

New Relic 2022 Impact Report



A Word From Our CEO

O4 Who We Are
Our Mission & Values
Our Impact Priorities & Strategy
About Our First Report

Relics
DEI at New Relic
Workforce Development
Future of Work
Employee Health, Safety & Well-Being
Looking Ahead

Data Security & Trust
Data Security & Privacy
Systemic Risks From Technology Disruptions
Emerging Technology & Ethics
Looking Ahead

22 Equitable Access to Tech
Tech for Good Initiatives
Our Commitment to Open Source
Looking Ahead

Environment
Energy & Climate
Operational Environmental Initiatives
Looking Ahead

38 Ethical Business Practices

Appendix
About This Report
GRI and SASB Index and Disclosures
Data Tables

A Word From Our CEO

The events of the past two years have only reinforced why I joined New Relic: we are a company with a tremendous heart and a mission to be the source of truth for every engineer to make decisions every day with data, not opinions—at every stage of the software lifecycle. Software is a major change agent for good in the world, and the engineers who create and service it, just like everyone else, want their work to matter.



Bill Staples
CEO. New Relic. Inc.

By empowering engineers with data to build better software, we are a force multiplier on their ability to support their own company's mission and ignite positive change where they live, work, and play. In-line with that mission we are committed to sustainability and corporate social responsibility.

We strive to embody a growth mindset, to continuously listen to our employees, customers, partners, and peers, and then hold ourselves accountable to steady improvement. We are deepening our commitment to Environmental, Social, and Governance (ESG) initiatives by weaving them into our strategy for our technology, people, and business. Several of our departments have been working toward this goal for years, but I am thrilled to share that we consolidated our efforts as an organization this year with the launch of a formal ESG program, culminating in this, our first ESG impact report.

Our first ESG report is focused on four pillars, encompassing our key material topics: Our Employees, Data Security and Trust, Equitable Access to Technology, and Environmental Impact. We've made ESG a top organizational priority to help ensure a resilient business that also creates positive change in the world. We want to leverage our position and impact to inspire our peers in the technology industry to join us.

If I've learned anything over the past two years, it's that we cannot predict what the future will hold—and we must build our business to be resilient. We strive for every Relic to feel authentic, nurtured, supported, and able to grow with us to achieve their personal and professional goals while positively impacting our mission and the world around them. In 2021, while we continued to navigate the realities of remote work and adapt to Flex First, our new flexible work model, our focus also turned to strengthening our employees' sense of community and connection.

The care Relics show each other every day—even over vast distances—is what sets us apart, and our initiatives around diversity, equity, and inclusion have become the core of our robust people strategy.

Another point of focus for us is around equitable access to technology. New Relic's full-stack observability tools put data in the hands of every engineer, empowering them to drive positive change in the world through the software they plan, build, deploy, and run to deliver amazing digital experiences for their customers, employees, and partners. Better than most, we understand the transformative power of data and technology, but recognize that access to it is unequally distributed. We are doing our part to bridge that gap through our free-tier offerings, open-source software, and social impact programs, all while carefully protecting our customers' security and privacy.

In fiscal 2022, we made significant efforts to build ESG and put together our first report. In addition, we are really proud of our pay equity achievements for our Relics, obtaining HITRUST certification as part of our commitment to strengthen our data security and privacy programs, measuring our Scope 1, 2 and 3 greenhouse gas emissions, and providing more than \$6.5MM in product and discounts to nonprofits and students through our social impact programs.

We know there's always more work to do. Throughout this report you'll discover where we are and understand our growth areas. In the next year this will include developing our climate strategy and using our obsession with data to set ambitious goals to move us forward. We value progress over perfection, but hold ourselves accountable to high standards and data-driven outcomes. I'm proud to share the fruits of our work with you in this inaugural impact report.

Who We Are

As a leader in observability, New Relic empowers engineers with a data-driven approach to planning, building, deploying, and running great software.

New Relic delivers the only unified data platform that empowers engineers with all telemetry—metrics, events, logs, and traces—paired with powerful full-stack analysis tools to help them do their best work with data, not opinion. Delivered through the industry's first usage-based consumption pricing that's intuitive and predictable, New Relic gives engineers more value for their money by helping improve planning cycle times, change failure rates, release frequency, and mean time to resolution. This helps organizations improve uptime, reliability, and efficiency to deliver exceptional customer experiences that fuel growth.



Our Mission & Values

In an increasingly digital world, we want to provide engineers with the most powerful tool they'll need to create better software: complete full-stack observability. Our mission is to help every engineer do their best work every day by using data—not opinions—at every stage of the software lifecycle. Our values drive us to tackle the challenges facing our industry with transparency, integrity, and purpose, enabling us to build a better world today and set the foundations for an even better future.

Bold

We take risks to deliver groundbreaking innovation. We are courageous.

Authentic

You belong here because you are you. Our culture is genuine, honest, and inclusive — and encourages each of us to be ourselves at work — every day.

Passionate

We love what we do and know that it matters. We're inspired by the fact that when our customers and colleagues succeed, we triumph.

Connected

We are a team, united by a common goal and a desire to achieve our mission.

Accountable

We set high standards and own our results. It encourages each of us to be ourselves at work, every day.

Our values drive us to tackle the challenges facing our industry with transparency, integrity, and purpose.

want to inspire others to

follow our lead by going

beyond what is expected or

required of us as a company.

