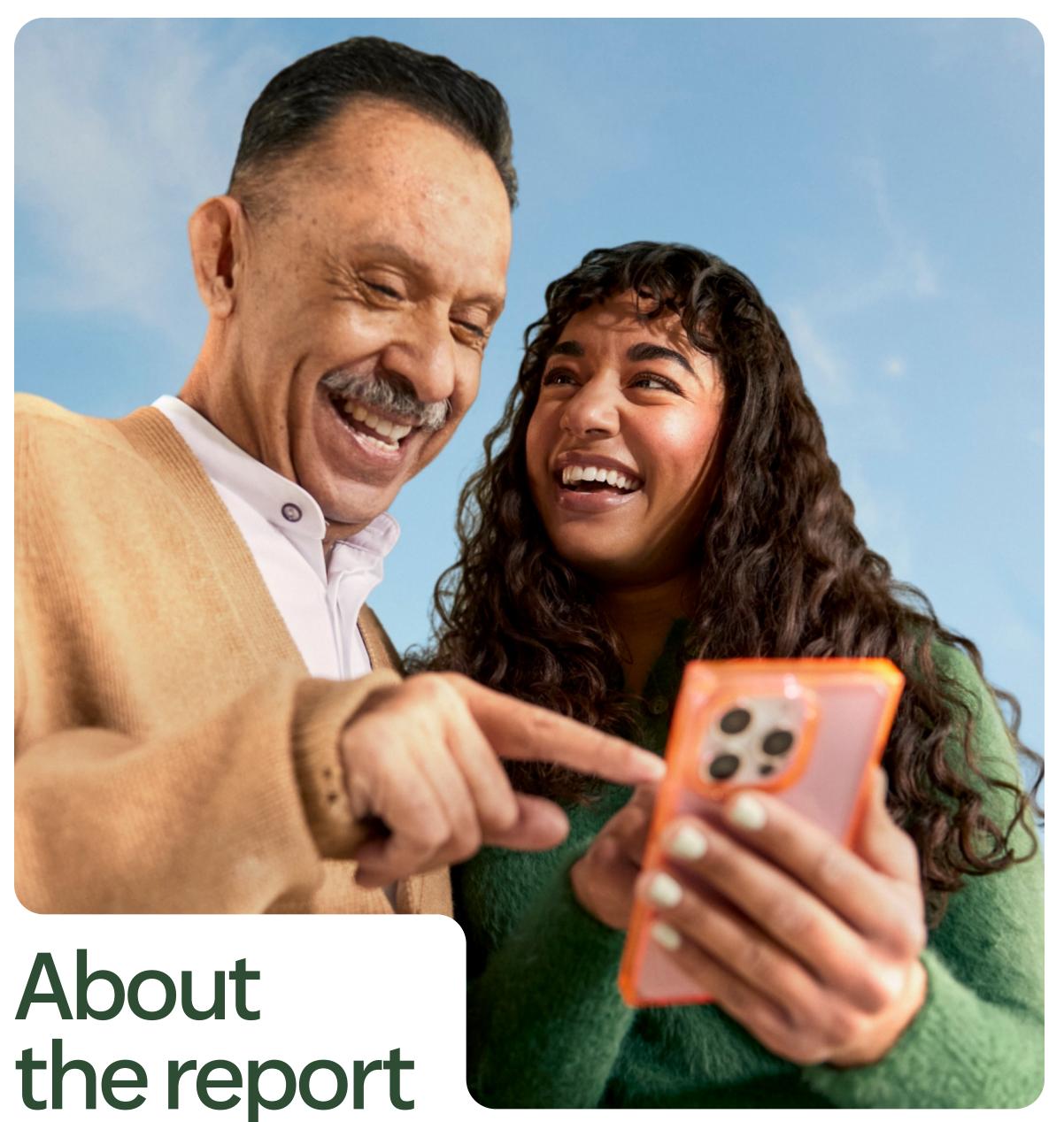


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This is the sixth annual Zendesk report on our responsible business practices as an innovative leader in the AI for service industry. The data shared in this 2024 Global Impact Report is limited to the company's operations for our fiscal year 2024 (January 1, 2024, through December 31, 2024, unless otherwise noted). The data in this report may contain figures that are approximated or rounded based on the best measurements available. Zendesk formalizes oversight of environmental, social, and governance (ESG) matters by convening our ESG Committee of senior leaders to provide guidance and review of our responsible business priorities. These priorities and progress are also reviewed by the Audit Committee of the Zendesk Board of Directors.

The contents of this report are informed by the Global Reporting Initiative (GRI)
Standards, the Sustainability Accounting
Standards Board (SASB) Software and IT
Services Standard, and the United Nations
Global Compact (UNGC). Performance
metrics are available in the appendix. The
metrics and quantitative data are not based
on generally accepted accounting principles
and have not been audited.

The information and data in this report does not indicate that such information, or data,

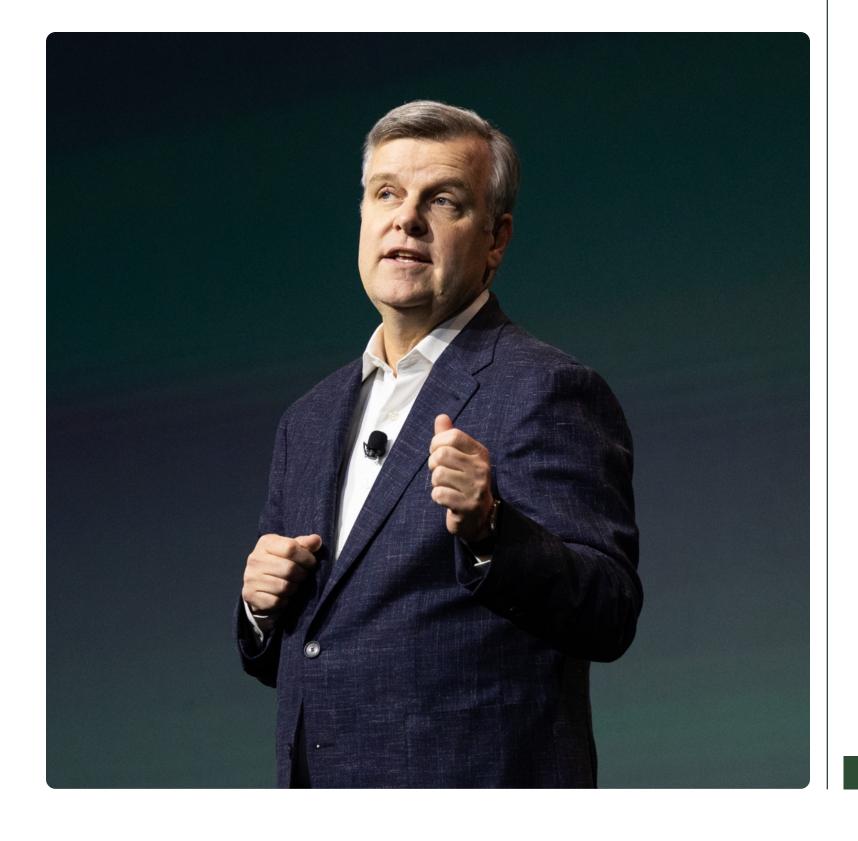
or the subject matter of such information or data is material to Zendesk for purposes of applicable securities laws or otherwise.

