus in fiscal year 2023 was to identify and create publicly facing metrics and goals for the following priority areas: “Human Capital Management,” “Diversity, Equity, and

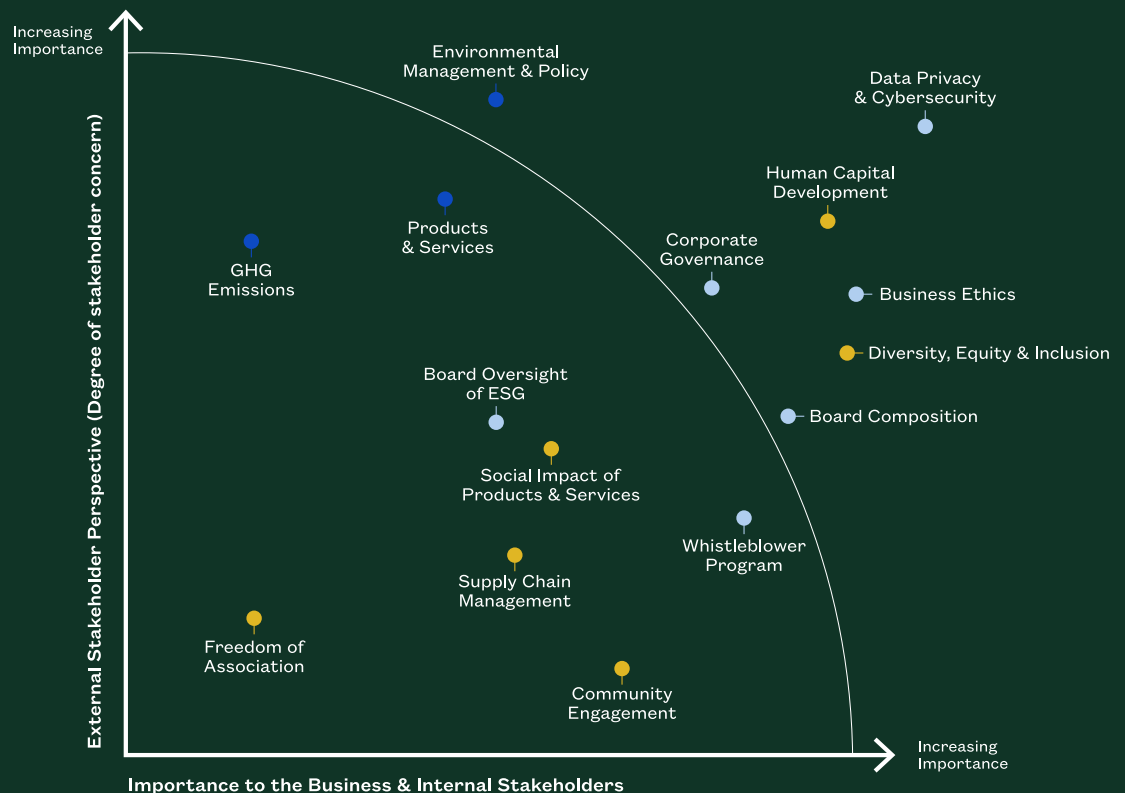
Inclusion,” and “Environmental Management.” In addition, “Corporate Governance,” “Business Ethics,” and “Data Privacy and Cybersecurity,” were also identified as priority topics in our materiality assessment. These are foundational to what we do and are at the core of how we run our business. We provide an update on these areas throughout the report and they will remain a top priority for us as we continue to scale.

The majority of data shared in this report is limited to our fiscal year 2023 (February 1, 2022- January 31, 2023) operations, unless otherwise noted. The data in this report may contain figures that are approximated or rounded based on the best measurements available to us. The contents of this report are informed by the [Global Reporting \(GRI\) Standards](#), the [Sustainable Accounting Standards Board \(SASB\) Software and Services Standard](#), and the [United Nations Global Compact](#) (UNGC).

Zuora Materiality Matrix

Legend

- Environmental
- Social
- Governance



04

Employees and culture

Building an Inclusive, High-Performance Culture

Our vision of a people-first world starts with a people-first approach to our culture. With our values at the core, we are building an inclusive, high-performance culture where ZEOs (Zuora's employees) can grow and thrive, and in turn our customers, partners, and communities can too. Through our focused efforts, we are creating a diverse company and an inclusive experience where all ZEOs feel like they belong at Zuora – a place where they feel connected, valued, enabled and inspired to perform at their best, both individually and as one team.

Policies:

[Human Rights Statement](#); [Voluntary Statement for Prevention of Modern Day Slavery](#); Policy Prohibiting Discrimination, Harassment and Retaliation; UK Health & Safety Policy.

Employees & culture fiscal year 2023 highlights

- 42% (+1% YoY) of ZEOs self-identified as being from underrepresented* groups and 31% (-1% YoY) of leadership (Director and above) roles were held by women.
- 90% of ZEOs participated in our engagement survey (+25pp above benchmark).
- 68% of ZEOs participated in “Z-Grow” employee development conversations.
- 32% of ZEOs used our mental health platform.
- Zuora contributed \$1 million USD of equity to support nonprofits as part of our Pledge 1% commitment.
- ZEOs volunteered 3,000+ hours (+25% YoY) with 81% of ZEOs engaged in giving and volunteering programs.
- ZEOs donated \$205,620 USD (+35% YoY) and supported 250+ charitable organizations.

Fiscal year 2024 social goals

- 75% of leaders (Director and above) attend leadership training to increase inclusive, high-performance leadership skills and capabilities.
- Offer ZEOs at least five programs or offerings for continuous enablement, learning, and growth.
- Maintain 32% active engagement on mental health platforms.
- ZEO participation rate of 40% in Zuora Resource Groups.
- Reach and maintain 50% of global workforce from underrepresented groups* by the end of fiscal year 2025.
- 85% of ZEOs participate in at least one volunteering or giving program.



We celebrate our culture, centered on inclusivity and belonging, where ZEOs can show up as they are and feel heard and understood. With added emphasis on empowerment and enablement, we lift each other up to perform as our best, highest performing selves.



Laura Robblee
(she/her/hers)
Chief Human
Resources Officer,
United States

* For purposes of this report, underrepresented groups are currently defined as women globally and US-based employees who self-identify as Asian, Black or African American, Hispanic or Latinx, Native American or Alaska Native, Native Hawaiian or Pacific Islander, or two or more races.

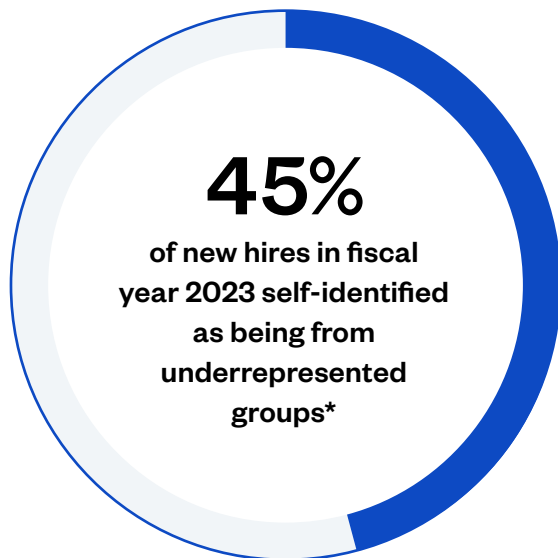
Championing ZEOs on their career journey

By building a diverse and inclusive culture, company, and employee experience, we aim to attract, develop, and engage a high-performing workforce.

Recruiting & onboarding top global talent

To drive an inclusive recruiting experience, we have built a structured and standardized global recruiting process that evaluates candidates on their potential to achieve business outcomes and advance our ZEO culture. Teams leverage a standard candidate scorecard, as well as various other job description and interview resources to help mitigate bias and enhance equity during the hiring process. We also use a recruiting experience survey platform to collect feedback from candidates, hiring managers, and recruiters to further evolve our process when necessary.

In addition to our cross-functional onboarding program, which all candidates complete during their first few weeks, we provide tools to hiring managers to help support them with the long-term integration of their newly hired ZEOs.



Listening and building together

To help ZEOs feel included, valued, and heard, we create intentional connection moments for two-way listening and sharing.

Engagement surveys

Bi-annual global ZEO engagement surveys powered by [CultureAmp](#) are core to our listening efforts, along with quick pulse surveys that check in on a targeted topic, team, or region as needed. Our surveys go beyond job satisfaction, allowing us to clearly identify the gaps that prevent ZEOs from bringing their full selves to work and performing at their best. We also make sure to equip our people leaders with the data and insights relevant to their teams. In both company-wide and team meetings, we transparently share feedback received, the actions we have taken or plan to take, and the impact of these actions over time.

CEO roundtables, Ask Me Anything (AMA) talks & community conversations

We conduct CEO Roundtables across the company where a small group of ZEOs can share what's top of mind and how they are truly feeling about our business. Our CEO shares these insights with the executive team and other leaders to continue shaping our future. Additionally, we schedule regular AMA sessions with leaders and encourage ZEOs to reach out directly through Slack channels, including one dedicated to "asking our CEO anything." We also host periodic Community Conversations to bring together ZEOs during tumultuous events, such as spikes in Covid-19, racially motivated violence, the war in Ukraine, and contentious political elections. These events create safe spaces for ZEOs to process and meaningfully connect.

* For purposes of this report, underrepresented groups are currently defined as women globally and US-based employees who self-identify as Asian, Black or African American, Hispanic or Latinx, Native American or Alaska Native, Native Hawaiian or Pacific Islander, or two or more races.

Continuous learning & development

Real growth for our ZEOs happens when there is support to learn, grow, and develop in both formal and informal ways throughout their career journey. While all ZEOs lead in various ways in their work everyday, our people leaders play an important role in bringing ZEO development and growth aspirations to life.

Building ZEO competency at all levels

Our Z-Leadership competency framework sets expectations for different roles and levels across the organization and sets a clear development path as ZEOs grow and take on roles of greater responsibility, influence, and impact.

Z-grow conversations & internal career mobility

Through our Z-Grow program, ZEOs and people leaders are encouraged to have quarterly conversations that are focused on giving and receiving feedback, prioritization, and professional development.

This year, we piloted a new pay for performance program with our Product & Engineering organization that further ties individual performance, goals, and results to bonus rewards. During the pilot, we learned that ZEOs gained:

- Greater clarity, focus, and alignment on priorities and expectations.
- Relevant learning and development opportunities, as strengths and areas for improvement became more evident.
- Stronger connection between their achievements and rewards.

We plan to roll the program out to a much broader group of ZEOs in fiscal year 2024.

Fiscal year 2023 global ZEO engagement survey highlights

- 90% of ZEOs participated (+25pp above benchmark)
- 71% overall favorability score (2pp below benchmark)

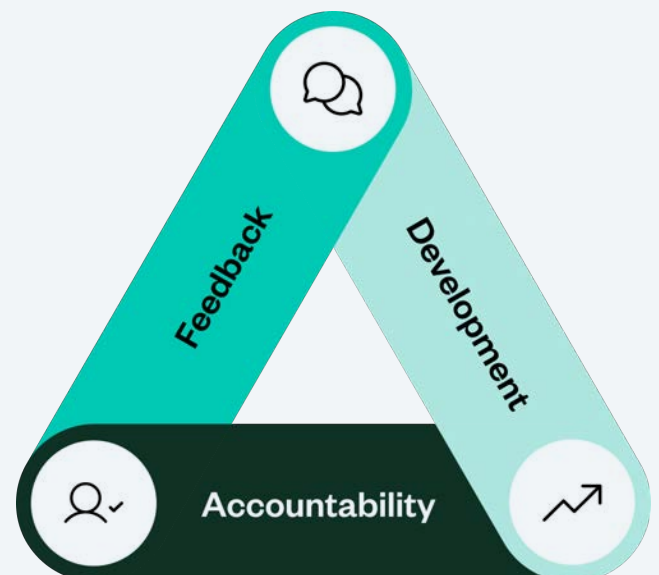
Categories with the highest favorability scores

- 79% Work & Life Blend
- 80% Teamwork And Ownership
- 81% Our Culture
- 85% Management

Diversity, inclusion, and belonging favorability scores*

- 78% I feel valued for the unique contribution I can make to Zuora
- 79% I feel like I belong at Zuora
- 84% I can be my authentic self at work
- 87% Zuora values diversity

* Scores are calculated as part of the "Our Culture" category
[Benchmark comparison: New Tech 2022; employees 1-5k]



ZEO learning and development resources

All ZEOs have access to programs and offerings such as our internal ZEO Learning Center, LinkedIn Learning catalog, and Career Cash (the equivalent of approximately \$1,000 USD) each year to support their learning and development.

In fiscal year 2023:

- 68% of ZEOs participated in Z-Grow Conversations
- 430+ ZEOs utilized LinkedIn Learning
- 15,000+ learning modules taken
- 350+ ZEOs leveraged their Career Cash

Enabling our people leaders

Through a multi-faceted enablement approach, our goal is to ensure that people leaders at Zuora are equipped and enabled to effectively lead others. During fiscal year 2023, we:

- Continued to focus on our People Leader Essentials program, which provides tools and frameworks that support a people leader's role in building an inclusive, high-performance culture.
- Held our first annual, in-person Senior Leader Summit (VPs and above) focusing on how to lead in a changed world and engage and inspire a hybrid workforce through inclusive leadership strategies. We also created our first-ever Director+ series and shared key concepts from the Summit to engage our next generation of leaders.
- Created a monthly People Leader Brief that highlights the most important things to know from across the business, action items, and learning and development resources on key topics.
- Implemented global virtual Zuora Leadership Team (VP+) meetings that happen at least once a quarter to share information and answer questions during key times of transition or change.