ESG Governance

It's taken more than code to build New Relic. We're a tech company centered around people (our Relics) who are passionate about prioritizing Environmental, Social, and Governance (ESG) as a fundamental part of our growth strategy.

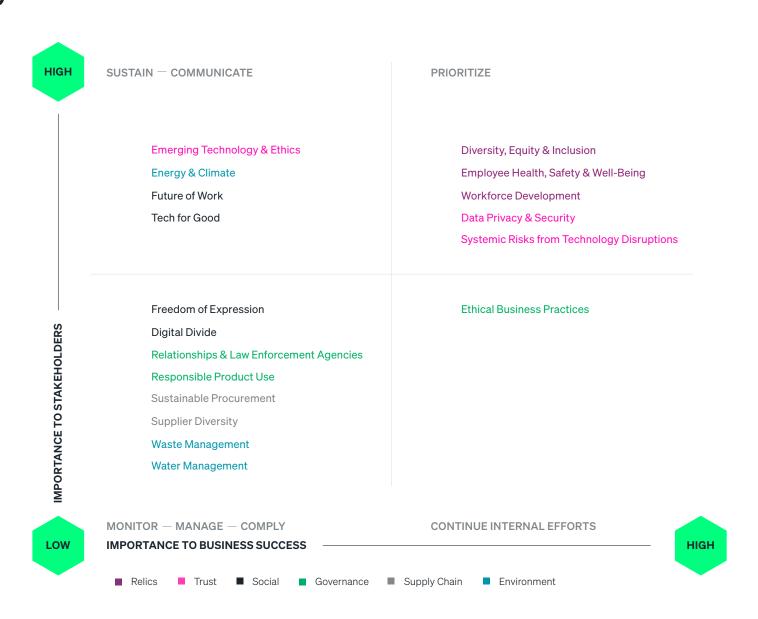
The Nominating and Corporate Governance Committee (NCGC) of our Board of Directors oversees New Relic's sustainability strategy and the management of our ESG impacts and risks. They take into account and address any stockholder feedback they receive and meet at least quarterly with our Chief People and Diversity Officer, Chief Operating Officer, and General Counsel, all of whom share their expertise and guidance as executive ESG sponsors. These executive ESG sponsors meet monthly with the ESG operating team, who connect with Relics and other stakeholders to guide the company's ESG strategy. The NCGC also delegates responsibility for managing and reporting on ESG impacts to a working group of leaders across the business, and reviews and approves the reported information.

We continuously deepen our commitments by bringing on new perspectives. In fiscal 2022, we appointed Simone Wren as our Director of Business Operations and ESG. She will devote her time to making progress on ESG issues alongside Erin Dieterich, our Senior Director of Social Impact and ESG.



Our Impact Priorities & Strategy

New Relic conducted its first materiality assessment in the summer of 2021 to identify the ESG priorities most relevant to our stakeholders and business. Partnering with external sustainability experts, we gathered the perspectives of key internal and external stakeholders through a series of in-depth interviews. We paired the insights gathered from this process with comprehensive research and landscape analysis, which informed our ESG strategy and helped us identify these material topics:



7 of 51

Our Impact Priorities & Strategy

Our material topics have been prioritized by importance to stakeholders and the business, and have been organized into the following themes:

Relics

Our employees are our company's most important asset. A big part of our strategy is geared towards helping them thrive and grow with us. We make our team's well-being and engagement a priority, and believe it is essential to creating an exceptional product, delivering customer value, and maintaining a competitive advantage. We've made diversity, equity, and inclusion (DEI) a cornerstone of our culture, and we're leveraging our expertise in data to power our strategies.

Data Security & Trust

Data security, privacy, and reliability are top concerns for our industry. Our customers expect us to do our part in making the internet more secure, rights-respecting, and able to withstand disruptions. We are committed to being responsible stewards of our role in the software supply chain.

Equitable Access to Tech

We're passionate about democratizing access to high-quality software and making observability a standard software engineering practice. New Relic is already making great strides towards this goal through our expanded free tiers of access and open source commitments.

Environment

We're committed to reducing our impact by continuing to monitor and manage our energy-intensive data storage in the cloud and supporting global goals to curb climate change while reducing our impact on the environment.

Our First Report

The themes and corresponding material topics we've identified have become the focus of our ESG strategy and the disclosures in this inaugural impact report. This process has helped us organize our existing ESG efforts and identify our impact areas. It also allows us to build on the groundwork we have laid to democratize observability, push for equitable access to technology, and support Relics in thriving, growing, and doing their best work. This report covers information and activities from fiscal year 2022, which ran from April 1, 2021 to March 31, 2022.

Looking Ahead

The materiality assessment and report have also shown us areas where we must take action, like developing and implementing our climate strategy. Our future efforts will focus on addressing these opportunities as we continue to elevate our existing partnerships, programs, and work in each of our impact areas to move them forward.