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

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

# Amessage from our CEO

Tom Eggemeier CEO. Zendesk



# Being a responsible business is embedded in who we are as Zendeskians.

At Zendesk, we believe that our success is not only measured by our financial performance, but also by the positive impact we have on our customers, communities, our people, and our planet. As we reflect on the past year, I am proud to share the progress we have made and the steps we are taking to build a more responsible future as we lead AI for service innovation.

Being a responsible business is embedded in who we are as Zendeskians.

Whether it is operating with integrity, reducing our environmental footprint, enabling our customers to achieve their business goals, investing in

our workforce, or supporting the communities where we live and work – we are committed to doing business the right way.

This report outlines our efforts and achievements in these areas, as well as the goals we have set for the future. Although this brief report does not capture everything, it reflects the direction we are headed, and the values that guide us along the way. I am grateful to our employees, partners, and customers for remaining engaged in our efforts.

Together, we are building an innovative future – one that we can all be proud of.

## About Zendesk

Zendesk powers exceptional service for every person on the planet. As a leader in Alpowered service, we offer the Zendesk Resolution Platform, designed to redefine customer experience with advanced tools that integrate Al Agents, a comprehensive knowledge graph, actions and integrations, governance and control, measurement and insights, and human expertise. Our purpose-built platform enhances service by combining automation and human insight for seamless interactions.

Easy to use, easy to scale, and easy to get value from, Zendesk helps companies strengthen relationships, improve efficiency, and grow.

Learn more at www.zendesk.com.



#### **Sustainable Development Goals Alignment**

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





2 ZERO HUNGER

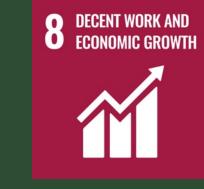
















13 CLIMATE ACTION

















Our priority is to provide exceptional service grounded in ethical and responsible practices. We are committed to implementing strong governance policies and practices that support our employees, customers, and wider communities. Our focus on thoughtful corporate governance is critical to fostering an environment conducive to ethical behavior, integrity, and oversight.

We firmly believe that for us to achieve stable, long-term growth, we must regularly improve our environmental footprint and impact on the communities we operate in. We recently completed a double materiality assessment and the topics considered to be material guide our strategy for risk mitigation.

Delivering on our commitments and improving our responsible business practices and ESG impact are important to our customers and key to meeting their expectations. Our ESG committee provides governance and oversight and ensures coordination and best practice implementation across various governance, risk, and compliance functions at Zendesk.

# Data privacy and trust

To learn more, please visit our Trust Center.

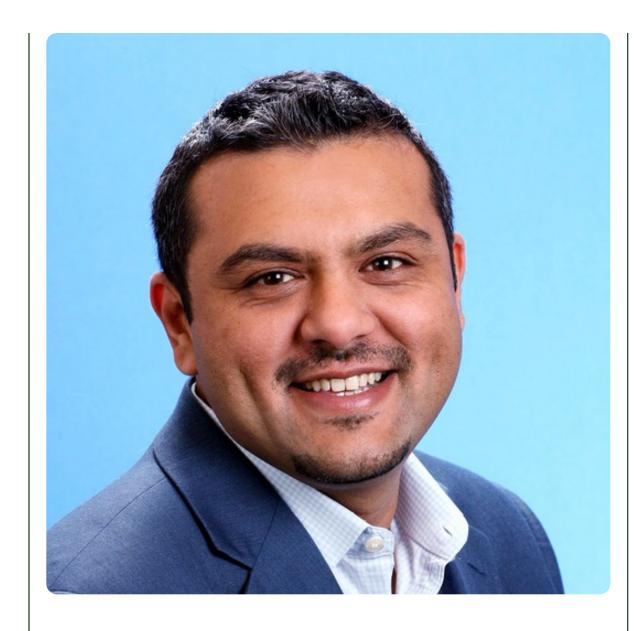
Trust sits at the heart of all customer relationships. Zendesk customers — who come from diverse sectors like financial services, ecommerce, healthcare, and technology — trust our platform with large amounts of personal information. Overseen by our Audit Committee and guided by our Privacy Legal function, we drive responsible data practices through our Data Governance, IT, Engineering, and G&A functions.

On the information security front, a dedicated Cybersecurity Committee of our Board of Directors partners with our Chief Trust and Security Officer (CTSO) who,

through an information security organization, leads our security strategy, policy, and processes.

To proactively counter cybersecurity threats, our cybersecurity teams lead the charge in identifying, triaging, and remediating security issues across our products, infrastructure, and personnel.

We keep our Board updated on potential threats to our business and how we plan to manage them. The Audit Committee and Cybersecurity Committee update our Board about these risks.



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

Vinay Patel, SVP, Chief Trust & Security Officer, Zendesk

We possess several security-related certifications, including SOC 2 Type II, ISO 27001, ISO 27018, ISO 27701, HDS, and FedRAMP authorized with Low Impact Software-as-a-Service (LI-SaaS).

These certifications and our approach are evidence of our dedication to top-notch security for customer data. We take pride in our global data protection and privacy program, which we continually strive to improve, and currently includes certification to the EU-US Data Privacy Framework, UK Information Commissioner's Office Binding Corporate Rules, and Irish Data Protection Binding Corporate Rules.

The Zendesk Trust Center offers comprehensive details about how we maintain customer trust through our security and privacy standards. Within our products, we also offer a number of privacy-protective features, such as redaction, data retention schedules, and the ability to choose the region where customer data is hosted.

Security-protective features include access management settings, login alerts, and multi-factor authentication. At Zendesk, we trust in our security infrastructure, which is reviewed by independent third-party experts, to help our customers build a secure environment for their information.



At Zendesk, we believe that businesses should be a force for good. Through our social impact programs, we activate our resources to further our nonprofit partners' missions and empower our employees to become active global citizens. We focus our efforts on areas that we are uniquely suited to support. Zendesk has made a tangible difference in our communities globally — we invest in nonprofits with Zendesk Foundation grants, share our expertise through our employee engagement programs, and donate products via our Tech for Good program.



#### Halo Awards

Zendesk and its Tech for Good partner, the International Rescue Committee (IRC), have won two Engage for Good Halo Awards for their exceptional contributions to corporate social impact initiatives through the Signpost Project. The Halo Awards annually celebrate partnerships between companies and nonprofits that combine their resources to make a real difference for a specific cause. In 2024, Zendesk and the IRC were honored with both the Best Tech for Good Initiative and Best Emergency Response Initiative awards.



#### UN SDG Action Awards

Through our partnership with the International Rescue Committee and their global Signpost project, the IRC was awarded the "Connect" award at the UN SDG Action Awards in 2023, in recognition of its work supporting and empowering millions of people on the move with timely, accurate, and often life-saving information.

Signpost is uniquely positioned to help people in crisis, wherever they may be from Tanzania to Mexico, from Italy to Ukraine - and has reached over 60 million people so far.