Recognition

Another component to ensure our ZEOs feel valued is our global recognition program, which is focused on living our values. KudoZ, our peer-to-peer recognition platform, allows ZEOs to send gratitude and appreciation to their colleagues as well as recognize important milestones, like service anniversaries and birthdays. With close to 70% global monthly users, ZEOs can send points-based recognition for helping to deliver exceptional outcomes connected to our values, mission, and objectives.



Career Cash has helped fund several certifications relevant to my current role. Thanks to this opportunity, I've attained industry-recognized certifications, implemented learnings that have improved my day-to-day, and shared these learnings with my peers.



Alexis Camanga
(she/her/hers)
Associate Product Manager,
United States

Supporting holistic wellbeing

As part of our people-first approach, we are focused on creating a safe, holistic ZEO experience that allows us to care equally for the “whole ZEO” — financially, emotionally, and physically — in a way that provides flexibility and support in all aspects of their lives.

Flexible work environment

As a globally distributed workforce spanning 28 countries, we live the benefit of embedding flexibility in our ways of working every day. Just as we've embraced the shift from product ownership to usership, we're open to designing new ways of working post-pandemic that are grounded in our values and the principles of collaboration, flexibility, autonomy, and inclusion.

We subscribe to flexibility. Organizations and teams at Zuora are empowered to design efficient and flexible ways of working, being intentional about scheduling, communicating, and collaborating, to help us achieve our best results.

Emotional & physical wellbeing

We promote work/life integration and mental health support through our programs, policies, and workplace practices that are inclusive of ZEOs at every life stage.

Parental leave & support

All new parents across the globe with six months of tenure at Zuora are able to take up to six months of fully paid parental leave within the first year of the arrival of their new child. ZEOs are also empowered to work with their leaders to determine a flexible leave schedule that works best for their family and for Zuora. In the U.S., all ZEOs also receive a free membership to UrbanSitter and an enrollment credit to help connect them with top-rated, background-checked caregivers.



Healthcare

Globally, we offer market-competitive and locally-applicable benefits to all ZEOs and their eligible dependents. In the U.S., we now offer a Health Reimbursement Account (HRA) to ZEOs enrolled in any Anthem medical plan, providing up to \$4,000 USD in reimbursement for eligible travel expenses for reproductive procedures and gender affirmation services.

Mental wellbeing

Zuora offers a global mental health program through [Modern Health](#) that provides support for all aspects of a ZEO's wellbeing. Each year, ZEOs have access to ten free coaching sessions, eight free therapy sessions, and several other resources, including: 1) a 24/7 critical incident counselor line; 2) unlimited group support sessions, called “Circles” (which are also available to the public); 3) guided meditations; and 4) self-paced digital courses. Modern Health also provides resources to help people leaders navigate workplace challenges. Although Modern Health is not available in China, our ZEOs in China have access to an Employee Assistance Program through [Workplace Options](#), the largest independent provider of holistic wellbeing solutions, which includes 24/7 critical incident support, five free counseling sessions per issue, per year and many other free resources to support their wellbeing.

Employee relief fund

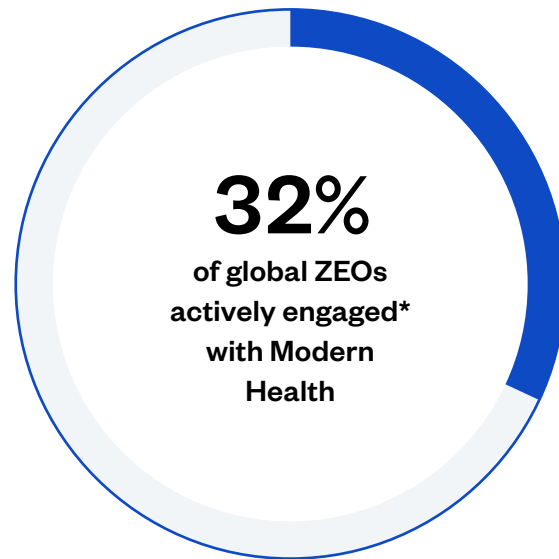
Supporting our ZEOs in times of need is a top priority. We partner with [E4E Relief](#) to offer an Employee Relief Fund to help ZEOs cope with unexpected events that place undue financial stress on them and their families. Our Relief Fund provides ZEOs with grants of up to \$15,000 USD for both catastrophic disasters and personal hardships.

Flexible time off

In the U.S., eligible ZEOs are encouraged to take time off through our flexible, Discretionary Time Off (DTO) program. All U.S. ZEOs also accrue additional sick time.

Wellness days & annual shutdown

In addition to paid holidays and DTO, Zuora provides eight global Wellness Days throughout the year where ZEOs are encouraged to fully unplug and recharge in a way that is most meaningful to them. During the last week of December, Zuora observes a global company-wide shutdown allowing everyone the opportunity to truly disconnect and come together with family and friends.



Workplace health, safety, and wellness

Zuora complies with applicable local regulations regarding workplace health and safety and we aim to do our best to ensure that everyone feels safe at work, both in person and virtually. Zuora is a software-as-a-service (SaaS) company and does not manufacture a physical product. As a result, our ZEOs are not regularly exposed to loud noises and do not work with dangerous equipment or hazardous substances.

Health and safety issues that arise are primarily ergonomic so we have built resources to help ZEOs manage their work and home office set-up. Through our LinkedIn Learning catalog, ZEOs have access to numerous courses, articles, and videos that cover ergonomics and workplace safety, among other topics. Our larger office locations have height-adjustable sit-stand desks, allowing each ZEO to choose the most ergonomic setup for them. We offer a one-time allowance to purchase items needed for a home office in addition to monitors, keyboards, and mice that are provided for all ZEOs both at home and in the office.

We are committed to ensuring that all ZEOs have a clear understanding of how to report a work injury if one occurs, and we diligently monitor workers' compensation claims to ensure ZEOs receive the support they need. In fiscal year 2023, one claim was reported to Zuora. We also use a global business travel accident program that provides all ZEOs with medical coverage and assistance should they suffer an injury or sickness while traveling for work, including outside of their country of residence.

* "engaged" is defined as either taking a wellness assessment, using content (including meditations, digital programs, daily pause, and courses), or attending a Circle, coaching session, or therapy session.

Financial wellbeing

Zuora is committed to upholding a market-competitive and equitable compensation philosophy through a flexible mix of cash, bonus, and company equity. Additionally, we aim to reinforce an ownership mindset amongst our ZEOs and drive high-performing teams through clear pay-for-performance linkages in our compensation programs and promotion processes. We regularly assess our pay practices and analyze compensation to ensure ZEOs are paid equitably and fairly, including efforts to ensure ZEOs are paid at or above their local living wage.

Employee Stock Purchase Program (ESPP)

Eligible* ZEOs can participate in Zuora's ESPP, which offers the opportunity to purchase company shares at a discounted price, in an effort to further support ZEO financial well-being. Currently, approximately 53% of eligible ZEOs participate in Zuora's ESPP.

Corporate bonus

In an effort to reward individuals for their contributions and commitment to Zuora, we expanded our Corporate Bonus program in fiscal year 2023 so that all full-time and part-time ZEOs are eligible for a bonus. The Corporate Bonus is funded based upon the company's performance against board-approved annual metrics.

Equity grants

Zuora utilizes equity grants as a vehicle to help every ZEO think more like an owner and benefit financially from their contributions to Zuora's long-term success. In addition to market-competitive cash compensation, Zuora grants equity ownership to all ZEOs as a part of our overall compensation package. Grants are issued upon hire and/or as part of our annual equity refresh process.

Additional financial support

Zuora sponsors a 401(k) plan in the U.S. to help ZEOs meet their financial goals. In fiscal year 2022, Zuora added an ESG fund as an investment option under the Zuora, Inc. 401(k) plan. This fund, which focuses on the natural resources sector, offers additional diversity within the investment fund lineup.

In addition, Zuora provides free access to a dedicated financial advisor in the U.S., who is equipped to support ZEOs meet their individual financial goals. ZEOs can utilize the advisor for a range of financial planning support – from making investment choices within Zuora's 401(k) plan, to buying a home, to saving for a child's college education.

Globally, Zuora also provides statutory retirement plans, including an employer match where required. Through Modern Health and Workplace Options (for our China ZEOs), ZEOs can access resources to support their financial goals, including consultations with financial professionals.

Stef Marshall
(she/her/hers)
Content Marketing and
Community Manager,
United States



I wear a lot of hats in my life, and Zuora gives me the autonomy to prioritize my life and my work in ways that are flexible by design and in support of my whole self. By creating and leading the new wellness ZRG, I hope to create a community around this mindset and beyond.

* Subject to local regulation, employees in the U.S., UK, France, Australia, India, Japan and China who are employed 20 or more hours per week and scheduled to work more than 5 months per year and have a start date prior to the first of the month of enrollment are eligible to participate/enroll in the ESPP offering.



Human rights

In everything we do, including building our products and expanding our operations and footprint across the globe, we are guided by internationally recognized human rights standards. As outlined in our [Human Rights Statement](#), [Voluntary Statement for Prevention of Modern Slavery](#) and [Supplier Code of Conduct](#), respect for and protection of human rights is at the core of Zuora's relationship with our ZEOs, contractors, customers, business partners, and the communities in which we operate.

Social and workplace dialogue

Communication, consultation, and compliance are key, and we meet or exceed all legal requirements in this important area. For example:

- Employees have freedom of association.
- In France, we have an established Social and Economic Committee, which is a forum for two-way dialogue between elected employee representatives and the Company on all matters relating to employee relations and the health of the business.
- We participate in the applicable collective bargaining agreements, such as SYNTEC in France and CCNL in Italy.
- Employees have up-to-date employment contracts, which ensure the required standards of employment are met.

Diversity & Inclusion

We believe the Subscription Economy has the power to be a more inclusive, accessible, and sustainable economy that can make the world a better place. At Zuora, we work across teams to build an inclusive, high-performance culture with a true sense of belonging at the core. We seek out and embrace people of all backgrounds, perspectives, and experiences so we can better understand and serve our customers and drive innovation and impact in the world. We align our internal approach with our external efforts through our Diversity & Inclusion strategy, ONE ZUORA.

Our Chief Diversity Officer (CDO) provides executive level oversight of ONE ZUORA and reports to our Founder and CEO. In addition, the Nominating & Corporate Governance Committee (NCG) of Zuora's Board provides oversight to all of our ESG efforts.

Zuora is proud to be an Equal Opportunity Employer. We seek to create a culture and work environment free of discrimination, harassment and retaliation in all of our jurisdictions. More information on these policies can be found in our [Human Rights Statement](#).

Fiscal year 2024 goals

- 40% employee participation in Zuora Resource Groups
- Reach and maintain 50% global workforce from underrepresented groups* by the end of fiscal year 2025

ONE ZUORA

Be: The ZEO Experience

Building teams where all ZEOs can be authentic, innovative, grow and thrive

Build: Zuora's Infrastructure

Building inclusive systems and processes

Share: Zuora in the World

Building an inclusive Subscription Economy



Our Diversity & Inclusion organization helps Zuora to inclusively optimize our practices, processes and experiences across 360° of our ecosystem. Our strategy is called ONE ZUORA because it takes a unified effort from all of us to make the magic happen!

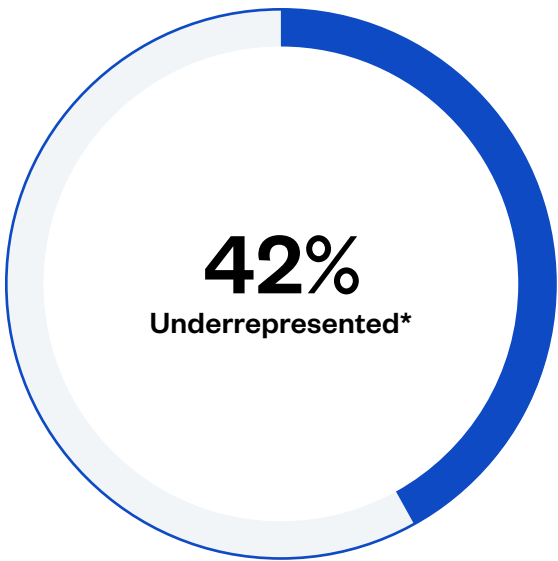
Valerie Jackson
(she/her/hers)
Chief Diversity Officer,
United States



* For purposes of this report, underrepresented groups are currently defined as women globally and US-based employees who self-identify as Asian, Black or African American, Hispanic or Latinx, Native American or Alaska Native, Native Hawaiian or Pacific Islander, or two or more races.

Accelerating our Diversity & Inclusion commitments

In fiscal year 2019, we set a bold goal of having 50% of our ZEOs identify as members of underrepresented groups. At the end of fiscal year 2023, we reached 42%. We will continue to work toward this goal because we know diverse teams are more likely to be innovative and agile, and because it helps us measure our progress in creating a workforce that is more representative of our global customers and communities. We report these metrics on a quarterly basis to our internal stakeholders. This data is then used to inform how we build our programs, approach hiring and talent development, and create learning and connection opportunities for ZEOs across the globe.