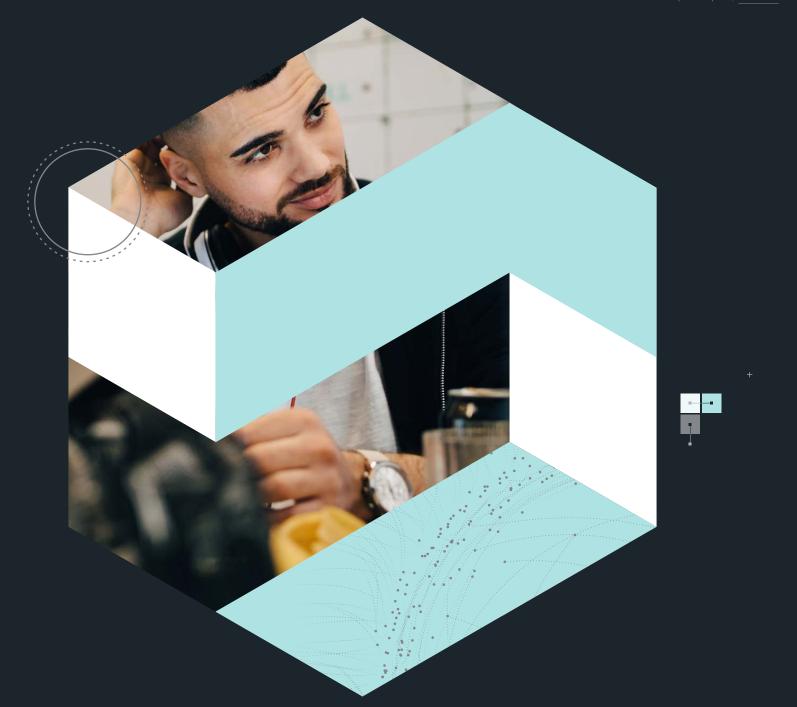
Relics

Relics are our most valuable resource—full stop. The road to meaningful, sustainable growth starts with them.

We want every Relic to feel heard and to be able to envision a future with us. That's why DEI permeates our culture and guides our collective evolution.

"Data drives everything that we do. DEI is no different data helps us hold ourselves accountable and maintain transparency at every stage."

Tracy WilliamsChief People & Diversity Officer
New Relic



DEI at New Relic

Empathy and respect are hallmarks of leadership, but progress can be difficult to quantify. Luckily, we're obsessed with data.

We build our DEI strategy on insights gathered from our employee surveys, extensive internal benchmarking, and external assessments like <u>Gender IDEAL</u>, <u>The Race Equ(al)ity Index</u>, and Human Rights Campaign's <u>Corporate Equality Index</u>. The data we collect helps us prioritize where to go next and the best practices we'll need to get there. Listening and measuring allows us to identify emerging cross-company themes so that we can quickly address imbalances.

We're not afraid to set ambitious goals, and our DEI Working Group—composed of company leaders and our Chief People and Diversity Officer, Tracy Williams—makes sure that we're accountable to our commitments. In fiscal 2022, we partnered with a consultant to identify and close compensation gaps across gender lines among Relics in our global operations and across racial lines in the US. New Relic is extraordinarily proud of its pay equity achievements, especially in light of the fact that, in the United States, women make only \$0.82 for every dollar men make, and that Black, Indigenous, and people of color (BIPOC), on average, earn less than White Americans.¹ We check for and address compensation inequities on a quarterly basis to assess whether similarly experienced Relics are compensated fairly and equitably for performing the same or similar jobs.²

We grouped our employees in 14 different Substantially Similar Groups (SSG) - based on job skill, scope, effort, and accountability. These Groups are the primary unit of analysis in a PayEQ evaluation. For all SSG, we applied controls to test quantifiable measures to identify any pay differences for the protected class (gender-based test at the global level, and race-based test for US). Based on our compensation strategy, we applied gender-neutral controls for: substantially similar job family groups; group-based job-related levels; and geographical locations.

DEI VISION

A more perfect New Relic for everyone.

DEI MISSION

Create and sustain a diverse and inclusive environment through a foundation of equity and systemic organizational change.

OBJECTIVES

Engage, scale and grow.

+ +

Engage

Persistent Leadership Engagement Leaders who understand the value and importance of diversity, equity, and inclusion on the mission and success of New Relic.

Scale

Systemic Organizational Change Deep organizational change that shifts our organization's underlying culture, beliefs, priorities, and structure.

Grow

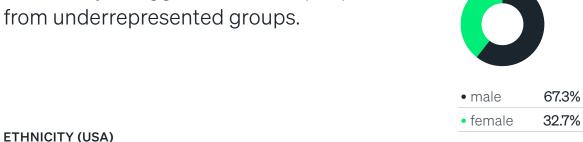
Improve sourcing, hiring, and promotions for underrepresented populations (URPs)
Address and mitigate implicit bias in our processes to ensure we are hiring and promoting talent of all backgrounds.

^{1 &}quot;2022 State of the Gender Pay Gap Report," Payscale.

² New Relic pay equity analysis is done using the Syndio Pay Equity (PayEQ) analysis tool. We do quarterly tests and make any necessary adjustments twice a year during the pay adjustment period (if there is any). We review groups and individuals that have been identified for further analysis and work with the Syndio Analytics team to address outliers and identify potential solutions that may be contributing to gaps over time to prevent pay gaps from reoccurring in the future.

Building Community & Belonging

We believe in tech's potential as a force for good in the world, but we also acknowledge that as a sector, tech has historically struggled to include people from underrepresented groups.

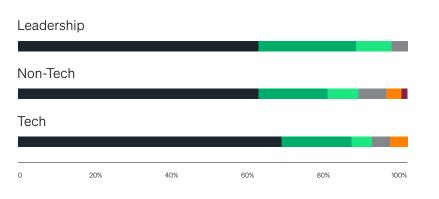


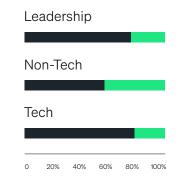
According to the US Equal Employment Opportunity Commission's 2022 Diversity in High Tech Report, around 69% of US tech workers are White, far surpassing Asian (14%), Hispanic (8%), and Black Americans (7.5%).