## Zendesk Foundation

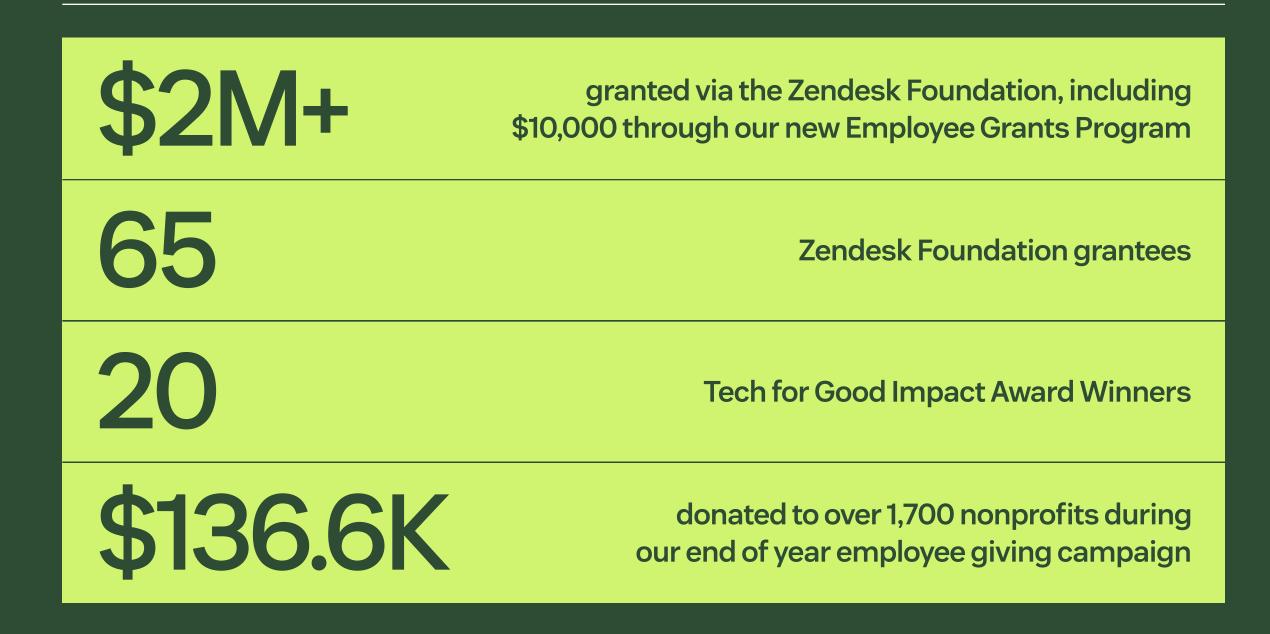
The Zendesk Foundation seeks to connect Zendesk resources with nonprofit organizations addressing complex social problems.

Since 2015, Zendesk and the Zendesk Foundation have donated over \$19 million to organizations around the world that are fostering community, promoting resilience in times of crisis and creating career pathways into technology.



Blobal Impact Report

#### 2024 Impact



# Meet our grantees







### Fostering community: <u>TECHO</u>

This year, our grantees included TECHO, a Latin American nonprofit organization that works in informal settlements to create system-changing solutions to end poverty. They mobilize young people to fight extreme poverty through the construction of transitional housing and community development programs. Their solutions include building housing, installing water and sanitation, and creating infrastructure for mobility and community spaces.

As part of our partnership, our Mexico City employees participated in a community development build where over two inspiring days, they came together to build two homes for two incredible families. It was a hands-on experience filled with learning, teamwork, and purpose — and most importantly, it was about creating a real impact, one plank of wood and nail at a time. The team also brought along a little extra love — donating dog food to help feed the dogs living with one of the families, and adopted three puppies.

#### Promoting resilience: International Rescue Committee

Unfortunately, crises and disasters occur far too frequently. That's why we support organizations dedicated to providing swift emergency relief and championing human rights and health.

In 2024, the Zendesk Foundation granted to the International Rescue Committee (IRC) and its efforts to provide emergency relief wherever it is urgently needed, and help communities around the world. The IRC has established programs that innovate and support people to survive, recover, and rebuild their lives including Signpost, IRC's community-led digital information service that empowers its clients in times of crisis.

#### **Creating career pathways into technology: KindWork**

The Zendesk Agents of Change program supports nonprofits that provide upskilling and certification to address opportunity gaps for everyone. Our longest-standing Agents of Change partner, KindWork, has helped over 100 certified graduates secure jobs, collectively earning more than \$5.1 million annually.

A majority of these graduates are hired by Zendesk customers, demonstrating the strong alignment between KindWork's training and employer needs.

With support from the Zendesk Tech for Good program, and a grant from the Zendesk Foundation in 2024, KindWork created a simulated company environment where students gain hands-on experience managing support tickets and customer interactions using Zendesk tools. This practical approach prepares graduates to confidently enter the workforce.

KindWork now uses the full suite of Zendesk products to train students, which helps keep program costs low while also enabling them to provide additional support such as cash assistance and equipment.

The Zendesk Foundation supports nonprofit organizations that support their communities and help people thrive. We aim to pair our grant funding with employee volunteers, with the goal of building communities wherever we are.

## Employee engagement

Volunteering is a core part of Zendesk culture and our focus this year was to develop in-person and virtual volunteering opportunities that allowed Zendesk employees to meet, support and connect with people in their community.

In 2024, over 730 employees continued to invest their time and expertise in causes they cared about by volunteering over 6,300 hours with over 90 global nonprofits.

#### Social Impact Week

Employees across the globe came together in October to volunteer both in-person and virtually for the third annual Zendesk Social Impact Week. With 31 events across 12 of our Zendesk offices, volunteers spent over 1,000 hours to give back to a range of causes and nonprofits, including:





San Francisco



Space Updates

**Mexico City** 



### Donation Sorting

Melbourne

Employees sorted and packed hygiene supply kits and holiday care packages with <u>Compass Family</u>
<u>Services</u>, a nonprofit that provides a wide variety of human services to homeless and at-risk of homelessness families.

Volunteers rolled up their sleeves and painted classrooms and common areas at <u>Sin Fronteras</u>, a nonprofit dedicated to advocating for the human rights of migrants, refugees, and asylum seekers in Mexico.

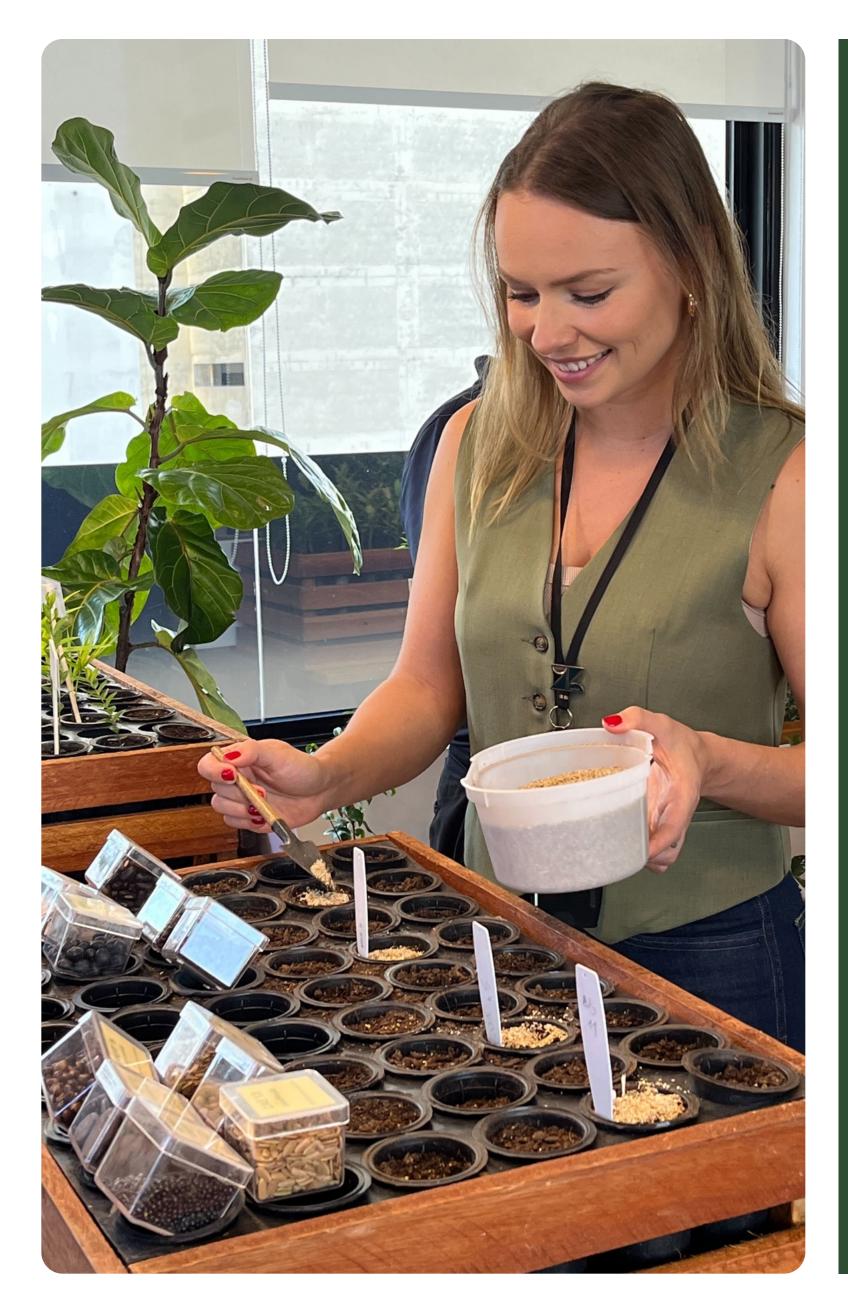
Volunteers at Our Village spend the day sorting donations, organizing supplies, or lending a hand with packaging to rehome new and preloved baby goods and nursery equipment to families in need.