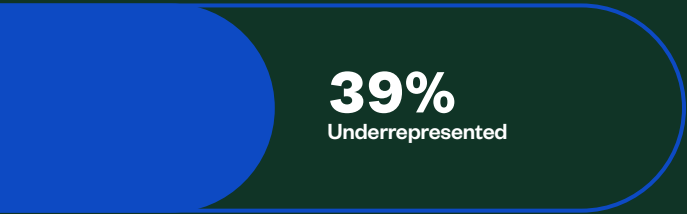


Gender*	32.7%	66.3%	1%
	Women	Men	Undisclosed

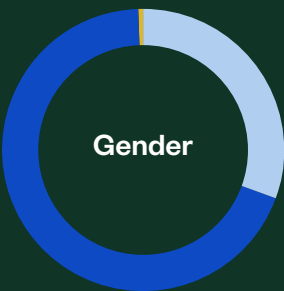
Zuora Ethnicity Statistics*	32.5%	19.8%	5.1%
	White	Asian/Asian American	Black/African American
	3.7%	1.4%	0.3%
	Hispanic/Latinx	Two+ Races	American Indian/ Alaskan Native
	35.9%	1.2%	
	Undisclosed	Do not wish to answer	

* Data as of January 31, 2023
* Gender data is global
* Ethnicity data is for the United States only
* Numbers may total more than 100% due to rounding
* For purposes of this report, underrepresented groups are currently defined as women globally and US-based employees who self-identify as Asian, Black or African American, Hispanic or Latinx, Native American or Alaska Native, Native Hawaiian or Pacific Islander, or two or more races.

Zuora Leadership Diversity



- Ethnic Minority - **21.7%**
- Non Ethnic Minority - **78.3%**

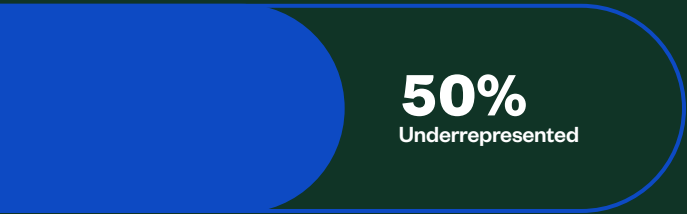


- Women - **30.8%**
- Men - **68.7%**
- Undisclosed - **0.5%**

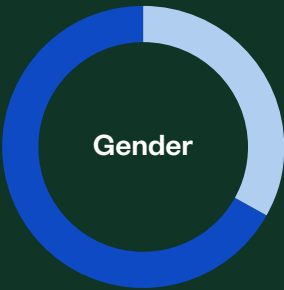


- White - **47.1%**
- Asian/Asian American - **14.6%**
- Black/African American - **2.5%**
- Hispanic/Latinx - **3.2%**
- Two+ Races - **1.3%**
- Do not wish to answer - **0.6%**
- Undisclosed - **30.6%**

Zuora Executive Committee



- Ethnic Minority - **41.7%**
- Non Ethnic Minority - **58.3%**



- Women - **33.3%**
- Men - **66.7%**



- White - **58.3%**
- Asian/Asian American - **25%**
- Black/African American - **8.3%**
- Two+ Races - **8.3%**

* Data as of January 31, 2023
* Gender data is global
* Ethnicity data is for the United States only
* Numbers may total more than 100% due to rounding
* For purposes of this report, underrepresented groups are currently defined as women globally and US-based employees who self-identify as Asian, Black or African American, Hispanic or Latinx, Native American or Alaska Native, Native Hawaiian or Pacific Islander, or two or more races.

Living ONE ZUORA

Zuora's Diversity & Inclusion strategy has created opportunities for connection, growth, and learning for many ZEOs who have been at the center of this work. As a people-first company, our ZEOs continue to inform and lead some of our key efforts.

Zuora Resource Groups (ZRGs)

Zuora's Employee Resource Groups, or ZRGs, are one of the best demonstrations of how we're better together at Zuora. ZRGs are the collection of our affinity-based and global culture groups that support and foster a diverse and inclusive workplace. As ZEO-led and ZEO-driven groups, they build vibrant connections, provide support for personal life and/or career development, and create a safe space where ZEOs can be their whole and authentic selves.



Zuora Women (Z-Women)

Strengthening and amplifying women's voices as we support one another to achieve our career goals and build pathways to leadership.



Zuora Veterans (Z-Vets)

Making Zuora a great place to work for Military Veterans, Reservists, and Military family members by providing support, resources, and recognition to all members.



Zuora Black Network (ZBN)

Educating ZEOs on the Black perspective, while engaging our communities and focusing on career development.



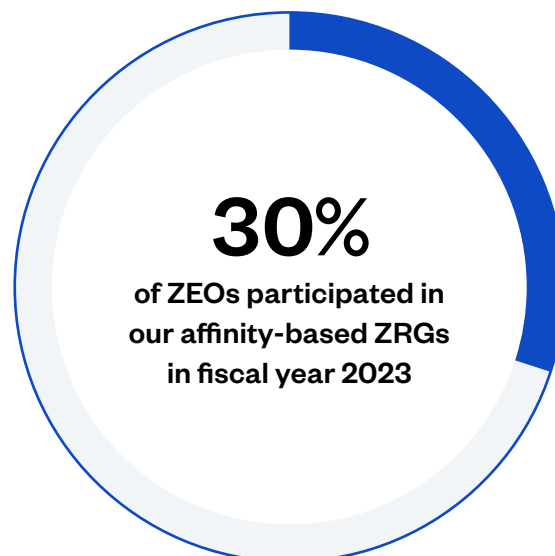
Out at Zuora (OZ)

Raising awareness about LGBTQIA+ causes, celebrating identities and creating a thriving culture at Zuora for all people.



Zuora Familia (Z-Familia)

Creating a safe space to promote cultural diversity and empower our Latinx communities in and outside of Zuora.



Zuora Asian Americans and Pacific Islanders (Z-AAPI)

Providing opportunities for networking, career development, cultural awareness and support for our AAPI ZEOs, community and allies.



Zuora Wellness *new* (Z-Wellness)

Offering each ZEO the space and initial resources to explore how they can be their best, most authentic self at Zuora and beyond. Established October 2022.



Zuora Village *new* (Z-Village)

Creating a safe, judgment free space to ask and learn, to share and teach, and to feel less alone navigating the challenges of parenting/family life/caregiving. Established October 2022.



Beijing Culture Club

Giving encouragement to each other and strengthening one another - as we do already.



India Diversity & Inclusion Committee

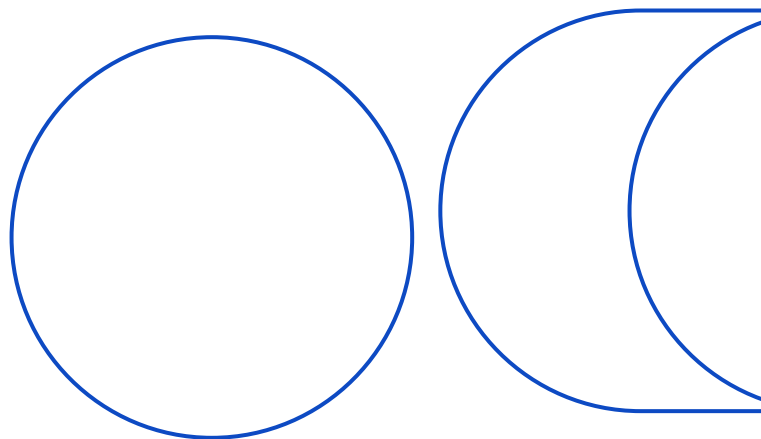
Leading the way in creating a compassionate environment that contains diversified members from different backgrounds in alignment with our corporate goals.

Highlights from fiscal year 2023

- Our fiscal year 2023 Z-Brief, *Inside Our Diversity & Inclusion Journey*, co-led by our CEO and CDO, providing insight into our wins, growth opportunities and lessons learned in realizing our daily commitment to creating an inclusive and engaged culture.
- A *Celebration of Black Joy*, during Black History Month, in partnership with Zuora Black Network, exploring Black joy as a key centerpiece to health and wellness. This event supported our internal launch of Modern Health.
- Our Zuora Women Panel, *#BreakingTheBias: ZEO Thoughts, Perspectives, and Actions*, around breaking bias in the technology industry and beyond.
- Asian American and Pacific Islander Heritage Month included an *Asian American Creators Panel*, hosting five small business owners who shared their journeys as first-generation Americans, familial and cultural expectations, and how it all impacted their startups.
- In honor of Mental Health Awareness month, we invited a licensed psychologist to present the workshop *Self-Care or After-Care? How You Can Make Mental Health An Intentional Priority*, exploring essential principles and practical skills to better understand and take care of our mental health.

Supporting our ZRG leaders

In recognition of the valuable work our ZRG leads do, we created a new ZRG lead engagement program designed to support, educate, and reward our leads for their contributions. A key piece of this effort was our Zuora Resource Group Leadership Summit, which featured multiple sessions with internal and external experts focused on goal setting, networking and relationship building, and strategic planning. Throughout the rest of the year, ZRG leaders had the opportunity to upskill in leadership through coaching and training sessions, develop their plans for the upcoming fiscal year, and build trust as a collective. At the summit, we also welcomed our two newest resource groups, **Z-Wellness** and **Z-Village**.



“

I have a strong desire to support and empower women in the workplace and create a more inclusive environment for all employees. As a ZRG lead, I am building valuable leadership and management skills, networking with other professionals, and developing experience planning and organizing events.



Mounika Sanikommu
(she/her/hers)
Senior Product Manager,
Zuora Women ZRG Lead,
United States

Tom O'Nolan
(he/him/his)
Enterprise Account Executive,
Managed Services,
Zuora Veterans ZRG Lead
United States



Zuora giving me time off without question to deploy on Op Rescript (the British Army's civil aid response to COVID-19) showed a flexibility and support of reservists that you don't find in many companies!



Zuora Resource Groups (ZRGs) provide a platform to share experiences and perspectives, build meaningful relationships and foster a sense of community among ZEOs. I've had the opportunity to connect with ZEOs from all backgrounds as we work together to build our inclusive culture.



Charles "CJ" Jones
(he/him/his)
Manager, Global Services,
Zuora Black Network (ZBN)
ZRG Lead,
United States

Building Inclusion

This has been a year of active listening, thoughtful engagement, and steadfast action in creating an inclusive culture that helps our ZEOs learn, develop, and support each other.

Data-informed approach

We leverage internal data from our Culture Amp survey results and direct feedback from ZEOs to “optimize for inclusion.” Whether through facilitating department-wide focus groups, leading design thinking workshops, auditing processes, or delivering training, the D&I team strives to help leaders develop more inclusive behaviors, deliver more equitable outcomes, and increase psychological safety, belonging, and inclusion on teams.

Microlearning

This year, we piloted a new multi-modal D&I microlearning program designed to deliver relevant, bite-sized information paired with one-on-one peer discussion sessions. The pilot focused on the difference between intent and impact and all aspects of inclusive language. As ZEOs learned new skills, they were able to practice them in real-time and make meaningful connections with colleagues from across the business. In fiscal year 2024, we plan to launch three new global programs for all ZEOs on topics such as unconscious bias, cross-cultural teaming, psychological safety, inclusive hybrid working strategies, and more.

Throughout fiscal year 2023, the Diversity and Inclusion Organization facilitated learning and development on topics such as inclusive leadership, psychological safety, and unconscious bias to more than 350 ZEOs.

89

**D&I office hours facilitated
with ZEOs at all levels to
share their experiences and
upskill their diversity and
inclusion learnings**

Diversity & Inclusion office hours

This year, we hosted 89 office hour sessions for ZEOs at all levels to share their experiences at Zuora and upskill their diversity and inclusion learnings. These open sessions support ZEOs' learning and connection needs through informal coaching around change management, inclusive behaviors, team building, psychological safety, understanding and mitigating bias, and inclusive hybrid working strategies for leaders. In addition to office hours, we hosted intimate closed door sessions for ZEOs to come together within their affinity groups and build strong bonds of community and support.

Partnering for increased impact

An essential pillar of our ONE ZUORA strategy is to strengthen the ecosystem of inclusive leaders outside of Zuora and our partnerships across communities and industries.

An ecosystem of inclusive leaders

This year, we partnered with customers and alliances to highlight the impact inclusive leaders have on driving healthy cultures and healthy businesses.

- As part of Deloitte Digital's Global Ecosystems & Alliances Summit, our Chief Diversity Officer participated on a panel highlighting our companies' shared commitments to diversity and inclusion and best practices for being impactful change agents as inclusive leaders.
- At Zuora's Executive Innovators Summit, a knowledge-sharing event for executives from several of our alliances and customers, our Chief Diversity Officer led a discussion around strategies for building trust and leading inclusively to drive successful business transformation.

Leveraging community partnerships

Zuora was a proud sponsor of **TechTeenth's** Tech Marketplace Series Event "Breaking the Barriers into Tech," which provides space to knowledge share, uplift, and grow the Black culture in tech. We also supported the **Tech Intersections** conference which focuses on connecting and inspiring women of color in computing. ZEOs from our Zuora Black Network and Z-Women ZRGs attended both events, helping to inspire the next generation of technologists.