At New Relic, in fiscal 2018, 2,21% of US Relics identified as Black and another 5.29% as Hispanic. In fiscal 2022, we saw those figures increase to 6.05% and 5.41% respectively. Globally, Relics who identified as women, also traditionally a minority demographic, increased from 30.4% in fiscal 2018 to 32.7% in fiscal 2022.

We value progress over perfection, so we celebrate all our accomplishments while striving to be even better. In fiscal 2021 we formalized our pledge to increase diversity with the "Mikey Rule." Named in memory of Mikey Butler, our late Senior VP of Engineering and the inaugural sponsor of Relics of Color, our first Employee Resource Group (ERG), this internal guideline makes sure we increase the hiring pipeline for underrepresented Relics by focusing our candidate sourcing on recruiting from channels that reach underrepresented talent. By diversifying its applicant pool, New Relic will further diversify its workforce.

See additional demographic information in the Appendix of this report.





Female

GENDER

"Be bold, passionate, accountable, authentic, and connected. We should all be doing these things in our lives anyway."

American Indian or Alaska Native (Not Hispanic or Latino)

- Asian (Not Hispanic or Latino)
- Black or African American (Not Hispanic or Latino)
- Native Hawaiian or other Pacific Islander (Not Hispanic or Latino)
- Non Declaring (Not Hispanic or Latino)
- Two or more races (Not Hispanic or Latino)
- White (Not Hispanic or Latino)



Mikey Butler Late Senior VP of Engineering and the first leader of our Relics of Color ERG

Making Progress with Data & Partnerships

Ever since they were launched in January 2020 by our founder Lew Cirne, DEI leader-led action plans (LLAPs) have become a top-level organizational priority, providing clear roadmaps for maximizing recruitment, retention, and career growth for underrepresented groups. As in everything we do, we use data to track and measure our success, evaluate our baselines, set targets for improvement, and track progress towards our goals. It's complex work that requires honest discussions and commitment, and we're proud of being able to count on the engagement of our company leaders to carry it out. In fiscal 2022, we published our first DEI website to the public, sharing our demographics, partnerships and accomplishments.

ERG Leadership

We take pride in the engagement and leadership demonstrated by our ERGs, which help make us the most welcoming, inclusive version of ourselves. Our ERGs include New Relic Veterans, Rainbow Relics, Relics of Color, Women@New Relic, and Access, an intersectional community for Relics who want to contribute to building a culture that takes neurodiversity, mental health, and disability in mind. Their goal is to be a resilient, diverse community of people with overlapping interests and concerns who can rally around our strengths and common goals.

ERGs have led the way on inclusion initiatives for years by hosting internal talks and panel discussions on the complex issues facing our diverse communities. In fiscal 2022 we broadened these conversations beyond our own walls with the launch of BIPOC in Tech and Allies in Action, a free gathering bringing together thought leaders to discuss the challenges BIPOC face in tech and how they can succeed by writing their own script, as well as how to move from allyship to action.

Every one of our five ERGs has a formal executive sponsor with whom they meet regularly to collaborate on establishing annual roadmaps and budgets. Twice a year we hold Executive Connect sessions between the ERG leaders, their sponsors, and our senior executive team. The meetings are essential because they provide senior leadership with the opportunity to hear directly from our ERGs about their lived experiences and shared challenges. We hope that this personal exposure allows executives to understand more deeply and advocate for change, and further legitimize DEI initiatives across the organization.

As we transition to Flex First, New Relic's distributed working model, our ERGs will continue to play a crucial role in fostering belonging and connection in our culture.



12 of 51











Workforce Development

We hire and nurture Relics from all backgrounds. We begin our recruitment process with a thorough search for candidates from underrepresented communities as part of our wider Hiring for Success program, which enables us to recruit and hire the best talent through objective, consistent, and fair processes, optimizing for diversity.

At the end of our fiscal 2022, 88% of managers had completed Hiring for Success training. We also work to attract diverse talent via internship program partnerships with college and university groups like oSTEM. This fiscal year, we surpassed our all-time high in our hiring mix of women and Black/Latinx people in positions of manager and above within the US, reaching 35.7% (+4.3 ppts YoY) and 14.8% (+5.28 ppts YoY) respectively.

We promote equity and inclusion by providing anti-harassment and anti-bias training for all Relics. Managers and executives are required to take allyship training to bolster their ability to take meaningful action to support colleagues from underrepresented groups and foster connection throughout our workforce.

No matter where they sit in relation to each other, Relics feel connected and support each other. Our strong culture of mentorship is exemplified by Ignite, our incubator for early-career engineers. In order to familiarize themselves with New Relic's systems, members of an Ignite cohort begin as associate software engineers and start working on projects that provide real value for our customers from the outset. With the dedicated support of their mentors, associates move through teams working on different facets of New Relic's business to kick-start their careers with us. In fiscal 2022 we also introduced the Ignite program in our Sales team to bring even more early-career talent into our business.