## Social Impact Council

## Pro Bono volunteering

Our Social Impact Council is our dedicated program for Zendesk leaders who are passionate about empowering all employees to take action and give back. These leaders partner with local nonprofits to create meaningful volunteer opportunities for employees to help serve the needs of community partners.

Through our Pro Bono Volunteer program, we're able to connect employee expertise with nonprofit demand. Truly bridging the gap between a nonprofit's needs and our Al for service innovation expertise. These pro bono opportunities are not only fulfilling for employees, but they have a dramatic impact on our nonprofit partners. Many of these opportunities have the simultaneous benefit of supporting some of our Tech for Good partners. In supporting these partners, employees can gain a strong grasp of our products while also utilizing them for societal benefit.



### 2024 Impact

129

Pro Bono volunteers

1,177

Pro Bono hours volunteered

\$247,170

in value of Pro Bono volunteering

42

Pro Bono projects completed

## Tech for Good

We believe that technology has the potential to transform lives - particularly for our most vulnerable populations.

That's why Tech for Good collaborates with innovative nonprofits to provide them with free access to Zendesk's complete customer service solution, financial grants, and pro bono support, powering exceptional service for every person on the planet.

To date, Zendesk has donated over \$37 million in product to more than 140 nonprofit organizations worldwide, reinforcing our commitment to driving positive social change through technology.

#### 2024 Impact

140+	nonprofits supported globally
\$13.5M	in donated software
595K	nonprofit beneficiaries supported
768K	knowledge base views
1.1M	tickets solved
20	Impact Award winners
\$375K	granted to Impact Award winners

# Here are four ways nonprofits use Tech for Good

1. MyAgro, supports smallholder farmers in West Africa in achieving food security, climate resilience, and economic empowerment. Since 2023, Zendesk has helped myAgro streamline internal operations, enabling teams to work more efficiently and focus on their mission to serve one million farmers by 2027.

"Using Zendesk's platform, this partnership has also served as an opportunity to improve myAgro's internal operations, helping our teams function more efficiently and better focus on our mission." says Shane Salanger, Director of Development.

With response times now averaging 1-2 days, Zendesk reporting tools also provide valuable insights into support trends, helping myAgro continuously enhance employee experience and operational efficiency.

2. <u>Closegap</u> empowers schools to support student mental health through an evidence-based, educator-informed approach to well-being. Using Zendesk, Closegap has scaled its support with a Help Center and Resource Center that address common questions, reducing repetitive emails.

"The Help Center and Resource Center we created on Zendesk have helped scale our support because so many of those articles answer questions that would repeatedly come in as an email," says Andi Thieman, Director of Operations.

With 73% of tickets resolved in one touch, an average resolution time of 80 hours, over 9,000 knowledge base views, and 800+ new users supported, Zendesk helps Closegap reach more schools and students effectively.

3. FreeWorld is a tech-enabled nonprofit dedicated to ending generational poverty and recidivism by accelerating economic mobility for returning citizens. Supporting both applicants and participants, FreeWorld uses Zendesk to manage communications and streamline their program journey.

"FreeWorld has been using Zendesk as our communication platform to engage with thousands of clients all across the country since 2023. Every day, we are supporting formerly incarcerated individuals to get credentials and careers. The funds and software donated by Zendesk have helped us answer 225,000+ student questions, train and place 1,500+ returning citizens into living wage jobs, and create over \$400M in economic impact," says Benjamin Bechtolsheim, Chief Operating Officer.

Since 2021, over 19,000 returning citizens across 42 states have applied, highlighting the vital role FreeWorld plays in supporting vulnerable communities as they rebuild their lives. In the past year, Zendesk infrastructure supported over 46,000 knowledge base views and solved over 110,000 tickets, FreeWorld efficiently scales its impact.

4. <u>Migrasia</u>, uses Zendesk to power their Migrant Worker Support System and Al chatbot, PoBot, which offers multilingual, real-time assistance on legal, financial, and mental health challenges for migrant workers across 50+ jurisdictions.

"Zendesk volunteers helped us streamline our usage and identify automation opportunities with PoBot, improving client intake and triage efficiency," says Paras Kalura, COO.

In 2024, Migrasia's team solved over 1,700 tickets with a 98%+ satisfaction score. Zendesk consolidates client data into a unified view, enabling Migrasia to better support vulnerable migrant workers and promote fair recruitment practices across Asia, Europe, and the Middle East.

## Impact Awards

In 2024, Tech for Good hosted the third annual Impact Awards, an open application program inviting nonprofit organizations worldwide to showcase their impact and request Zendesk software and grant support.

Several members of the Zendesk Social Impact Council reviewed more than 400 applications. The Zendesk Social Impact team narrowed the pool to 20 final Impact Award winners, who all received grants ranging from \$10,000 to \$50,000 from the Zendesk Foundation and access to free Zendesk software.

All awardees use Zendesk's complete customer service solution to help them scale operations, increase efficiencies, empower more clients, and drive greater impact.

### 2024 Tech for Good Impact Award winners

AMER

Develop for Good
Digital Nest

<u>Digital Nest</u>

<u>Justicia Lab</u> Human Rights First

Borderlands Resource Initiative

U.S. Chamber of Commerce Foundation

**APAC** 

Red Dot Foundation

Magic Bus India

**EMEA** 

Wastezon

Mobiklinic Hello World

**Forward**·Inc

LATAM

Bean Voyage

Aquí Estoy Chat {reprograma}

CENACED

**GLOBAL** 

Mercy Corps

**FINCA International** 

**Talent Beyond Boundaries** 

Vitala Global

# Agents of Change

The Zendesk Agents of Change program partners with nonprofit organizations across the globe that offer workforce development training and upskilling services.