Supporting and impacting our communities

We all have a responsibility to give back. Zuora's success is directly linked to our communities and we recognize that our business can't thrive unless our communities are also thriving. That's why we took the [1% Pledge](#) in 2017 before we became a public company. The Pledge 1% movement is a global corporate philanthropy initiative that encourages companies to donate 1% of their equity, time, product, or profit to support nonprofits in their communities. Since we took the pledge, we've been focused on donating both our equity and time.

ZEOs donate thousands of hours of their time each year and we've contributed nearly \$4 million USD of our Class A common stock to our Impact Fund, which is a Donor Advised Fund at the [Tides Foundation](#). We use this funding to make grants to nonprofits in our communities around the world and support ZEO giving and volunteering programs.

With a handful of other companies chosen by Pledge 1%, Zuora was honored to celebrate the philanthropic efforts of our ZEOs on Giving Tuesday in November by having our work featured on the NASDAQ Tower and ringing the opening bell. For three consecutive years, Zuora has also proudly been named among the Top Corporate Philanthropists by the San Francisco Business Times.



Community impact

- \$205,620 USD donated by ZEOs to charitable organizations (+35% YoY)
- 3,000+ hours volunteered (+25% YoY)
- 250 nonprofits supported
- 81% of ZEOs engaged in giving and volunteering programs



Grantmaking focus areas

To maximize resources and have the greatest impact possible, we've focused on building deep multi-faceted relationships with nonprofit partners that are aligned with the core of our business and provide opportunities for ZEOs to engage. In fiscal year 2023, our giving was focused on:

- **Financial inclusion:**

Providing fair and equitable access to capital for individuals, families, and entrepreneurs who can't access the financial services they need.

- **Youth economic opportunity:**

Building a more equitable future for youth from underserved communities.

- **Strengthening our local communities:**

Enabling ZEOs to drive social change via volunteering and giving.

- **Sustainability:**

Unlocking innovation in the Subscription Economy to tackle climate change.



Financial inclusion

Like Zuora, [Kiva](#) puts people at the center of every interaction, which makes our partnership a natural fit. Kiva envisions a financially inclusive world where all people hold the power to improve their lives by crowdfunding loans and unlocking capital for the 1.7 billion people around the world who are unbanked and lack financial access.

Through Kiva's efforts, students can pay for tuition, women can start businesses, farmers are able to invest in equipment, and families can afford needed emergency care. As borrowers repay their loans, the funds are put back into the lender's Kiva account and can be used to make future loans - it's the recurring revenue model at work.

We launched our first Kiva campaign in fiscal year 2022 and gave \$50 USD Kiva credits to all of our ZEOs and \$250 USD Kiva credits to select customers - offering each person the freedom to fund loans to borrowers of their choosing. After 86% of ZEOs participated, our employee campaign made history as Kiva's second most successful campaign of all time.

We ran our second Kiva Campaign in fiscal year 2023 and gave \$75 USD Kiva credits to our ZEOs and \$50 USD Kiva credits to all of our customers. Nearly 70% of ZEOs participated and our customers agreed that this was much better than any swag they could have received.



Powering a more inclusive economy with Kiva*

- 1,070 ZEOs and customers participated
- \$101,000 USD loaned
- 6,192 borrowers supported
- 87% of borrowers supported were women
- 34 countries reached around the world

Youth economic opportunity

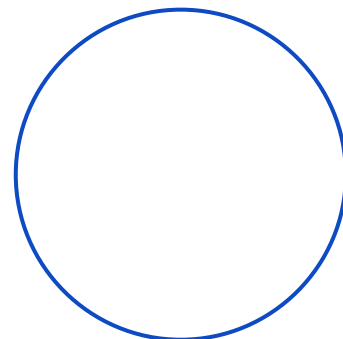
Young people, regardless of their background, income, or location, deserve access to education and economic opportunity. Employers around the world are facing a growing need for talent, while millions of youth are disconnected from the economic mainstream. Our partnerships with leading nonprofits help equip young people from underserved communities with the skills and experiences they need to succeed, while ensuring that companies have access to the talent they need to compete.

Network for Teaching Entrepreneurship (NFTE)

In fiscal year 2023, we gave the [Network for Teaching Entrepreneurship \(NFTE\)](#) a \$175,000 USD grant in support of their mission to activate the entrepreneurial mindset and build startup skills in youth from under-resourced communities around the world. NFTE's program enables students to develop an original business idea, build a business plan, and progress through a series of "pitch" events that start in the classroom and advance to regional, national, and world finals.

“

I chose to lend my \$75 USD to Jenah in Indonesia. She is a mother of five and sells rice to support her family. Her goal is to give her children the best of everything. Her story touched my heart, I was able to relate to every word. I also saw that she just needed \$75 USD more to close her funding within 14 hours. I'm so glad that I was able to help her. Thanks Zuora for this wonderful opportunity. It made my day.



Yashi Gupta
(she/her/hers)
Software Engineer,
India

* Totals across fiscal year 2022 and fiscal year 2023 lending campaigns

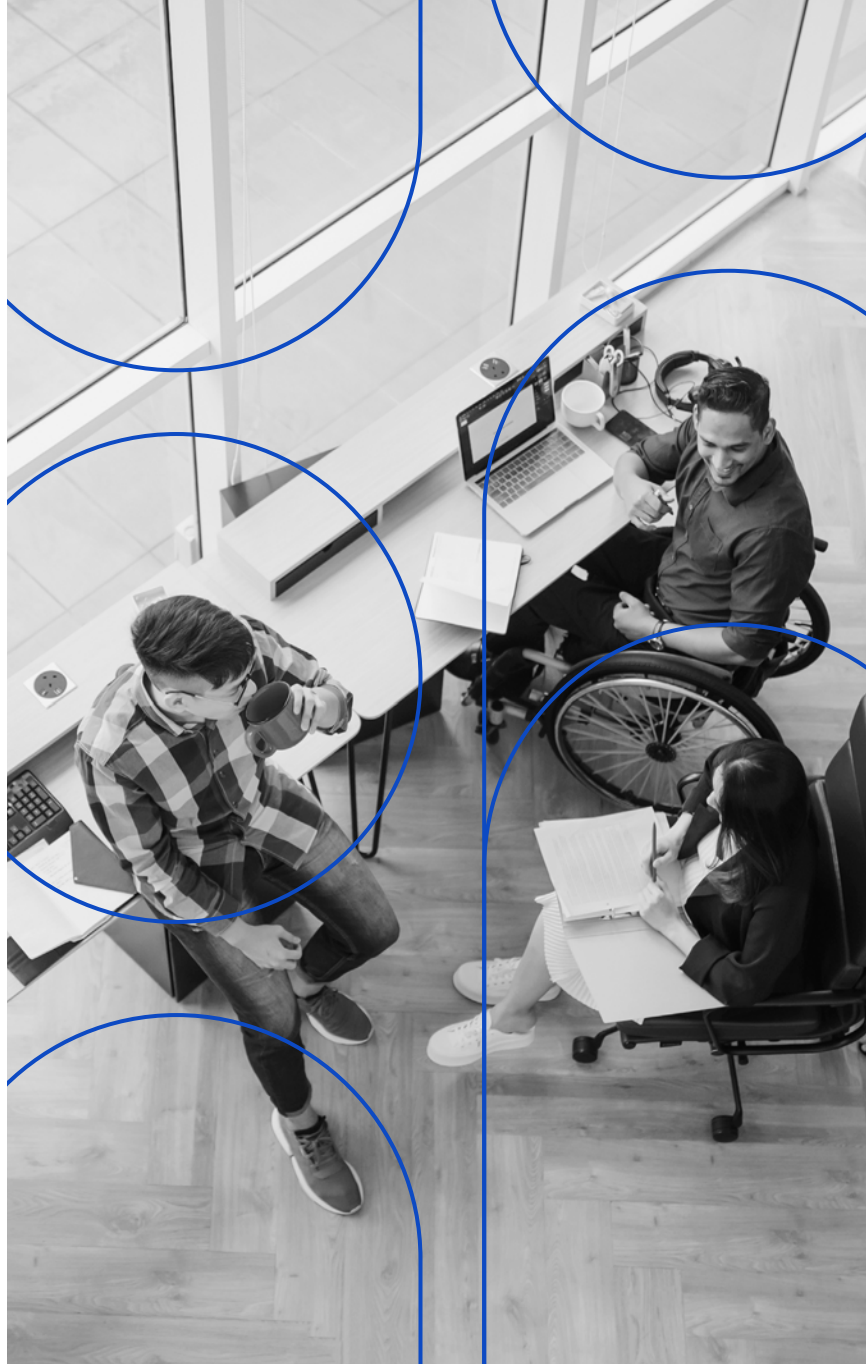
We were the presenting sponsor for NFTE's inaugural [World Youth Entrepreneurship Challenge](#) and an associate sponsor for their U.S. Regional Youth Entrepreneurship Challenge events in the Bay Area, Southeast, and New England. Throughout fiscal year 2023, ZEOs were engaged with NFTE as:

- [Business Plan Coaches](#): ZEOs worked with students on their business plans and pitches.
- [Competition Judges](#): ZEOs evaluated business plans and provided feedback on presentations.
- [Panels and Guest Speakers](#): ZEOs facilitated different learning sessions on the Subscription Economy and helped the students determine if a recurring revenue business model was right for them.

Zuora also participated in NFTE's [World Series of Innovation](#) (WSI). See page 32 of this report for more information.

Dev/Mission and Climb Hire

In fiscal year 2023, we provided a \$75,000 USD grant to both [Climb Hire](#) and [Dev/Mission](#) to connect the most overlooked populations in the United States to careers in technology. Climb Hire's program combines technical and soft skills training to working adults from low-income communities who strive to find upwardly mobile careers, yet lack traditional education and strong professional networks. Dev/Mission connects low-income young adults to careers in technology through its comprehensive program that teaches programming, hardware, and critical career skills.



Candace Walker
(she/her/hers)
Senior Customer
Success Manager,
United States



Encouraging children to have an entrepreneurial mindset is key to their future success. Many of the innovative ideas the students had would do well as subscription businesses. I left the session inspired by their ideas and a sense of hope for our future with these students at the helm of the next generation of enterprises.

Strengthening our local communities

Through our Matching Gifts program, Z-Philanthropy Network, and Global Month of Service, we empower our ZEOs to give their time, money, and skills to the charitable causes they care most about.

Matching Gifts and Dollars for Doers

Zuora's Matching Gifts and Dollars for Doers programs match up to \$1,000 USD (or international equivalent) per ZEO per year for charitable donations, volunteer time, or a combination of the two. Volunteer time is matched at a rate of \$25 USD per hour (or international equivalent). In fiscal year 2023, ZEOs donated over \$205,000 USD to charitable organizations and volunteered over 3,000 hours of their time.

Z-Philanthropy program and Global Month of Service

Our Z-Philanthropy program is powered by passionate ZEOs from around the world who help foster strong relationships between Zuora and our local communities. Z-Philanthropy teams partner with local nonprofits to make a positive social and environmental impact through volunteering and fundraising initiatives. We currently have 25 Z-Philanthropy Leaders and 13 chapters around the world.

In fiscal year 2023, we ran our second annual Month of Service, where Z-Philanthropy Leaders held in-person and/or virtual volunteer events that included everything from helping terminally ill children to packing supplies for families in Ukraine.

Examples of Global Month of Service activities

- **Italy:** ZEOs visited [Dynamo Camp](#), a recreational therapy camp for sick children, and prepared gifts for the children and their families.



For more information on social impact at Zuora, please visit [Zuora.org](https://zuora.org).



- **United States:** ZEOs in Austin prepared lunch for 25 families who were staying at the [Ronald McDonald House of Central Texas](#).
- **India:** In partnership with [Bhumi](#), ZEOs in Chennai educated underprivileged children on climate change and how they could take steps to live more sustainable lives.



Supporting a sustainable future

Zuora is committed to taking fast and urgent action on climate change. Our sustainability efforts, led by our Vice President of Investor Relations and Director of Social Impact, are overseen by the Nominating & Corporate Governance Committee of our Board. We're committed to mitigating climate risk throughout our business and have taken steps to reduce our carbon footprint.

While we measured our footprint for the first time in fiscal year 2022, we did not have primary data for our facilities. In fiscal year 2023, we were able to obtain primary energy use data for our largest offices—Redwood City, Boston, Atlanta, London, and Beijing—which increased the accuracy of our footprint. Given this new data, we decided to use our fiscal year 2023 measurement as our base-year carbon footprint following the Greenhouse Gas Protocol framework, including Scopes 1, 2 and 3.

We are proud of all that we accomplished in fiscal year 2023 and will continue to evolve our sustainability strategy over the course of fiscal year 2024.

Fiscal year 2023 environmental sustainability highlights

- Issued a global [Environmental Statement](#) that outlines our commitment to improving our environmental business practices.
- Reached carbon neutrality for the second year in a row.
- Obtained primary energy use data for our largest facilities.
- Invested in 100% renewable energy for our global real estate footprint.*
- Completed the acquisition of Zephr, growing our operational footprint with minimal impact to the environment.
- Disclosed environmental data to Carbon Disclosure Project (CDP) for the first time.
- Supported nine climate-tech startups using recurring revenue models through [Sustainability Subscribed](#). Granted a total of \$100,000 USD to [VoltPost](#) and [Benchmark Labs](#).
- Engaged over 300 ZEOs in our inaugural sustainability challenge and collectively saved over 440,000 kWh of energy in just three weeks.