Growing with New Relic

Every Relic should feel confident that they can grow and build a future with New Relic. Our robust career development framework, GROW, gives every Relic the tools to set a career direction and create a plan with the support of their manager. Through a guided process, Relics can explore career trajectories, including dual career paths for growth opportunities as professionals or as managers. Managers are prompted to discuss career goals during our semi-annual Connect performance review, and all Relics are encouraged to add career discussions to frequent one-on-one conversations.

Our People team maintains a comprehensive career hub with resources Relics can access. In fiscal 2022 the team focused on career exploration, hosting internal panels to impart helpful tools and skills, and welcoming external speakers who shared their professional journeys. In January 2022 we launched a holistic job architecture framework to streamline

career-track pathways and formalize dual career tracks to allow Relics to grow as technical or domain experts, or follow a more traditional management path. Our Total Rewards and People Operations team is collaborating closely with managers and human resources business partners (HRBPs) to build out this initiative's content in a way that helps Relics achieve their individual goals.

We believe that, at its heart, leadership is about bringing out the best in other people, delivering value for our customers and business, and strengthening our core values. We interview for these qualities and offer live workshops to help Relics develop their leadership abilities. Every new hire is required to learn how to be an ally, how to adopt a growth mindset, and how to give and receive feedback. All managers are required to complete training for foundational skills that allow them to succeed at their roles.

We want Relics to feel at home with us, and part of that is understanding that everyone has a life outside of work. Based on local workplace culture and regulations, we provide benefits like generous leave, health and life insurance where applicable, ondemand emotional support where available, fertility care benefits, and a paid parental leave of 12 weeks or more. We work diligently to provide compensation that remains competitive, fair, and equitable across the company.

We believe that, at its heart, leadership is about bringing out the best in other people, delivering value for our customers and business, and strengthening our core values.



Future of Work

The pandemic has accelerated our move away from traditional work models. Relics have quickly adapted to the realities of remote work over the past two years, and the shift has given them the opportunity to reflect on the importance of maintaining a healthy work-life balance, making meaningful connections, and contributing to the greater good.

Our vision for the Future of Work, launched in September 2021, is anchored in Flex First, a policy that largely empowers Relics to choose where and when they work while taking into account business and customer priorities.

Employee Health, Safety, and Wellbeing

We strive to create the conditions for Relics to do their best work. In fiscal 2022 our attention has continued to focus on keeping Relics healthy and supported—from physical health and safety measures as we opened our offices at limited capacity, to psychological and social support through enhanced family and mental health care. We now offer Relics and their dependents free access to Ginger, an on-demand emotional support tool, as well as Carrot Fertility, an inclusive family-forming benefit that supports all paths to parenthood.

We reopened our primary offices on a voluntary attendance basis in July 2021, working to establish safe spaces that follow COVID-19

prevention guidelines. We instituted policies and procedures to protect Relics in the workplace, including wellness checks on arrival and vaccine requirements depending on country and region. New Relic also encouraged vaccination in localities where it was not required. Although Relics mostly work remotely now, we know that coming back to the office can be a welcome way to socialize and reconnect for many. We therefore give Relics the flexibility to use our offices at their convenience and have set guidelines and requirements that prioritize safety during team gatherings, events, and travel.

We will continue to support Relics' mental, physical, social, and financial needs, while building on these wellness programs over the next year.



Belonging at New Relic

We understand the power of belonging, and how different populations experience it at work. We know that our sense of community as Relics allows us to flourish and feel supported. With this in mind, we continue to explore ways of strengthening our connections to each other across geographies and time zones.

In August 2021, we celebrated Relic Recharge Week by closing our offices globally. Relics were encouraged to recharge, engage in passion projects and share photos of these activities with each other.

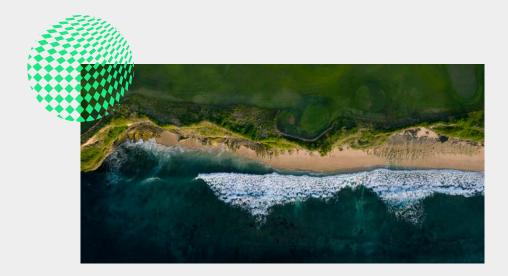
In September 2021 we encouraged belonging through our Amazing Relic Hunt, a company-wide exchange in which Relics shared pictures and stories of their home lives. The initiative raised money for charity based on engagement and allowed everyone to connect in a gamified way.

To continue to support our global, collaborative workforce, we have created dedicated working groups to evaluate Relics' sense of connection and belonging and launched new working norms and other initiatives to further enable workplace flexibility.

"Relic Recharge Week was an absolute gift—everyone got time to switch off. I visited family and spent time with my gorgeous niece and nephew. I also contributed to New Relic's open source project to help people learn how to use our query library—nerds gotta nerd out!"