The program provides grant funding, donated Zendesk software, and free certification exams to nonprofit organizations so they can provide skills-based learning to students from underserved communities. Since its inception, the program has generated nearly \$6M in wages for its hired graduates.



2024	<b>Impact</b>	
<b>2UZ4</b>	IIIIDaCi	

14	Agents of Change partners
\$800K+	in donated software
161	agents certified
70	graduates hired
\$60K+	in donated certification vouchers
\$1.8M	wages earned



At Zendesk, we are committed to fostering a culture of belonging that supports every employee's well-being and success. We believe engagement fuels innovation and drives better outcomes for our customers, employees, and communities worldwide. We recognize that fostering a culture of belonging starts with prioritizing employee well-being, meaningful connections, and career growth opportunities for all.

In 2024, we deepened our investment in fostering a culture of belonging by expanding access to professional development opportunities, strengthening employee networks, and reinforcing inclusive policies. As part of our long-term commitment to driving sustainable change, we have taken the following key actions:

# Strategic investment in employee communities (ECs)

# Learning and development opportunities

## Align performance, assessment, rewards

## Continued partnerships

These employee-led networks provide opportunities for individuals to connect, share experiences, and collaborate on initiatives that advance belonging within the company. ECs serve as a platform for personal and professional growth, creating opportunities for mentorship, networking, and advocacy - and they are open to all employees.

By leveraging platforms like LinkedIn Learning, BetterUp, and our global mentoring program, employees have access to a wide range of resources for personal and professional growth, empowering them to enhance their skills and reach their career goals.

We also created the Zendesk Accelerator Program, which provides an intensive, company-values-based career development experience for our leaders, and clear expectations for our responsible business practices.

Zendesk believes every employee can benefit from AI tools - just as many of our customers benefit from our AI for service innovation. Our core belief in building careers and raising performance for all is best represented by the alignment of our performance, calibration and rewards activities into one annual process; ensuring all employees receive consistent performance and career planning that aligns with both performance calibration and rewards decisions.

We will continue to partner with organizations such as <u>Disability:IN</u> to ensure workplace experiences are accessible to all employees. These partnerships help us drive meaningful improvements in workplace accessibility, inclusive hiring practices, and leadership development.

# Commitment to fair pay and transparency

At Zendesk, we have a commitment to fair pay and transparency for our employees.

While many countries require us to report on the gender pay gap, we look at pay equity as a way to evaluate employees receiving the same compensation for performing the same or comparable work, regardless of gender and background. Pay equity takes into account differences in skill level, experience and performance to determine an individual's fair pay.

We believe that pay equity is a more accurate measure of fair pay and as such we regularly monitor and proactively address statistical disparities identified in our annual review of employees' base pay, bonus and commission targets and long-term incentives to ensure pay equity. We utilize a third-party platform to perform an annual assessment of our pay equity

position and review our annual review cycle outcomes to ensure that increases are not creating an imbalance in pay equity as we allocate raises to our employee population.

We further support our pay equity and transparency process by providing employees visibility to their pay ranges and encouraging them to discuss pay level and position with their leader.

In addition, we annually review our entire total rewards programs and practices as we are dedicated to ensuring that our workforce receives fair compensation for their efforts and impact, encompassing competitive base wages, additional compensation elements, and benefit programs.





# Zendesk named one of America's Greatest Workplaces 2025

Our 2024 efforts led to Zendesk being recognized as one of America's Greatest Workplaces in Tech by Newsweek and Plant-A Insights Group. This ranking evaluates companies based on extensive employee feedback, corporate culture, leadership, compensation, and work-life balance, gathered through over 400,000 interviews and millions of reviews. Among large U.S. software and technology companies, Zendesk received recognition for its focus on employee engagement and workplace satisfaction. Zendesk also appears in Newsweek's list of America's Greatest Workplaces in Tech.

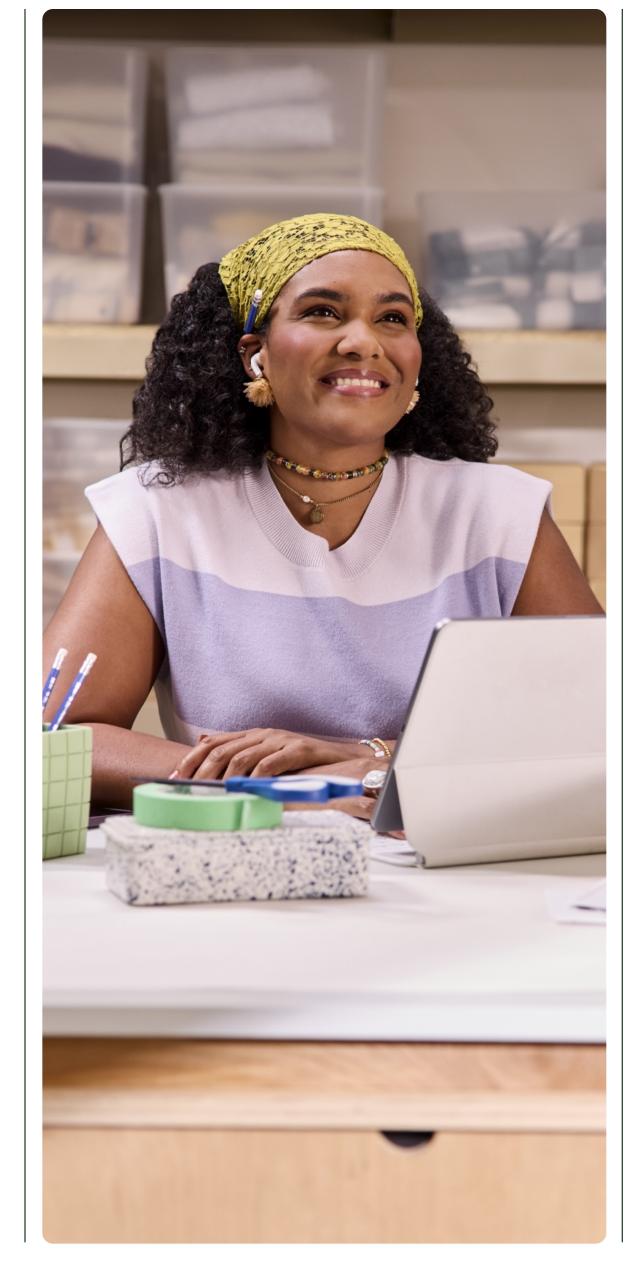
# Total rewards parity

# Flexible working arrangements

We maintain organizational minimums for certain benefits and leave programs, such as long term illness and disability coverage, to ensure all employees have adequate support when experiencing unexpected challenges even when country regulations do not require such support. We also continue global parental programs that support family formation in traditional and non-traditional ways, including paid time off, adoption and surrogacy support, and new child transition support resources.

Our hybrid working models help employees maintain strong connections with their teams while providing employees control over their schedules and work environments, enhancing work-life balance.

Each employee at Zendesk can expense up to \$90 USD per quarter for in-person or virtual activities with coworkers. We also provide one paid 'Recharge Friday' per quarter as part of our well-being program. We have a variety of leave options, including military leave, parental leave, emergency time off leave, bereavement leave, and recharge leave. Our recharge leave program offers employees four weeks of paid leave following every five years of continuous service.



# Commitment to a culture of belonging

Finally, our commitment to belonging is reflected in our employee listening strategy. Through annual surveys and listening circles, we gather employee insights that inform business decisions, improve engagement, and drive organizational growth. This approach positions Zendesk to attract top talent, empower employees, and strengthen our long-term ambitions as a company.