Fiscal year 2024 environmental sustainability goals

- Request GHG emissions data and reduction goals directly from our top suppliers, representing over 50% of our spend.
- Incorporate sustainability into our Global Purchasing Policy.
- Incorporate sustainability questions into 100% of applicable New Supplier Onboarding Surveys in North America.
- Incorporate sustainability questions into 100% of RFPs for new facilities, specifically focused on understanding energy efficiency, waste management, water efficiency, and environmental certifications.
- Obtain primary energy usage data for 100% of our facilities.

* Where possible, renewable energy was procured directly by our facilities. We also purchased Renewable Energy Credits (RECs), or their local equivalent, equal to 100% of our remaining energy use.

Prioritizing climate mitigation

Given Scope 1 makes up less than 1% of our footprint, we focused on reducing our Scope 2 and 3 emissions in fiscal year 2023. For the remainder of our footprint, we purchased RECs and carbon offsets to reach 100% renewable energy and carbon neutrality for the second year in a row.

Greenhouse gas emissions - Scope 2

Electricity

In fiscal year 2023, we focused on clean energy procurement for our global real estate footprint. Since we lease all of our facilities, we worked with our landlords to collect primary data on our electricity usage and building climate commitments. We were pleased to learn that our London office sources 100% of its energy from renewable energy sources and that our corporate headquarters in Redwood City, California sources 39.7% of its energy from renewable sources, which is 20 points higher than the national average of 19.7% as reported by the Environmental Protection Agency (EPA). By obtaining actual electricity consumption data for our largest offices, we reduced the amount of Renewable Energy Credits (RECs) necessary to offset our consumption and reported an electricity consumption of 1,023 MWh which is 47% lower than the estimated value we reported in fiscal year 2022.

After gathering data from our landlords and assessing our electricity usage, we purchased Renewable Energy Credit (RECs) to reach 100% renewable energy for our global footprint.

Scope 1

Market-based Emissions: **0.7% | 124 mtCO₂e**
 Market-based Emissions Intensity: **0.3 mtCO₂e / \$M**
 Location-based Emissions: **0.7% | 124 mtCO₂e**

Direct release of greenhouse gasses from sources you own or control (e.g. company owned vehicles or furnaces).

Scope 2

Market-based Emissions: **0% | 0 mtCO₂e**
 Market-based Emissions Intensity: **0 mtCO₂e / \$M**
 Location-based Emissions: **2.1% | 345 mtCO₂e**

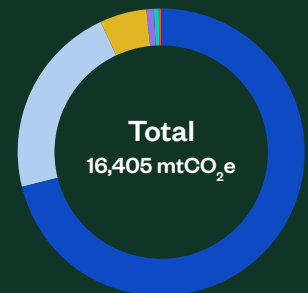
Emissions from the generation of electricity, steam, heat, or cooling that you purchase from companies (like your power utility).

Scope 3

Market-based Emissions: **97.3% | 16,281 mtCO₂e**
 Market-based Emissions Intensity: **41.1 mtCO₂e / \$M**
 Location-based Emissions: **97.2% | 16,281 mtCO₂e**

Upstream emissions of products and services you purchase, and downstream emissions when customers use/dispose of your products.

Gross emissions by category (market-based)



- Purchased Goods and Services – **71.3%**
- Capital Goods (fixed assets) – **5.4%**
- Employee Commuting – **0.4%**

- Business Travel – **21.8%**
- Stationary Combustion (facilities fuel) – **0.8%**
- Fuel and Energy Related Activities – **0.2%**

Note: Our carbon footprint shows both our market-based and location-based emissions. Our location-based emissions reflect the average emissions intensity of grids on which our energy consumption occurs. Our market-based emissions adjust for purchasing decisions we have made, like Renewable Energy Credits.

Zuora purchased RECs from the Penescal Wind Power project, which is a renewable wind energy farm located in Kenedy County, Texas, United States. It consists of 84 wind turbines with a total generating capacity of 202.5 megawatts. The Penescal Wind Power project is owned and operated by Avangrid Renewables, a subsidiary of Avangrid Inc., which is a leading renewable energy company in the United States, and is an approved Green-e® facility by the Center for Resource Solutions (CRS). The wind farm includes an innovative radar system that detects the arrival of large flocks of migratory birds and shuts down the turbines while flocks travel through the area. In addition to generating clean, renewable energy, the Penescal Wind Power project is expected to create jobs and provide economic benefits to the local community. It is also expected to help Texas meet its renewable energy goals and reduce greenhouse gas emissions.

In fiscal year 2024, we will continue to prioritize collecting primary energy use data and reducing our overall energy consumption. We plan to continue purchasing RECs for any remaining consumption where we can't directly procure renewable energy.



Greenhouse gas emissions - Scope 3

In fiscal year 2023, 99% (market-based) of our footprint came from Scope 3 upstream GHG emissions. As a first step to reducing our Scope 3 emissions, we added an “Environmental Protection” section into our [Supplier Code of Conduct](#). We then conducted research on what was publicly available for 41 suppliers, representing 80% of our spend. We were pleased to learn that of these 41 suppliers:

- 21% are carbon neutral today
- 17% are operating off of 100% clean energy today
- 34% have set a net zero goal
- 39% have a CDP score

Office footprint and business travel

At the end of fiscal year 2022, we closed our San Francisco office and reduced our real estate presence in the Bay Area by over 60%. At the end of fiscal year 2023, we closed our Atlanta office and reduced the size of our Boston office to reflect our global real estate needs and flexible approach to hybrid working (see page 9 of report). As outlined in our [Environmental Statement](#), we continue to prioritize virtual interactions when practical to minimize emissions associated with business travel.

Waste

In fiscal year 2023, we continued to grow our partnership with [Revivn](#) to ensure responsible end-of-life management of our hardware. Revivn extends the life of electronic devices and helps address the issues of tech connectivity through donating devices to nonprofits and educational institutions around the world. If the hardware cannot be donated or re-purposed and is truly at the end of its life, Revivn recycles it using the most ethical practices.

* Where possible, renewable energy was procured directly by our facilities. We purchased Renewable Energy Credits (RECs), or their local equivalent, equal to 100% of our remaining energy use.

Through our partnership with Revivn, we:

- Repurposed 284 devices
- Diverted 487 pounds of electronic hardware from landfills
- Donated technology to mission-driven organizations, such as [Youth Uprising](#), [The Game Academy](#), [PEPY Empowering Youth](#), and others.

Additionally, our flexible work environment has helped us minimize emissions from employee commuting and reduce the amount of waste produced at our offices. We continued to focus on making our facilities more sustainable through using centralized printers, increasing composting and recycling bins, providing reusable cutlery, replacing plastic water bottles with filtered water dispensers, and providing EV charging stations for employees at our corporate headquarters.

Our facilities in Boston, London, Chennai and Paris have all made climate commitments around reducing their electricity, water, and waste usage and we plan to continue working with our landlords to cultivate sustainable workplaces in fiscal year 2024.

Zuora is carbon neutral for the second year in a row

To mitigate the environmental impact of our remaining emissions for fiscal year 2023, we purchased high-quality offsets to uphold our carbon neutrality commitment.

- **Nitrous oxide destruction:** Zuora is purchasing N₂O (nitrous oxide) destruction credits from an adipic acid plant in Cantonment, FL operated by Ascend Performance Materials, a high-performance materials company based in Houston, TX. Adipic acid is a key component of nylon 66, which is processed into fibers to make carpeting, car tires, clothing and more. Under existing operations, adipic acid production results in an exhaust that contains nitrous oxides, which are 298x as potent as CO₂ (carbon dioxide). The project aims to increase the efficiency of the plant's nitrous oxide conversion process by installing an extra absorption column. This column employs high-pressure water absorption to convert a greater proportion of nitrous oxides in the exhaust to nitric acid, resulting in the destruction of a larger quantity of N₂O from the exhaust.

- **Refrigerant destruction:** Chlorofluorocarbons (CFCs) are greenhouse gasses that are 10,900x as potent as CO₂. The 1987 Montreal Protocol banned new CFC production because of their ozone depleting effects. However, the treaty allows old CFCs to continue to be used (and leaked into the atmosphere). The offsets we purchased via Tradewater will fund the collection and safe destruction of these gasses through collection networks in the U.S. CFCs are collected from dumps & recycling facilities, and destroyed in an incinerator.

As we look to fiscal year 2024, we will continue to prioritize suppliers that have made commitments to reduce their carbon footprint. For example, in fiscal year 2022, we migrated our on-premise data center to Amazon Web Services (AWS), which has committed to powering its operations with 100% renewable energy by 2025 and has shown that its infrastructure is [3.6 times more energy efficient](#) than the median of U.S. enterprise data centers. We will also work with [Green Places](#) to request GHG emissions data and reduction goals from our top suppliers to help us pinpoint risks and identify areas of opportunities to support our suppliers in reducing emissions and strengthening their climate resilience. The data and insights we collect from this process will help us set a Scope 3 reduction target, which we aim to do in fiscal year 2025. We are also actively working to integrate sustainability into both our Supplier Onboarding Survey and Purchasing Policy.

Turning the Subscription Economy into the Sustainability Economy

Our vision of the “World Subscribed” is a world where products are transformed into services, designed to be reused and repurposed. We’re seeing the same general dynamics behind the shift to the cloud – access over ownership and pay-as-you-go consumption – happening across our customer base, from manufacturing to media to electronics. The as-a-service business model, powered by Zuora, is helping to promote a circular and resource-efficient economy while simultaneously empowering companies to use ongoing feedback and data from their customers to improve everything from supply chain management to energy efficiency.

Here are some examples of how our customers are building a more sustainable world through Zuora:

- **Decathlon**, the largest sports retailer in the world, has revolutionized “sport as a service” using Zuora. Customers are now able to “subscribe to sport” - for example, instead of having to buy a new bike for a child every few years, people can subscribe to biking and trade-in old bikes for new bikes as their children grow. Or maybe someone loves biking and wants to be able to switch from a road bike to a mountain bike depending on the season. Decathlon’s subscription program gives the consumer choices and is helping the company grow in a more regenerative and sustainable way. Learn more [here](#).
- **ZePlug**, the leading operator of condominium and corporate EV charging stations across France, has launched “charging as a service” using Zuora. Access to affordable and reliable charging is one of the primary barriers people face when determining if they should transition to electric mobility. ZePlug works with condominiums and corporations to install charging stations at no cost to them while offering users the opportunity to install a charging station directly on their parking slot and to charge their electric vehicle thanks to a commitment-free monthly subscription. Since it was founded in 2014, ZePlug has saved 6,900 tons of CO₂ and 4.2 million liters of fuel!

To learn more about how Zuora’s technology is powering other transformative companies, such as Acer and Recygo, to build a circular economy and turn the Subscription Economy into the Sustainability Economy, check out this [blog](#) by our interim Chief Product Officer, Tom Krackeler.



Driving climate innovation through the Subscription Economy

According to [Climateworks](#), climate change mitigation accounts for less than 2% of overall philanthropic giving worldwide, despite the increasing urgency of the climate crisis. This year, our largest philanthropic donations were focused on tackling climate change through partnerships with Village Capital and NFTE.

Sustainability Subscribed

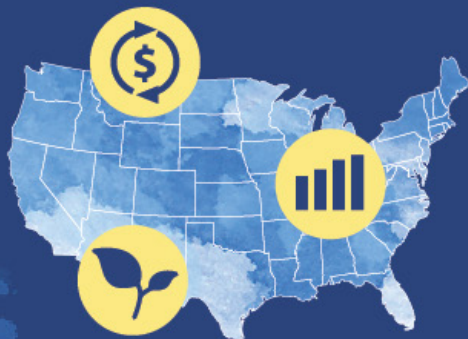
At Zuora, the planet is one of our most important stakeholders and in fiscal year 2023 we wanted to maximize our resources to build a more inclusive and sustainable future for all. We've seen the power of subscription businesses to reinvent entire industries. What if we could harness that power into tackling climate change?

This was the idea behind the first-ever Sustainability Subscribed Accelerator program, which we launched in partnership with [Village Capital](#), a 501(c)3 nonprofit global organization unlocking critical social and financial capital for early-stage companies to maximize business and impact growth. Through a \$409,454 USD grant from Zuora, we identified nine startups (from a pool of over 50 applications) using recurring revenue models to tackle climate change.

The startups focused on solving important problems, such as:

- Reducing plastic waste
- Micro-climate forecasting to improve local agriculture yield
- Reducing food waste
- High-tech social carbon verification
- More effective deployment of green building incentives
- An operating system for charging platforms
- Increasing textile reuse and recycling
- Turning lamp posts into electric charging stations
- Providing carbon savings accounts to employees via HSA/FSA like structures

In addition to encouraging recurring revenue business models, diversifying and increasing economic opportunity for underrepresented founders was a foundational pillar of Sustainability Subscribed.