Aidan Cuffe

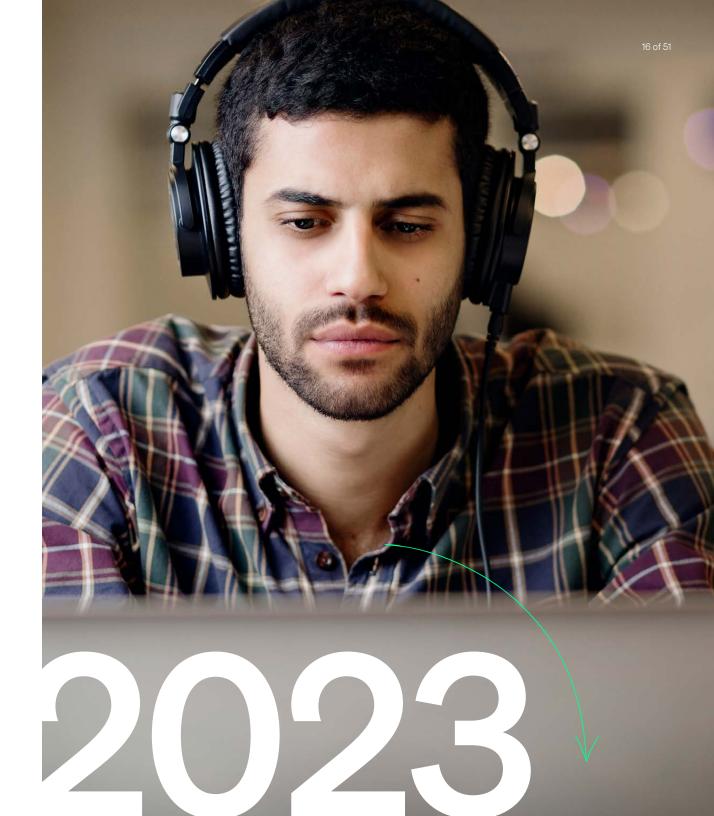
Senior Product Manager New Relic



Looking Ahead

We will continue our efforts to establish fair recruitment, remuneration parity, and advancement opportunities for all Relics. We will maintain our focus on employee engagement, health, and wellbeing to support Relics in doing their best work while continuing our effort to cultivate inclusion and belonging.

- → We will meet our LLAP goals to increase representation, development, and retention of underrepresented Relics in our workforce
- → We will deliver education that promotes inclusion, including "Building a Better New Relic for Transgender Relics," an on-demand workshop that educates managers and employees on inclusive language, behaviors, and tools needed to successfully support transitioning Relics
- → We will hire a full-time Relic to focus specifically on the Future of Work
- → We will develop a comprehensive wellness program, including physical, mental, and financial wellness
- → We will launch a new employee engagement platform, "Relicnition," which will celebrate the successes and provide visibility for the contributions of all Relics



Data Security & Trust

We offer our customers complete observability of their software and, in turn, they trust us to keep their data safe.

New Relic takes this responsibility seriously, and we're always exploring ways to excel at protecting our customers' information, respecting their preferences, and fulfilling their needs. We operate in a rapidly evolving technology and regulatory environment, so we strive to respond to changes quickly, remain transparent about our practices, and provide customers with resources to manage their data.



Data Security & Privacy

New Relic's approach to security and privacy is principles-based. We keep customers and the public informed about our privacy practices through our General Privacy Notice and Services Privacy Notice.

We're transparent about how we share, collect, and use personal data, and how individuals can exercise their privacy rights. We have a well-established security program based on principles of transparency

and accountability that leverage industry-standard technologies and practices, which is demonstrated through our commitments to regulatory certifications such as <u>SOC 2 type 2</u>, <u>FedRAMP Moderate Impact</u>
SaaS authorization, HITRUST, and ISO 27001.

Customers can find tools, resources, and additional information on data security and privacy in New

Relic's privacy documentation and security controls for privacy. Our Security, Legal, and Compliance (SLC) organization includes a robust team of security and privacy experts across multiple geographies. New Relic also strives to achieve certifications in security and privacy for members of each of the other areas of our broader SLC organization.



Data Security & Trust

New Relic 2022 Impact Report / Contents ↑

Data Security & Privacy

New Relic is focused on building a privacy and security culture that focuses on customers' expectations and preferences. This means expanding our already robust Privacy by Design principles, as well as continuing to build out our Compliance by Design guidelines to inform the development of all our services and products.

Customers can find our technical and organizational controls outlined in New Relic's Security Policy, and can refer to the Security Guide to further their understanding of our certifications, different product environments, and ways to use platform features to fit their privacy needs. We also make sure customers are kept informed about security vulnerabilities, remediation strategies, and software updates through our Security Bulletins. We adhere to a number of data security standards and certifications, including ISO 27001, SOC 2, FedRAMP Moderate, and TISAX, and received our HITRUST certification for data privacy and security in January 2022.

New Relic maintains and updates internal security and privacy incident response procedures, which we continuously reevaluate and update to respond to legal developments, global events, and technological innovation. More information about New Relic's security team and its overarching security policy and initiatives can be found on the <u>New Relic Security</u> Overview Page.

Our security strategy is focused on strengthening access controls while maintaining visibility into the health and security of our platform and infrastructure. New Relic's SLC team continues to build and refine controls over access to data based on the needs of a particular organizational role. While we limit access to certain data based on need, we concurrently prioritize comprehensive visibility of our systems in order to detect real or potential compromises to the company.

Systemic Risks from Technology Disruptions

We understand the essential role our platform plays in powering our customers' work. New Relic continually assesses how to navigate potential disruptions to its services through its Business Continuity Plan (BCP). Revised and recalibrated annually, our BCP contains emergency contingency strategies to make sure we can maintain operations, keep delivering client services, and meet deadlines in the face of unforeseen challenges.

New Relic is always working to identify and deeply understand possible operational risks. To this end, we conduct extensive, company-wide department interviews to create actionable incident response and recovery procedures for our BCP and to establish informative communication plans for our customers. We've also set up targets and monitor achievement of our service-level objectives (SLOs) to manage service interruptions, allowing us to establish retrospective strategies to mitigate similar issues in the future.