See Appendix for more details on survey results.

## Accessibility

3

We want individuals using assistive technology to have a successful and positive experience when they're accessing Zendesk. The customer service industry provides employment for millions, so our technology must be accessible. If people cannot utilize our technology, they may miss out on job opportunities.

Additionally, as the provider of customer service software for other companies, we have a responsibility to ensure their customers can get help, regardless of how they access technology or experience the world.

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

In 2024, accessibility continued to be a top priority:

By striving to deliver accessible products, we can drive disability inclusion at scale across our product ecosystem—with our customers and, in turn, their customers.

We are consistently enhancing the quality of our end-user, admin, and agent-facing interactions. Our teams are responsible for adhering to best practices across the entire product cycle, from initial design to the final testing phase.

To identify and address potential barriers, we conducted third-party audits, reviewed customer feedback, user research, internal manual and automated testing, and internal usage of the products using assistive technology.

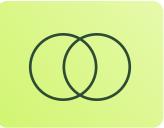


The world is facing unprecedented systemic environmental challenges that affect communities, businesses and ecosystems. Climate change, biodiversity loss and ecosystem degradation, resource overconsumption and waste are just a few examples of the highly complex challenges we face globally. This moment presents both a challenge and an opportunity to rethink how we create long-term value. Sustainability is a complex issue, and we stand at a critical moment to help shape a future that is more equitable, resilient and sustainable. At Zendesk, we believe companies play a critical role in building that future, and are committed to doing our part to help create a more sustainable, thriving planet. We aim to deliver more customer value for operational efficiency and reduce operational risk through our efforts.

One of the ways we are committed to doing so is by decarbonizing our entire value chain and contributing to the 1.5°C-aligned future. By harnessing our "Reduce, Mitigate, and Accelerate" strategy, we integrate environmental sustainability into key aspects of our business. This includes, not only our workspace, product development, cloud operations, but also our supply chain management, and employee travel.



Reduce value chain emissions in alignment with the latest climate science



Mitigate global emissions by purchasing highquality carbon offsets



Accelerate the technology and invest in carbon removal projects

## Environmental goals

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

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

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

# Commitment to emissions reduction

Reducing emissions across our entire value chain has always been a cornerstone of Zendesk's sustainability strategy.

We recognize that achieving meaningful climate action requires going beyond our own operations to address emissions across Scope 1, 2, and 3. Over the past few years, we've taken intentional steps to drive reductions across our footprint. This includes adopting a digital-first strategy to reduce the environmental impact of physical office space and employee travel, as well as purchasing renewable energy and energy attribute certificates for our global office locations.

We've also prioritized emissions reductions in our technology infrastructure by working closely with cloud vendors to consolidate computing resources and migrate to more energy-efficient cloud instances — a critical move given that digital services account for a growing share of global emissions. These actions reflect our belief that climate responsibility must be embedded into how we operate, innovate, and grow. We remain committed to continuous improvement and collaboration across our value chain as we work toward our science-based targets.

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

# Science-based targets (SBTi Validated)

Zendesk recently set its most ambitious goals yet to help combat climate change. These targets were approved by the Science-Based Targets Initiative (SBTi), an organization that promotes best practices in reducing emissions.

The latest climate science shows that to prevent the most devastating effects of climate change, we must ensure the global temperature doesn't get warmer than 1.5°C above pre-industrial levels. By setting SBTivalidated targets, we're contributing to a 1.5°C-aligned future:

 Zendesk commits to reduce absolute Scope 1 and 2 GHG emissions 84.2% by 2030 from a 2019 base year. Zendesk also commits to continue active annual sourcing of 100% renewable electricity through 2030.  Zendesk further commits that 68.4% of its suppliers by emissions, covering purchased goods and services, and capital goods, will have science-based targets by 2027.

This means we will reduce our greenhouse gas emissions from our global offices by 84.2% by 2030, compared to the levels they were at in 2019, and we will continue purchasing renewable energy and certificates equivalent to the amount of electricity we use in our operations. In addition, we will engage our key suppliers to set their own science-based targets.

### Navigating Climate Risks and Opportunities

We've published our <u>first</u> <u>climate risk report</u> and use these learnings to continue striving to be a responsible and innovative business. The Climate Risk Report also aligns with the leading standard Task Force on Climate-Related Financial Disclosure (TCFD).

## Workplace sustainability



Our leased offices and coworking spaces are hubs where our employees collaborate and connect in person. As we update and expand our global office portfolio, sustainability performance is a crucial factor in choosing new locations

#### **Energy operations**

We uphold the highest sustainability standards in both the design and construction of our office spaces. Several of our offices have earned green building certifications (for example, Leadership in Energy and Environmental Design Gold and WELL Gold). Furthermore, we collaborate with our landlords and local utility partners to identify and implement energy-saving measures aimed at reducing emissions. We aim to identify meaningful opportunities to save energy, such as adjusting heating and cooling set points, adjusting startup and setback times, and changing the occupancy mode for weekends and holidays.

#### 100% renewable energy

We continue to target 100% renewable energy across our global offices by enrolling in local utilities' green tariff programs and purchasing high-quality Energy Attributes Certificates (EACs).

We do this because we believe we have a key role to play in accelerating clean energy transition and grid decarbonization.

#### Flex Office program

To improve our remote employees' access to flexible working, in 2023, we implemented a Flex Office program. This helped us expand our access to ondemand.

This program made it easier for our employees to find safe, convenient, and environmentally friendly workspaces close to home; collaborate with their colleagues; and connect to our customers with a minimized carbon footprint from commuting.

# Employee travel

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Since 2022, we've aimed for carbon neutrality on our employees' business travel, commuting, and the emissions associated with them working from home. At Zendesk, we remain dedicated to providing a variety of alternatives that extend well beyond the digital realm.

In 2023, we implemented sustainable travel guidelines to further our commitment to carbon neutral business travel. Integrated into our updated Travel and Expense policy, these guidelines support employees in making conscientious choices, emphasizing essential business travel and prioritizing low-carbon transportation options.

Here are notable highlights:

Environmental sustainability is one of the key objectives of the Travel and Expense policy.

Zendesk employees are encouraged to favor virtual meetings and events when possible and to choose more sustainable transportation methods when planning their travel. Specific sustainability recommendations are included for each type of travel activity, including air, ground transportation, and accommodations.

# Product and engineering

We aim to minimize our carbon footprint by reducing emissions generated from Zendesk's office and product operations and compensating for any remaining or un-abatable emissions using high-quality third party certified carbon credits.

# We are committed to minimizing the carbon footprint of our Al products.

#### Product and engineering

As Zendesk introduces more AI products and features, including Zendesk AI, we want to ensure these innovations are developed and deployed responsibly.

We are committed to minimizing the carbon footprint of our AI products and features, so we have implemented a sustainable AI strategy.

This entails working with cloud providers to gain clearer insights into Al's impact, adopting green engineering practices, and incorporating Al sustainability considerations into our <u>Business Code of</u> Conduct.