SUSTAINABILITY SUBSCRIBED

Fighting climate change and preserving the planet through the Subscription Economy

Of the 9 startups

- 36% of the cohort was headquartered outside of the U.S. tech hubs of NY, CA, and MA
- 44% had a BIPOC (Black, Indigenous and people of color) member of the founding team or C-Suite
- 66% had a female member of the founding team or C-Suite

The startups participated in a four-month accelerator program focused on investment readiness. During the program, they had the opportunity to work with professional mentors, industry experts, investors, and ecosystem partners to develop the skills they needed to scale their networks and raise their next round of funding. Over 25 ZEOs were engaged in the program and served as mentors, workshop leaders, and/or on the Advisory Board.

The final 2.5 day Sustainability Subscribed Summit was held at Zuora's corporate headquarters in Redwood City, California. Tien, Zuora's CEO, joined Village Capital's CEO, Allie Burns, for a fireside chat where Tien reflected on Zuora's journey and shared advice with the founders. The event concluded with the nine participating startups evaluating each other through an investor lens, using eight specific investment criteria from [Village Capital's venture investment levels](#), [Benchmark Labs](#) and [Voltpost](#) were ranked "most investment ready" and each received \$50,000 USD in unrestricted grant funding from Zuora.



Voltpost retrofits lamp posts into smart electric vehicle charging stations to decarbonize mobility and democratize charging access. They are a hardware-as-a-service business, bundling its charging service, software, data, and maintenance into a contracted monthly fee.



Benchmark Labs offers up to 60% more accurate environmental forecasts to high-value land managers to improve business operations by integrating with third-party hardware sensors that record on-site data to correct public and private weather models. This allows for more optimal use of water and energy.

Learn more about Sustainability Subscribed and hear more about what this program meant to Tien and Allie in this co-authored [blog](#).

Ronak Majmudar
(he/him/his)
Head of Zuora
for Startups,
United States



I was impressed with the passion of the entrepreneurs to make a true difference in climate change. The technology was also very interesting. Thanks to Village Capital and Zuora for connecting ZEOs to such innovative startups.



“

Changing behavior habits will not alone solve our climate challenge. Ultimately it has to be technology innovations, and if this group of nine is an example of the thousands of startup ideas out there, I walk away with optimism that human ingenuity will continue to conquer the big problems that we face (including the ones we created ourselves).

Tien Tzuo
(he/him/his)
Founder and CEO



Supporting the future catalyzers of climate innovation with NFTE

In fiscal year 2023, Zuora participated in NFTE's World Series of Innovation (WSI), which invites young people to get involved in solving some of the biggest challenges facing humanity by advancing the UN Sustainable Development Goals (SDGs). Page 22 provides an overview of Zuora's partnership with NFTE. Zuora focused on SDG 13, Climate Action, and challenged youth around the world to submit creative ideas on how subscriptions can help fight climate change and preserve the planet.

Out of nearly 100 submissions from across the globe, 40 of our ZEOs used NFTE's virtual judging portal and rubric to select three winners, which each received a cash prize:

- **Clove:** Advances SDG 13 by designing a subscription-based internet browser extension focused on offsetting carbon emissions from online purchases. Submitted by a team from California.
- **Refillist:** Advances SDG 13 by creating a mobile app and service that provides consumers access to subscription-based refillable cosmetic products to encourage sustainable cosmetic procurement. Submitted by a team from California.
- **Relivery:** Advances SDG 13 by curating a subscription-based food packaging system that enables delivery restaurants to provide reusable food packaging. Submitted by a team from South Korea.

To learn more about our WSI challenge and the winning teams, click [here](#).

Ania Kalinka-Routledge
(she/her/hers)
Product Manager,
United Kingdom



It's inspiring to see how passionate these young people are about fighting climate change. Their ideas, creativity, and enthusiasm left me feeling reassured and hopeful for the future.

Environmental action and training for ZEOs

We turned Earth Day into Earth Month and launched our first-ever Subscribe to Earth campaign in fiscal year 2023. The campaign included a sustainability challenge, volunteer events around the world, and an educational session with [Water.org](https://www.water.org).

Earth Month Challenge

We launched a three-week educational challenge using [Benevity's Missions platform](#). We encouraged our ZEOs to sign-up for easy-to-complete activities, like bringing a reusable shopping bag to the grocery store or hang-drying their clothes, to reduce their personal carbon footprint. ZEOs earned points for every activity that they completed, and the more difficult or time consuming an activity was, the more points they received. The platform also showed them the amount of water, waste, and energy they were saving, providing comprehensive education on each topic.

We were also excited to have Vedika Bhandarkar, Chief Operating Officer at Water.org, host a series of events with ZEOs on the global water crisis. A donation of \$5 USD empowers one person in need with access to safe water. We donated \$7,000 USD to Water.org to provide access to clean water for 1,400 people around the world.



52,000
gallons of water*

9,000
lbs of waste*

33,000
lbs of CO₂ *

26,000
kWh of energy*

* Note: these numbers are approximate

Allyson Tessmann
(she/her/hers)
Senior Product
Marketing Manager,
United States



“Looking through missions like ‘End Needless Paper Use,’ ‘Change the Plastic Landscape’ and ‘Find a New Use for Old Stuff,’ I realized I'd already been doing about half the activities and the other half of the activities were a lot less onerous than you might expect. ‘Refuse a free giveaway,’ ‘Choose a reusable straw,’ ‘Don't print for a week?’ Check, check, check.”

Local volunteer actions

Over the course of the year, ZEOs across the globe participated in local volunteer events that supported the environment. Here are three examples out of the ten projects completed:

- In partnership with [Jersey Cares](#), over 60 ZEOs across the U.S. gathered on Zoom to build nature explorer and garden kits for youth in underrepresented school districts.
- ZEOs in London spent an afternoon cleaning up Holland Park. They completed 100 yards of intricate and selective pruning, cutting, and weaving of hedgerow plants.
- ZEOs in Sydney participated in “Kayak for Conservation” and collected 5.8kg of plastic and other garbage from the Sydney Harbour.



Jacob Ashhurst
(he/him/his)
Solution Consulting,
Australia



“

What began as a friendly competition to see who could collect the most rubbish in their bucket quickly became very sobering as we collected over 5kg of plastic waste from the Sydney Harbour. It was a stark reminder of the urgent action we all need to take to protect our planet from the scourge of plastic pollution.

Building trust: privacy and security

At Zuora, we understand the critical importance of building and maintaining trust with our customers and partners around the world. In light of the growing threat of cyber security attacks, we are dedicated to protecting confidential and sensitive information. We build privacy into our products, services, culture, and processes to keep pace with evolving regulations, industry best practices, and customer expectations. Our privacy and security programs are designed to ensure the safety of personal data and to keep our customers informed about our data practices.

Fiscal 2023 Highlights

- Obtained ISO 27701 certification (in addition to our existing certifications for PCI, HIPAA, ISO 27001, ISO 27002, ISO 27018, and SOC2 Type II).
- 100% of ZEOs completed mandatory information security e-learning.
- Completed three full simulation cyber tabletop exercises across four cross-functional teams on ransomware response and recovery.
- Deployed next generation software security tooling to shift vulnerability detection upstream in the software development lifecycle.

Employee awareness

Our commitment to privacy and security starts with our employees. Through ongoing training and communications, our ZEOs understand their role in protecting sensitive data.

By implementing a comprehensive privacy and security awareness program, ZEOs gain a deeper understanding of the potential security threats faced by the company and preventative steps they can take. This includes regular threat simulation tabletop exercises, training sessions, simulated phishing attacks, and open communication about common attack vectors, security incidents and best practices. These training programs are mandatory and have been completed by 100% of ZEOs in order to reduce the risk of data breaches and create a more secure working environment for all employees.

A privacy and security-conscious workforce leads to a more secure and trustworthy reputation, which is essential in building and maintaining confidence and trust.

Vendor security

We assess third-party vendors to confirm that each one applies adequate technical and organizational measures to protect the personal data it processes on behalf of Zuora. Contracts with appropriate protections are ensured by our Legal team.

Additionally, we maintain a [Supplier Code of Conduct](#) that sets forth the expectations we have of our vendors, and a [Vendor Data Access Policy](#) that establishes the limits on what information can be seen, accessed, modified, and controlled by third-party vendors.

Global privacy and security programs

At Zuora, we recognize that security and privacy are paramount to the success of our business and the trust that our customers place in us. We have established a comprehensive privacy program that complies with international privacy laws such as the General Data Protection Regulation (GDPR), the California Consumer Privacy Act (CCPA), and the Health Insurance Portability and Accountability Act (HIPAA). We have adopted privacy agreements to facilitate the transfer of personal data and have published global privacy policies and practices (see for example our [Privacy Statement](#), our [EU-U.S. & Swiss-U.S. Privacy Shield Notice](#), and a customer-facing [FAQ on Zuora's privacy practices](#)) that are aligned with local requirements.

We take a comprehensive approach to our security practices by conducting quarterly proactive software and infrastructure level penetration tests, as well as annual risk assessments. As evidence of this, Zuora has obtained various privacy and risk certifications, such as ISO 27001, ISO 27002, ISO 27018, and SOC2 Type II. Zuora has also achieved the new ISO 27701 - Privacy Information Management Certification. These certifications attest to our commitment to security and privacy in our operations.

Commitment to security

We take a proactive approach to security and have implemented a comprehensive security program. To drive the program, our Information Security Policy includes:

- **Risk Assessments:** We conduct quarterly penetration testing and annual risk assessments to identify potential security threats and vulnerabilities to our systems and information assets.
- **Access Control:** We control access to our information assets through user authentication, access permissions, and monitoring of user activity.

- **Incident Response:** We have a well-defined incident response plan that outlines the procedures to follow in case of a security breach.
- **Compliance:** We comply with applicable laws, regulations, and industry standards related to security, such as ISO 27001 and SOC 2 Type II.

Commitment to privacy

We are committed to protecting the privacy of our customers and their personal information. Our comprehensive privacy program includes:

- **Data Protection:** We protect personal information through data encryption in transit and at rest, secure data storage, and data anonymization where possible.
- **Consent:** We obtain explicit consent from our customers before collecting and processing their personal information.
- **Transparency:** We are transparent about our data collection and processing practices through our privacy policy and related communication.
- **Compliance:** We comply with applicable privacy laws and regulations, such as GDPR and CCPA.
- **Release of Zuora Trust Domain:** Customers have the ability to define the authorized Zuora Engineering and Support team regions from where their environment can be accessed. This allows for tighter control over who can view and interact with sensitive data, providing increased security for our customers. This means Zuora customers can now define authorized data access regions, which limits access to their data only to the staff based in those regions, reducing the risk of compliance violations related to data access. In addition to providing granular control over who has access to customer data, Zuora Trust Domain also helps customers meet compliance requirements such as GDPR and CCPA.

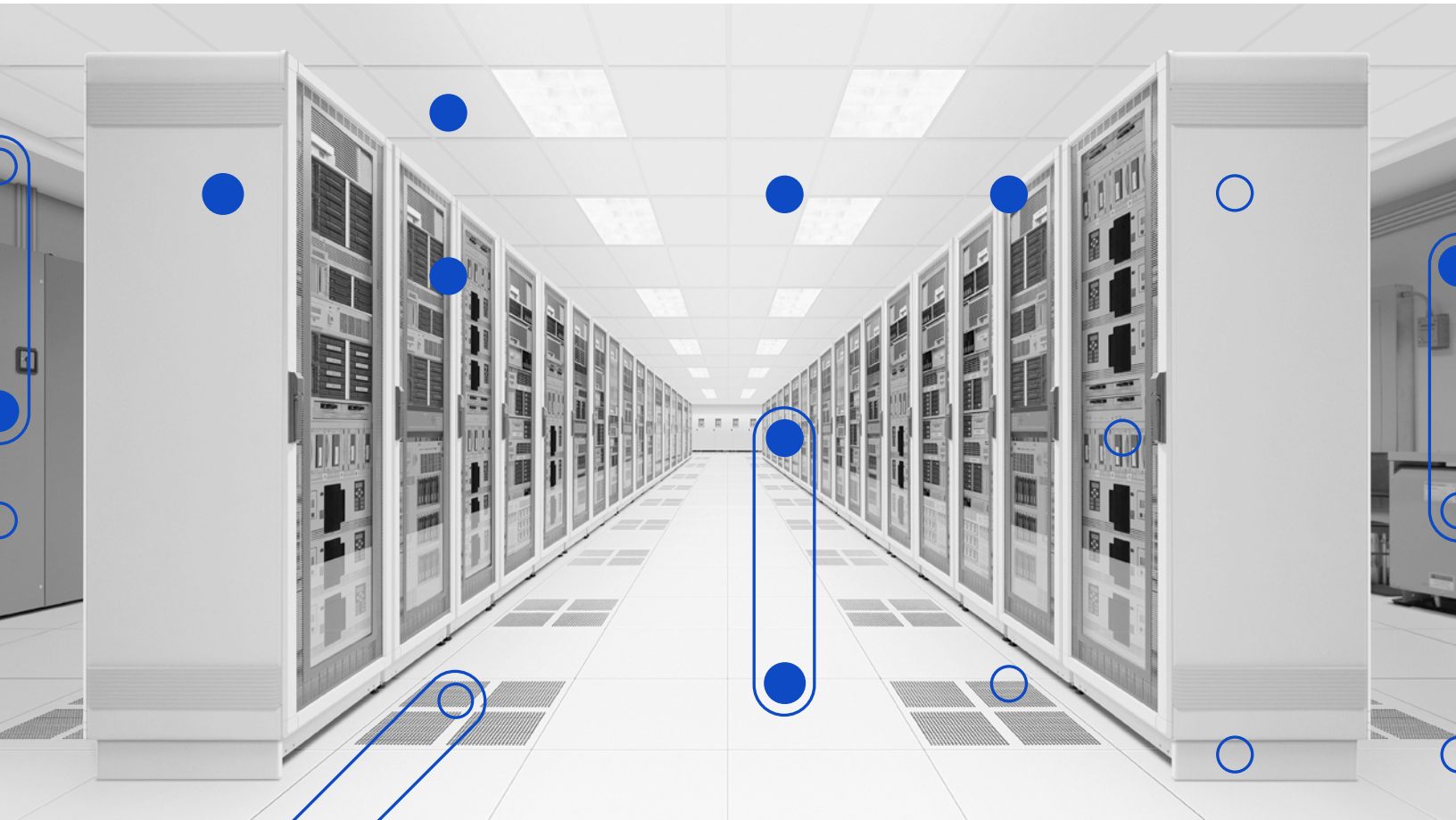
Enterprise information security & privacy policy implementation

Our security and privacy programs are implemented through a combination of technical and administrative controls, including:

- **Employee Training:** We provide annual security awareness training and quarterly phishing simulation campaigns to our ZEOs to ensure that they understand the importance of security and privacy and are equipped to follow best practices.
- **Third-Party Risk Management:** We assess the security and privacy practices of 100% of third-party service providers that have access to our information assets and ensure that they meet our standards.
- **Security and Privacy by Design:** We integrate security and privacy into the design of our systems, applications, and processes to ensure that they are secure by default.