We're committed to transparency. New Relic customers can gain insight into real-time product statuses by region and monitor reported outages or interruptions at our <u>status page</u>. We inform customers of planned maintenance periods in advance and prioritize performing this work during times that are least disruptive to them. Customers can subscribe to status page notifications to receive timely updates in a manner that is convenient to them.

New Relic relies on cloud service providers; from time to time, those providers may fail or experience degraded service that impacts our customers. We routinely perform disaster recovery and incident response exercises that simulate real-world failure scenarios based on historical data about the performance of those providers. These exercises allow us to adapt our product and infrastructure to better serve our customers by building resilience to these types of failures.

TISAX

TISAX is a European automotive industrystandard information security assessment (ISA) catalog based on key aspects of information security such as data protection and connection to third parties.

19 of 51

SOC 2

The American Institute of Certified Public Accountants (AICPA) Service Organization Controls (SOC) reports give assurance over control environments as they relate to the retrieval, storage, processing, and transfer of data.

ISO 27001 standard

The International Organization for Standardization 27001 Standard (ISO 27001) is an information security standard that ensures office sites, development centers, support centers and data centers are securely managed.

HITRUST CSF

HITRUST Alliance is a non-profit organization that champions programs that safeguard sensitive information, and manages information risk for organizations across all industries and throughout the third-party supply chain.

FedRAMP Moderate

The Federal Risk and Authorization Management Program (FedRAMP) is a US federal government program that provides a standardized approach to security assessment, authorization, and continuous monitoring for cloud products and services.

Emerging Technology & Ethics

As established in our <u>acceptable use policy</u>, New Relic's mission is to help our customers create more perfect software, experiences, and businesses. Customers send New Relic data about their software and technology, which we help monitor using artificial intelligence (AI) and machine learning (ML).

New Relic's Al uses data to improve software monitoring and observability. We're aware of the potentially disparate impact that some Al and ML use cases can cause against protected classes, and the Al and ML teams partner with SLC in releasing new machine learning models. New Relic's technologies do not use Al or ML to profile or discriminate against individuals.

As our platform evolves, we will develop our technology ethically and responsibly. We also expect customers to use our products in an ethical and responsible manner. We're vigilant about the misuse of our platform to violate human rights and actively screen for and take down accounts connected to racist or terrorist activities.

Our customers can rest assured that we hold ourselves to the highest ethical standards. We comply with all export control laws and adhere to the US Foreign Corrupt Practices Act and the <u>UK Bribery Act</u>. As stated in our <u>Vendor Code of Conduct</u>, we expect vendors to respect and foster our core values when doing business with us.



We believe it's our responsibility to leverage our resources and the impact of the tech industry to be a force for good, and want to inspire others to follow our lead by going beyond what is expected or required of us as a company.

Looking Ahead

Moving forward, we will continuously improve our processes to collect, analyze, store, and transfer data in ways that respect and maintain the human right to privacy and protect our customers' information. We will continue to follow and implement security best practices so all our infrastructure and processes are secure. We'll also work to mitigate risks to our operations and services and adopt new technologies ethically and with respect for human rights.

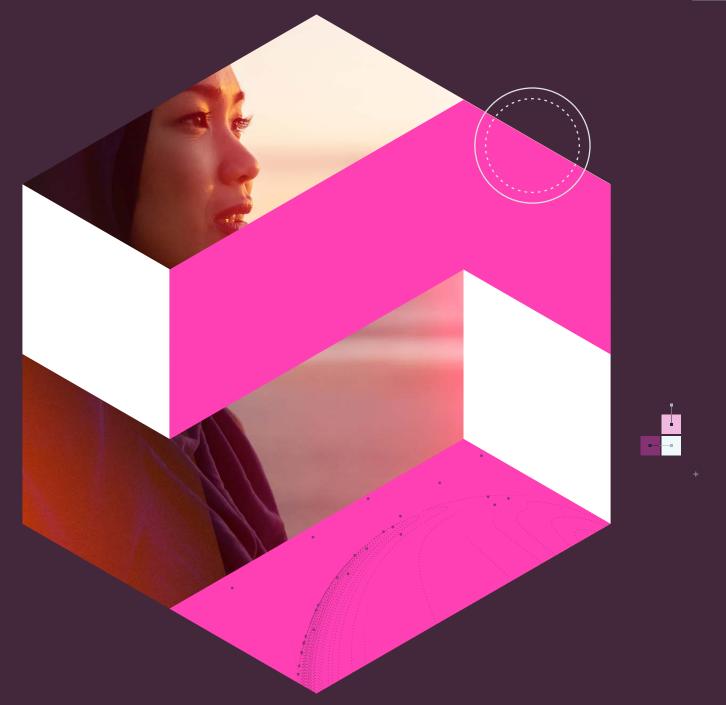
- → We will maintain and continue to develop our robust data privacy and security policies and certifications, and keep our customers updated via our documentation, data processing addendum FAQ, and security bulletins
- → We will continue to provide data privacy and sector-specific compliance programs across our product suite as privacy and related regulations evolve globally
- → We will continue to focus on software supply chain security and protecting services on the platform
- → We will further develop controls to detect and address fraudulent or potentially abusive usage of our services and platform



Equitable Access to Tech

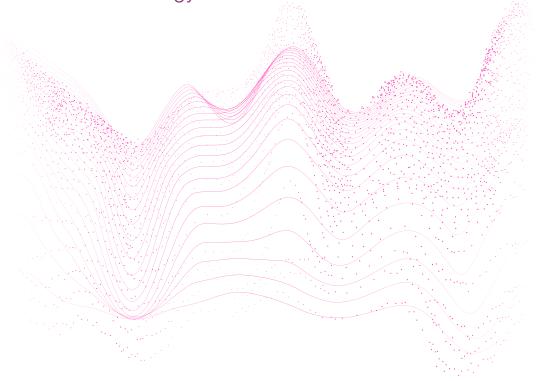
Our platform empowers engineers to build world-changing software.