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

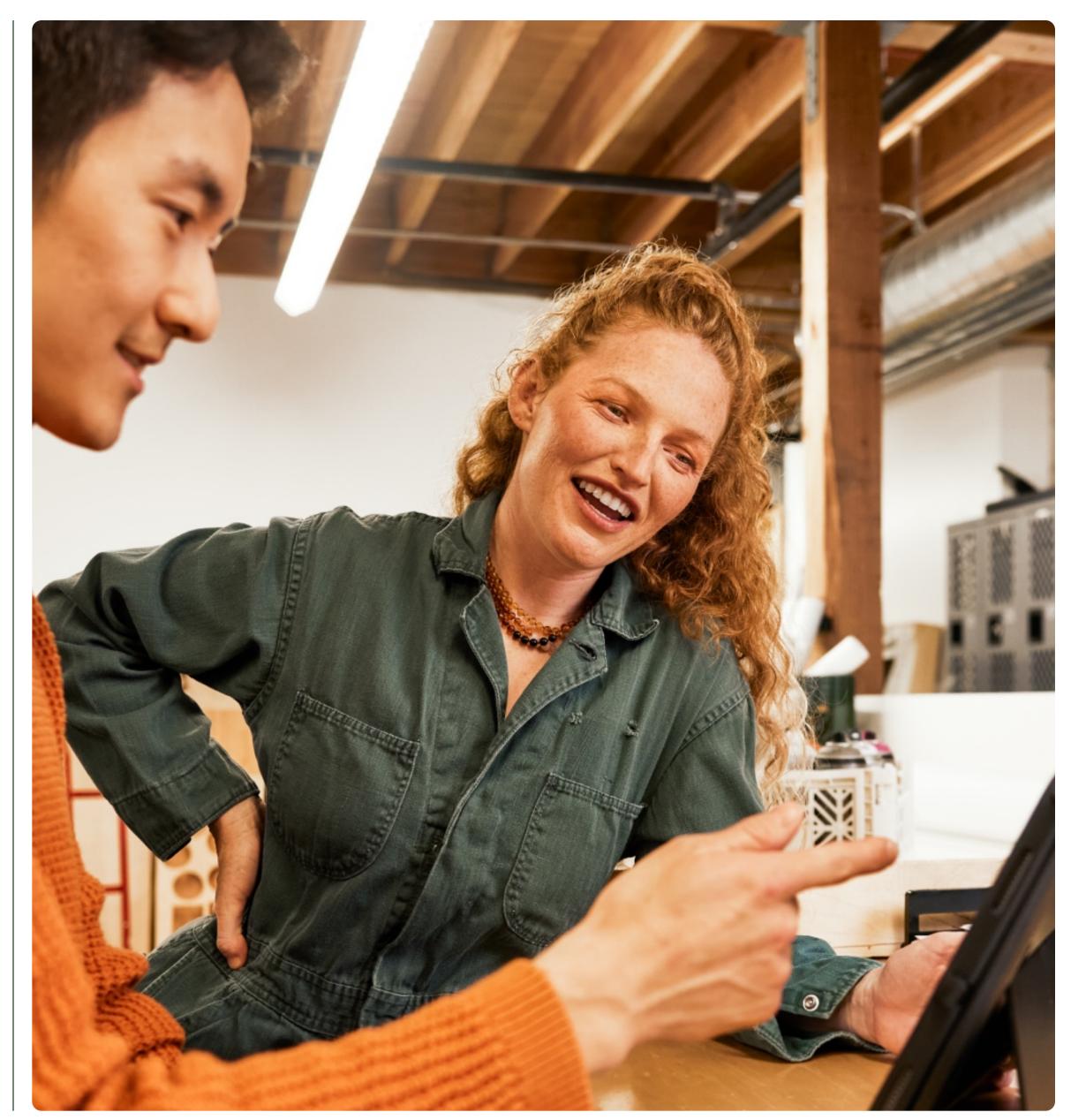
# Supply chain sustainability

At Zendesk, we believe that strong partnership between customers and suppliers is essential for collective success in mitigating the climate crisis.

Through our procurement process, we expect our suppliers to act with the highest ethical standards in accordance with our Supplier Code of Conduct and to collaborate with us in our collective sustainability journey. In 2024, we announced the integration of sustainability clauses into supplier contracts. These clauses formalize expectations for suppliers to set sciencebased emissions reduction targets, disclose carbon footprint data, and comply with all relevant environmental regulations. The clauses will be included in the standard purchasing template, future contract renewals, and major vendor agreements. "As a leader in enhancing customer experience, we recognize the powerful role that customer-supplier relationship can play in protecting our planet.

By implementing the sustainability clauses, we aim to spark much needed climate conversations, help suppliers take meaningful climate actions, and accelerate decarbonization efforts in our supply chain and beyond." -Julie Swinney, CFO, Zendesk

In addition, we launched our second supplier sustainability guide, <u>Advancing Corporate</u>
<u>Climate Action – Carbon Accounting and</u>
<u>Climate Target Setting</u>. The guide helps suppliers measure their environmental impact in alignment with best practices, and put the sustainability clauses into practices. This guide is a continuation of the company's supplier enablement journey, following our first <u>Supplier Sustainability</u>
Guide.



# Carbon offsetting and removal

In addition to reducing our own emissions, we purchase a diverse portfolio of carbon avoidance and reduction credits to offset the residual emissions associated with our products and employee travel.

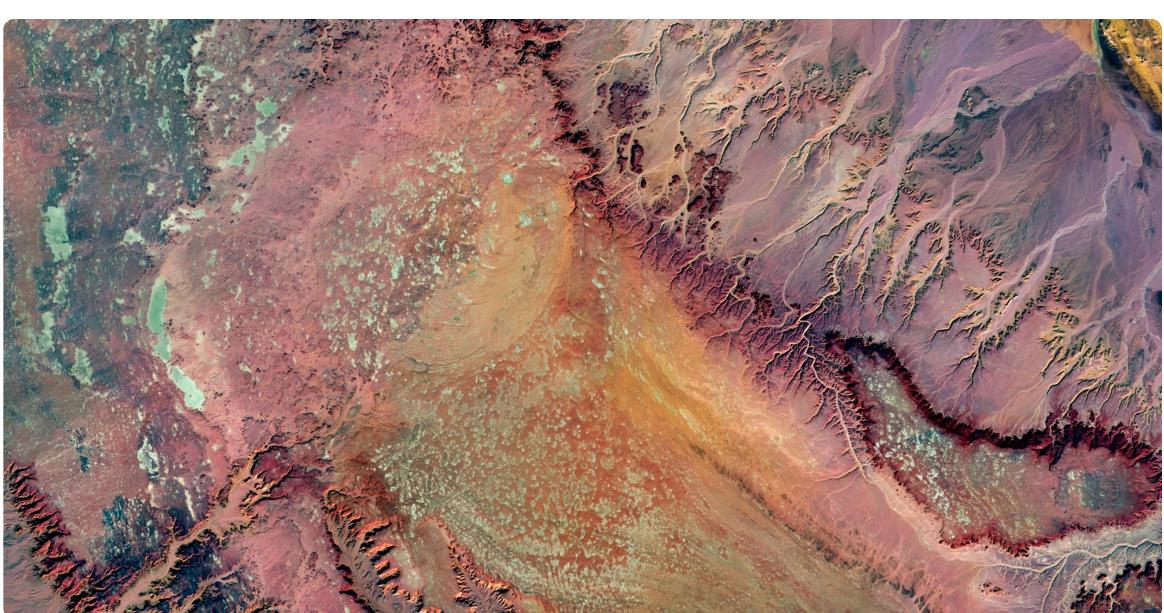
The credits originate from readilyimplementable climate mitigation projects, including areas like energy efficiency, renewable energy, and conservation and restoration of nature.