With a focus on innovation, Zuora not only adheres to the best practices in cybersecurity, but also actively monitors our systems to ensure their security. Furthermore, we continue to develop and invest into our team of highly skilled cybersecurity experts who are dedicated to staying ahead of the ever-evolving threat landscape of cyber-attacks and ensuring the protection of our information systems.

Our customers can find more information about our security and privacy efforts at trust.zuora.com and in our Privacy Statement referenced above. We have made [additional security resources](#) publicly available, such as Zuora's technical organizational measures, our data processing practices, and a comprehensive list of our subprocessors.



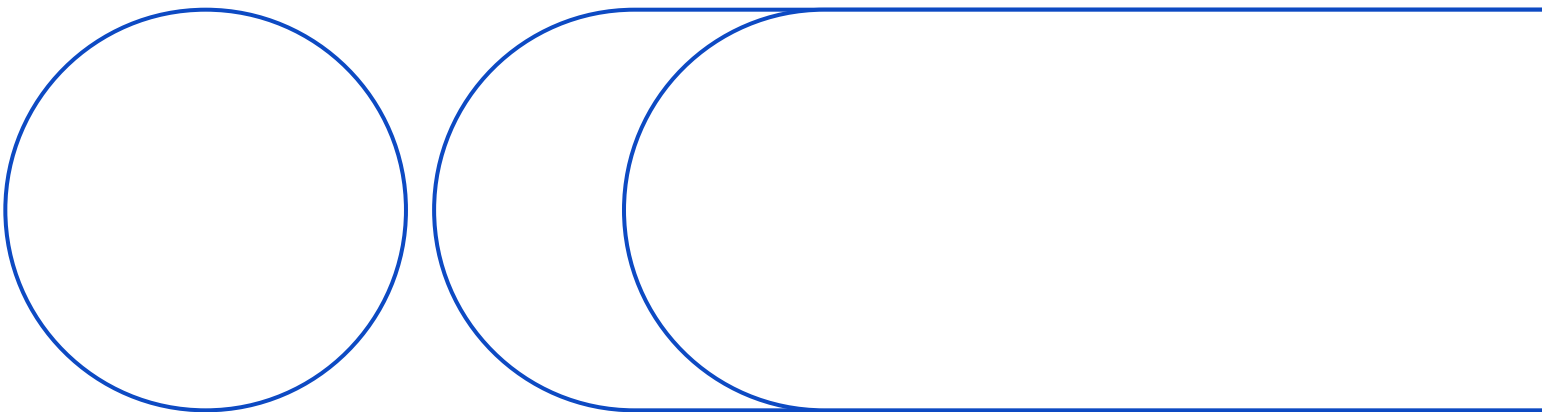
Corporate governance

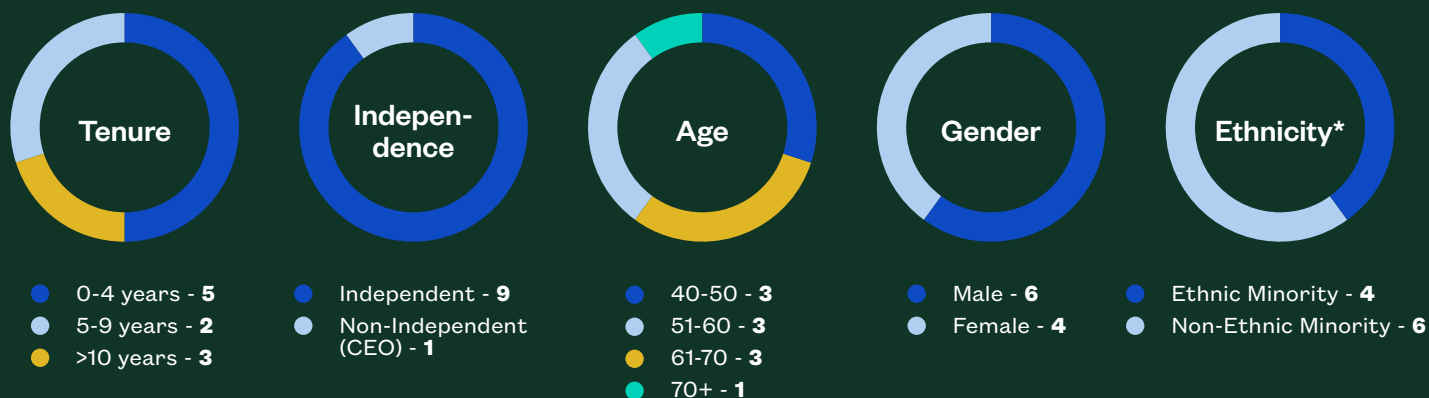
Zuora's diverse Board oversight promotes a strong culture of corporate governance and ethical business practices.

Board governance

Our commitment to good corporate governance starts with our Board's leading role in reviewing our corporate governance policies, monitoring emerging corporate governance issues, overseeing our overall risk profile, and setting expectations regarding Zuora's corporate governance practices. Our Board is composed of accomplished leaders who help guide us in reaching our goals in a responsible, ethical, and accountable manner. The Board has adopted [Corporate Governance Guidelines](#) and each committee has a charter that highlights its areas of focus.

- [Audit Committee](#): oversees our financial accounting, reporting, compliance, and internal controls, as well as cybersecurity and information technology risks, controls, procedures and mitigation plans. The [Audit Committee Charter](#) more fully outlines the Committee's responsibilities.
- [Compensation Committee](#): oversees our compensation policies that pertain to our Board members and senior executives, including evaluating the performance of our Chief Executive Officer, administering our stock and equity incentive plans, and overseeing the annual risk assessment of our compensation programs as generally applicable to employees to identify any potential material risks that may be created by such programs. The [Compensation Committee Charter](#) more fully outlines the Committee's responsibilities.
- [Nominating and Corporate Governance Committee](#): oversees certain corporate governance matters, including assisting the Board with identifying, considering and recommending candidates for Board membership, recommending Board members to serve on Board committees, overseeing the evaluation process for our Board and its committees, and providing recommendations to the Board regarding succession plans for our Chief Executive Officer, reviewing stockholder proposals that relate to governance matters, and overseeing our programs relating to our environmental, social, and governance practices. The [Nominating and Corporate Governance Committee Charter](#) more fully outlines the Committee's responsibilities.





* Data as of: April 30, 2023

* For purposes of our Board diversity, an individual is deemed an ethnic minority if they self-identify as Black, African American, Hispanic, Latino, Asian, Pacific Islander, Native American, Native Hawaiian, or Alaska Native.

Board independence, tenure & diversity

As a matter of good governance to ensure proper oversight of management, our Board of Directors conducts an annual review of the independence of our directors. Currently, all of our Board members are independent, except for Tien Tzuo, our Chief Executive Officer and Chairman of the Board. We also have a separate Lead Independent Director who presides over executive sessions of our Board and serves as a liaison between our independent directors and Chairman.

Our Board's balanced approach to refreshment results in an appropriate mix of newer and experienced directors. Over half of our directors have been on our Board for less than 10 years, including three directors who joined the Board in March 2022. Additionally, three directors have over 10 years of tenure on our Board.

The diversity of our Board is just as critical as the diversity of our workforce. Our Board members are a group of diverse and highly skilled individuals from the technology and business sectors. As of April 30, 2023, 40% of our Board members are women and 40% identify as belonging to an ethnic minority group.

To learn more about our Board, including their compensation and committee membership, as well as their annual self-evaluation process, see our latest proxy posted on our [Investor Relations page](#).

Board oversight of enterprise risk management

Identifying and managing risks are key to successful businesses and help maintain customer, employee, supplier and shareholder trust. Each year, we undertake an enterprise risk assessment to identify our key risks and how best to manage them. Our process includes partnering with an internationally recognized auditing firm to implement and conduct annual fraud and risk assessments across a variety of subject matter areas (including areas such as the Foreign Corrupt Practices Act, intellectual property protection and data security). Risks are assessed enterprise-wide and are aimed at ensuring ethical compliance across strategic, operational, financial, legal, and regulatory functions. Our enterprise risk team reports the results of our annual assessment and provides quarterly updates to our Audit Committee, which then provides a report to the Board.

ESG governance

The importance of ESG at Zuora starts at the top. Our Board, specifically the Nominating and Governance Committee, has responsibility in its charter to oversee Zuora's ESG efforts. Our ESG program is co-led by the Vice President of Investor Relations and the Director of Social Impact, who partner with a cross-functional working group to build out, drive, and implement Zuora's ESG strategy. The ESG leaders work closely with senior leadership to ensure our ESG program is aligned with Zuora's goals and objectives. In addition, the ESG leaders currently provide our Nominating and Corporate Governance Committee updates on our progress at least twice a year.

Ethical business practices

Zuora is committed to conducting its business in an ethical, legal, and socially responsible manner, which is necessary to build the trust, relationships and reputation that our business depends upon. To this end, we have adopted our [Global Code of Business Conduct and Ethics](#) (Code of Conduct), which applies to our Board members, executives, employees, consultants and contractors. We have a separate Code of Conduct that applies to our suppliers (see below). Our Nominating and Governance Committee periodically reviews our Code of Conduct and recommends changes for approval by our Board of Directors. Our Compliance Officer (currently our Chief Legal Officer) oversees the investigation of ethics complaints and provides regular updates of any such investigations to the Audit Committee, which reviews all whistleblower complaints and has authority to determine the appropriate response and remedy.

Our Code of Conduct is broad and incorporates several of our other compliance policies, including the following that help us maintain high standards of ethical conduct:

- **Anti-Corruption Policy:** This policy helps guide us in conducting business ethically and within applicable laws. For example, our employees are prohibited from accepting bribes in any form; gifts are prohibited if they are illegal or give the appearance of a conflict of interest, and in some instances require approval; due diligence on third parties helps provide assurance that

these third parties will not engage in improper conduct; and while we may express our opinion to government officials, we will not provide funds, facilities or services to them, unless lawful and approved by our Compliance Officer.

- **Ethics Reporting and Compliance Policy:** This policy, sometimes referred to as a whistleblower policy, provides guidance on reporting all suspected and actual improper activities, including violations of law and Zuora's policies. ZEOs are required to report violations of the Code of Conduct, and may do so in multiple ways, including to their manager, our Chief Legal Officer or through our anonymous confidential hotline. It is against Zuora's policy to intimidate or retaliate against a ZEO who makes a good-faith report of an actual or suspected violation of the law or our policies.

Ethics training

ZEOs are required to certify that they've read and understand our key compliance policies annually, including shortly after they join us, and complete periodic training on ethics topics, which is in addition to the security training mentioned above.

Our ethics training emphasizes that ZEOs should always do the right thing for Zuora, and reminds them of the important ethics topics covered in our Code of Conduct and related policies, such as avoiding conflicts of interests and being aware of anti-corruption and bribery issues.

Our training courses also encourage ZEOs to report violations of our policies and stress that it's against Zuora's policy to retaliate against them for making a good-faith report of an actual or suspected violation. To allow ZEOs to raise their concerns anonymously at any time of the day, we have a confidential hotline hosted by an independent third party where ZEOs may submit reports in several different local languages either via telephone or online.

Supplier relationships

In addition, our [Supplier Code of Conduct](#), [Human Rights Statement](#), and [Voluntary Statement for the Prevention of Modern Slavery](#) are guideposts for our relationships with our suppliers and others with whom we interact to help promote our commitment to ethical business practices. Zuora expects our suppliers to operate with honesty, integrity and fully comply with our Supplier Code of Conduct. In addition, our suppliers are expected to comply with all applicable laws, rules, and regulations, including anti-bribery and corruption laws of the countries in which they operate and in turn apply a similar Code of Conduct to their own suppliers. For fiscal year 2024, we plan to enhance our supplier due diligence process, including through directly requesting greenhouse gas emissions data and reduction goals from our top suppliers.



Memberships & affiliations

CEO **ACT!ON** FOR
DIVERSITY & INCLUSION



Table 1: Sustainability disclosure topics & accounting metrics

Environmental footprint of hardware infrastructure		
Code	Accounting Metric	Response
TC-SI-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	(1) 6,278 GJ (2) 93.2% (3) 6.8%
TC-SI-130a.2	(1) Total water withdrawn, (2) total water consumed, % of each in regions with High or Extremely High Baseline Water Stress	As a SaaS company, Zuora relies on third party data centers. Zuora does not currently report data on water withdrawn or water consumption.
TC-SI-130a.3	Discussion of the integration of environmental considerations into strategic planning for data center needs	As stated in our Environmental Statement, we partner with public cloud infrastructure providers that will minimize the environmental impact of running our compute and data center needs. As of January 2022, we no longer have our own data centers and have reduced our carbon footprint through public cloud. Please refer to p.28 of this report for further details.
Data privacy & freedom of expression		
Code	Accounting Metric	Response
TC-SI-220a.1	Description of policies and practices relating to behavioral advertising and user privacy	Information on our privacy policies can be found at: https://www.zuora.com/privacy-statement/
TC-SI-220a.2	Number of users whose information is used for secondary purposes	Zuora does not use customer information for secondary purposes. In particular: <ul style="list-style-type: none"> We do not use customer's end user data collected by Zuora to provide services to the customer We do not sell ads or transfer data without explicit consent
TC-SI-220a.3	Total amount of monetary losses as a result of legal proceedings associated with user privacy	If applicable, these are disclosed in SEC filings.
TC-SI-220a.4	(1) Number of law enforcement requests for user information, (2) number of user whose information was requested, (3) percentage resulting in disclosure	(1) 0 (2) 0 (3) 0
TC-SI-220a.5	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring	The following countries are blocked from Zuora URLs: Cuba, Iran, North Korea, Sudan, Somalia, Syria Arab Republic, and Yemen In addition, we have added Crimea, Donetsk, and Luhansk regions

Data security

Code	Accounting Metric	Response
TC-SI-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected	(1) Not reported, and none to date (2) not reported, and none to date (3) not reported, and none to date
TC-SI-220a.5	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	<p>This risk assessment addresses the overall security posture of Zuora, Inc. The matrix is designed to meet the following compliance requirements: ISO 27001, ISO 27018, ISO 27701, PCI-DSS, SOC 1, SOC 2, HIPAA Security Rule, General Data Protection Regulation (GDPR) (EU 2016/679), and California Consumer Privacy Act (CCPA).</p> <p>Risk is the occurrence of an unwanted event, or the non-occurrence of a wanted event, which affects Zuora in an adverse way. Risk is realized when:</p> <ul style="list-style-type: none"> • The objectives of the business are not achieved • The assets of the business are not safeguarded from loss • There is non-compliance with organization policies and procedures or external legislation and regulation • The resources of the business are not utilized in an efficient and effective manner • The confidentiality, integrity, and availability of information is not reliable • Fraudulent activity/transactions are performed <p>Note: Zuora's contracts and terms and conditions of the service detail ownership of intellectual property. Zuora does not own any Customer Data. Customer, not Zuora, shall have sole responsibility for the accuracy, quality, integrity, legality, and intellectual property ownership or right to use all Customer Data.</p> <p>There are a number of circumstances in which an information security risk assessment should be carried out and these will vary in scope. In general these are as follows:</p> <ul style="list-style-type: none"> • A comprehensive risk assessment covering all information assets as part of the initial implementation of the ISMS • Updates to the general risk assessment as part of the management review process - this should identify changes to assets, threats, and vulnerabilities and therefore risk levels • As part of projects that involve significant change to the organization, the ISMS or its information assets. • As part of the change management process when assessing whether proposed changes should be approved • On major external change affecting the organization which may invalidate the conclusions from previous risk assessments e.g. changes to relevant legislation • If there is uncertainty regarding whether a risk assessment is appropriate, the organization should err on the side of caution and carry one out

Recruiting & managing a global, diverse, & skilled workforce

Code	Accounting Metric	Response	
TC-SI-330a.1	Percentage of employees that are (1) foreign nationals and (2) located offshore	Not publicly disclosed	
TC-SI-330a.2	Employee Engagement as a percentage	71%	
TC-SI-330a.3	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	Management	Total Company
		Gender Representation <ul style="list-style-type: none"> • Women: 30.8% • Men: 68.7 % • Undisclosed: 0.5 % 	Gender Representation <ul style="list-style-type: none"> • Women: 32.7% • Men: 66.3% • Undisclosed: 1%
		Racial/Ethnic Representation <ul style="list-style-type: none"> • White: 47.1% • Asian/Asian American: 14.6% • Black/African American: 2.5% • Hispanic/Latinx: 3.2% • Two+ races: 1.3% • American Indian/Alaskan Native: 0% • Native Hawaiian/Pacific Islander: 0% • Undisclosed: 30.6% • Do not with to answer: 0.6% 	Racial/Ethnic Representation <ul style="list-style-type: none"> • White: 32.5% • Asian/Asian American: 19.8% • Black/African American: 5.1% • Hispanic/Latinx: 3.7% • Two+ races: 1.4% • American Indian/Alaskan Native: 0.3% • Native Hawaiian/Pacific Islander: 0% • Do not wish to answer: 1.2% • Undisclosed: 35.9%
		(1) Management means Director and above (2) Representation & Gender are global statistics; Ethnicity data is for the United States only (3) Numbers may not total 100% due to rounding (4) For purposes of this report, underrepresented groups are defined as women globally and US-based employees who self-identify as Asian, Black or African American, Hispanic or Latinx, Native American or Alaska Native, Native Hawaiian or Pacific Islander, or two or more races	

Intellectual property protection & competitive behavior

Code	Accounting Metric	Response
TC-SI-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	None

Managing systemic risk from technology disruptions

Code	Accounting Metric	Response
TC-SI-550a.1	Number of (1) performance issues and (2) service disruptions; (3) total customer downtime	From time to time, Zuora experiences minor performance issues and service disruptions that affect the use of its products. These issues are rare, and the performance issues and service disruptions that Zuora did experience in the fiscal year ended January 31, 2023 did not have a material impact on its business. For further details on specific incidents, please refer to https://trust.zuora.com .
TC-SI-550a.2	Description of business continuity risks related to disruptions of operations	In the event of a disaster, Zuora services will not be down for more than four (4) hours for Zuora and six (6) hours for Zuora Revenue. In addition, Zuora and Zuora Revenue will not lose more than 15 minutes of transactions committed by Zuora's or Zuora Revenue's customers.

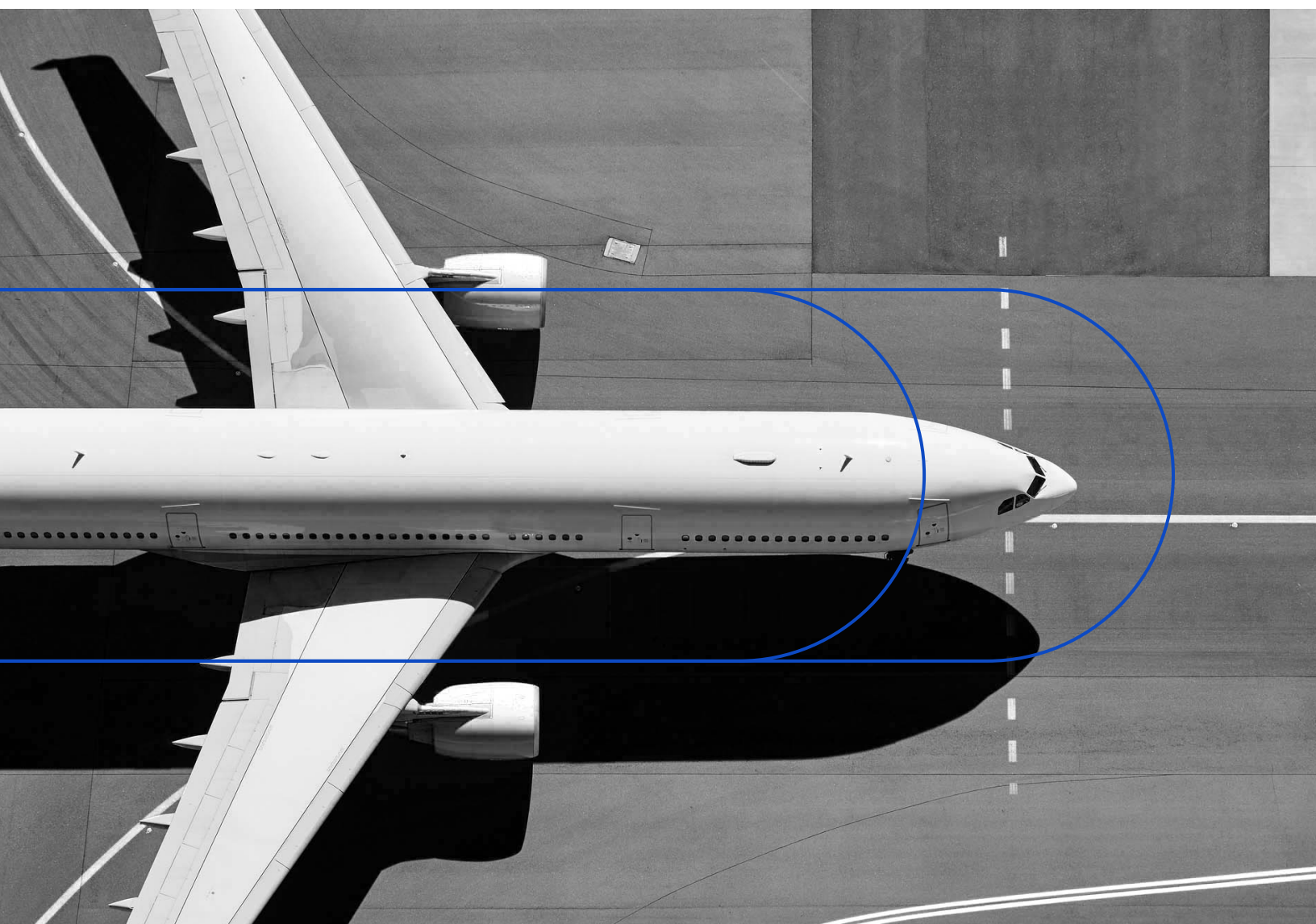
Table 2: Activity metrics

Code	Activity Metric	Response
TC-SI-000.A	(1) Number of licenses or subscriptions, (2) percentage cloud based	We have over 1,000 customers. All are cloud based.
TC-SI-000.B	(1) Data processing capacity, (2) percentage outsourced	All processing is done in the cloud. At this time, we choose not to disclose the data processing capacity as this information is sensitive and proprietary in nature.
TC-SI-000.C	(1) Amount of data storage, (2) percentage outsourced	All data storage is hosted in the cloud. At this time, we choose not to disclose the data storage capacity as this information is sensitive and proprietary in nature.

Forward-looking statements

The report does not cover all information about our business. References in this report to information should not be construed as a characterization regarding the materiality of such information to our financial results or for purposes of the U.S. securities laws. The information covered by the report contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding our ESG goals, commitments, and strategies and related business impacts. These statements involve risks and uncertainties, and actual results may differ materially from

any future results expressed or implied by the forward-looking statements. More information on risks, uncertainties, and other potential factors that could affect our business and performance is included in our filings with the SEC, including in the “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” sections of the company’s most recently filed periodic reports on Form 10-K and Form 10-Q and subsequent filings. We assume no obligation to update any forward-looking statements or information, which speak as of their respective dates.



About Zuora & contact information

About Zuora, Inc.

Zuora provides a leading monetization platform for recurring revenue businesses across all industries, enabling companies to unlock customer-centric business models. After starting with Zuora Billing in 2007, Zuora's award-winning multi-product portfolio now also includes Zuora Revenue, Zuora Collect, and Zephra, all powered by the Zuora Platform. Zuora serves as an intelligent hub that monetizes and orchestrates the complete quote to cash and revenue recognition process at scale. Through its industry leading technology and expertise, Zuora helps more than 1,000 companies around the world, including BMC Software, Box, Caterpillar, General Motors, Penske Media Corporation, Schneider Electric, Siemens and Zoom nurture and monetize direct, digital customer relationships. Headquartered in Silicon Valley, Zuora operates offices around the world in the Americas, EMEA and APAC. To learn more about the Zuora monetization platform, please visit www.zuora.com.

Investor Relations

Luana Wolk

Email: investorrelations@zuora.com

Phone: 650-419-1377

Media Relations

Margaret Pack

Email: press@zuora.com

Phone: 619-609-3919





© 2023 Zuora, Inc. All Rights Reserved. Zuora, Subscribed, Subscription Economy®, Powering the Subscription Economy®, and Subscription Economy® Index are trademarks or registered trademarks of Zuora, Inc. Third party trademarks mentioned above are owned by their respective companies.