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



- All our carbon credits align with globally recognized verification standards endorsed by the <u>International Carbon</u> <u>Reduction and Offset Alliance (ICROA)</u>, such as the Gold Standard.
- We partner with <u>Watershed</u>, an enterprise sustainability platform, to measure, report and make real

- emissions reductions to help us be a responsible business.
- To diversify our carbon offsetting portfolio, we also partner with <u>Climate</u> <u>Impact Partners</u>, a carbon market specialist that provides an end-to-end service that delivers high-quality, thoroughly vetted climate projects which reduce carbon emissions, improve health and livelihoods, and enhance biodiversity.



# Supporting cutting-edge carbon removal

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In partnership with other corporate climate leaders in the Frontier community, we aim to use aggregated purchasing power to accelerate the commercialization and growth of early-stage climate technologies, so they can be at the scale needed for the world to achieve net zero in the coming decades. Some of the innovative companies in our carbon removal portfolio include:

Vaulted Deep is a carbon removal company that injects carbon-rich organic waste deep underground for permanent storage.
Vaulted spun out of—and uses core tech from—Advantek
Waste Management, a 10-year old industrial waste management company.

Eion deploys
enhanced weathering
in the Southern and
Midwestern regions of
the United States to
speed up Earth's
natural CO2 storage
processes with the
help of specialized
rocks.

Exergi is a municipal energy major in Sweden. Our purchasing agreement will help the company retrofit their existing biomass energy facilities to capture the carbon emitted during biomass production.

280 Earth leverages a novel system that permanently removes carbon dioxide directly from the surrounding air. Our purchasing agreement will help the company build and operate key operating modules at their pilot facility in Dalles, Oregon.

CarbonRun's solution removes carbon from the atmosphere by adding limestone to rivers, which boosts rivers' natural capacity to extract carbon dioxide from the air. Our purchasing agreement will enable deep research on river liming's safe deployment approaches in various types of rivers.

# Partnering with Pachama to ensure Nature-Based Climate Action



As part of our broader sustainability strategy, we've partnered with <u>Pachama</u>, a leader in using technology to ensure the quality and impact of nature-based carbon removal projects. Recognizing the power of natural ecosystems, Zendesk invests in a diversified portfolio of carbon credits that includes both high-tech carbon removal and high-integrity nature-based projects.

Through Pachama, we are supporting forest restoration efforts in the Amazon and

protecting ecosystems like Delta Mangroves and the Manoa corridor. Pachama's advanced AI and remote sensing tools enable accurate measurement and monitoring, ensuring real environmental impact and transparency.

The partnership empowers Zendesk to meet its carbon commitments confidently, accelerate its decarbonization roadmap, and serve as a model for other companies seeking credible, scalable climate solutions.

Zendesk's carbon offsetting efforts contribute to the UN SDGs.

SUSTAINABLE GEALS
DEVELOPMENT GEALS



We have been awarded a Commitment Badge by EcoVadis.



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## Appendix

Zendesk's voluntary reporting is informed by the below leading frameworks:

- The <u>Sustainability Accounting</u>
   <u>Standards Board (SASB)</u>
   Sustainability Accounting Standard for the Technology and Communications Sector, Software and IT Services industry
- The Global Reporting Initiative (GRI)
   Standards
- The Ten Principles of the <u>United</u> Nations Global Compact (UNGC)

Global Impact Report 34 Business and governance FY 2024 Framework Zendesk, Inc. **GRI 2-1** Organization name San Francisco, California Location of headquarters **GRI 2-1** Our offices around the world Countries of operation **GRI 2-1** Reporting frequency Annual **GRI 2-3** January 1, 2024 - December 31, 2024 Reporting period **GRI 2-3** Products and services Products and services GRI 2-6 Governance structure Our leaders **GRI 2-9** and composition Policy commitments for Policies and Guidelines GRI 2-23 responsible business conduct Policy commitment to Policies and Guidelines GRI 2-23 respect human rights Mechanisms for seeking advice Policies and Guidelines GRI 2-26 and raising concerns Policies and practices Zendesk Data Protection and Privacy relating to targeted advertising TC-SI-220a.1 and user privacy Zendesk Data Protection and Privacy Transparency report TC-SI-220a.4 Approach to identifying and Zendesk Data Protection and Privacy TC-SI-230a.2 addressing data security risks Framework **Social Impact** FY 2024

Charitable donations (Zendesk Foundation) \$2.06M UNGC Principle 1, 2, 4, 8, 10

GRI 203-2

Local community engagement and economic impact

Zendesk Foundation



Engagement with supply chain on climate-related issues

Yes



Our culture and values	FY 2024	Framework	Greenhouse gas emissions Emissions by scope (MTCO2e)	FY 2024	Framework
Employee benefits	Total rewards parity	GRI 401-2	Scope 1 emissions	283	GRI 102-5
Programs for upgrading employee skills	Learning and development opportunities	GRI 404-2	Scope 2 (location-based) emissions	1,071	GRI 102-3
Employee engagement	83% response rate (overall engagement score 72/100)	TC-SI-330a.2	Scope 2 (market-based) emissions	124	GRI 102-6
as a percentage¹	co /o response rate (overall engagement soore / 2/100)		Scope 3 emissions	87,847	GRI 102-7
<sup>1</sup> Two questions that make up the employee engagement outcome: (1) How happy are you working at Zendesk? (2) I would		Scope 3 emissions by category (MTCO2e)			
recommend Zendesk as a great place to work. Data reflects outcomes of the June 2024 Global Employee survey.			Purchased goods and services	38,572	GRI 102-7
Environmental sustainability FY 2024 Framework		Capital goods	3,689	GRI 102-7	
			Fuel and energy-related activities	253	GRI 102-7
Climate change adaptation plan	Climate Risk Report	GRI 102-2	Waste generated in ops	76	GRI 102-7
100% renewable energy goal set	Yes	GRI 103-5	Business travel	38,777	GRI 102-7
UNGC Principles 8, 9	GC Principles 8, 9	Employee commuting	3,741	GRI 102-7	
Discussion of the integration of environmental considerations into strategic planning for data center needs  Commitmental	('ammitment to amissions reduction	TC-SI-130a.3 JNGC Principle 8	Transportation emissions	719	GRI 102-7
		JNOC PHICIPIE 0	Optional Scope 3 employee	3,021	GRI 102-7
Emissions reductions initiatives	Commitment to emissions reduction	102-4 JNGC Principle 8	commute emissions		
Engagement with supply chain			Upstream leased assets	42	GRI 102-7

UNGC Principle 8

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Global Impact Report

Energy	FY 2024	Framework	Electricity consumption and Scope 1 and 2 market-based emissions by city			
Total electricity consumption (MWh)  Electricity consumption covered by	2,550	TC-SI-130a.1 GRI 103-2 TC-SI-130a.1	City By City	Electricity use (MWh)	Other energy use (MWh)	Framework GRI 305-2
Utility green power programs (MWh)  Electricity consumption covered by high-quality EACs (MWh)	41	GRI 103-2 TC-SI-130a.1 GRI 103-2	Berlin Dublin	157 239	608	
Electricity consumption not covered by EACs or Utility green power programs (MWh)	174	TC-SI-130a.1 GRI 103-2 TC-SI-130a.1	Cophenhagen Krakow	50 284	6	
Total energy consumption (MWh)	3,673	GRI 103-2	London Madison	119	131	
			Manila Melbourne	386 153	65	
			Montpellier Montréal	2	106	
			Novi Sad San Francisco	16 893	172	
			Singapore Tokyo	92		