We believe every engineer should be able to reap the benefits of observability as a daily, data-driven practice, and that we play the leading role in making sure that happens. We're passionate about giving everyone the ability to power their projects with New Relic, and want to share the wealth of the tech industry with the communities around us.



Tech for Good Initiatives

In fiscal 2020 we consolidated all our existing programs under one roof with the creation of NewRelic.org. As the company's official social impact arm, NewRelic.org has the mission of powering more equitable access to technology.



Our strategic focus has been on helping nonprofits build better technology faster, providing people with equitable pathways to tech products and careers, and empowering Relics to give back to their communities with intention. We do this by leveraging our assets, activating our people, and joining forces with others.

Observability for Good

We have long prioritized giving equitable access to the New Relic platform. Since July 2020, anyone can sign up for New Relic's basic free tier and receive 100 gigabytes of data per month. In fiscal 2021, NewRelic.org also dramatically expanded free tier access for nonprofits and charities around the world. Our Observability for Good program provides eligible organizations with free access for up to five users and a terabyte of data a month. Any additional services are offered at a considerable discount.

We know that charitable organizations are often strained for internal resources and unable to direct dollars to infrastructure and technology projects. A core focus of the NewRelic.org program is to support these organizations in their efforts to drive observability practices internally.

Pro Bono Program

We believe access to our platform should come with guidance. Organizations enrolled in Observability for Good can draw on our deep engineering expertise as they learn to harness data to drive their mission.

As part of our <u>Pro Bono Program</u>, twice a year for two weeks, Relics work hand-in-hand with nonprofit customers to solve real-world challenges and build their digital capabilities. We consider initiatives like this one to represent some of the most impactful work we do for society and our employees. Relics often report that participating in pro bono work gives them a new appreciation of their own skills. We've heard it time and again from Relics: giving back makes them feel valued.

Pro Bono work is also a professional development opportunity. Relics on these projects get to hone their mastery of New Relic while strengthening their sense of connection to each other and forging new ties with the customers with whom they interact. In our fiscal 2022 pro bono cycle, participating Observability for Good customers said their comfort using the New Relic product grew 65% in just two weeks thanks to the program.

Supporting Life-Saving Tech

"There are just so many companies out there that don't extend their hand to the nonprofit community. A big hats off to New Relic for getting engaged and making it possible."

Jason Friesen

Founder, Executive Director Trek Medics

Trek Medics is a nonprofit that uses software to save lives. Its mobile and web platform gives atrisk and vulnerable people access to emergency response systems. But in 2021, the app wasn't running as smoothly as it should have—it was slow and the Trek Medics team couldn't pinpoint the problem. Thanks to our Pro Bono Program, Relics were able to step in and help. Our engineers used New Relic to quickly identify and troubleshoot issues with the platform's chat feature that were affecting performance.

For two weeks, New Relic's volunteers continued to share insights with the Trek Medics team, teaching them how to harness data observability to improve their software. The experience wasn't just a boon for the nonprofit, it also allowed participating Relics to hone their skills while connecting with a bigger mission.

New Relic's pro bono support of organizations that are leveraging tech for good is a core part of our social impact program. This work empowers our company and people with a purpose while raising expectations for the way tech companies invest time and resources in giving back to their communities.

24 of 51



"It was incredibly humbling to get to know the Trek Medics mission and to see the difference they're making. Knowing that the short amount of time we spent with them could have an impact on somebody's life was huge."

Nate Borrebach

Manager, Software Engineering New Relic



Intentional Giving & Volunteering

We like to say that when the world needs help, Relics rush in. Last year, we engaged 59% of Relics in social impact efforts, above our annual target of 50%. We understand that Relics are the key to us doing good in the world and want to help them reinvest their time, skills, and finances into our wider communities. We accomplish this by empowering Relics with the resources they need to make informed decisions about their own philanthropy.

We encourage Relics to think critically about how to best contribute to their respective communities and give them 16 hours of paid time off per year to volunteer. Relics are rewarded for this work with company funds known as "Volunteer Rewards" that they can then donate to a charity of their choice.



We also help Relics be conscientious about where they're directing their dollars by pointing them to organizations identified by our ERGs and the Social Impact team. By constantly providing them with opportunities for intentional giving, we hope Relics learn to recognize easy paths to unlocking their wealth for others.

In November and December of 2021, New Relic celebrated 21 Days of Goodness, an employee activation campaign for intentional giving and volunteering. During the week following the global generosity day, Giving Tuesday, Relics directed \$41,000 in company funds, as well as over 28,000 out of their own pockets to charities of their choice, sharing their reasons for choosing a particular charity with each other. The following week, New Relic closed its offices for a Global Day of Service, for which 1,060 Relics volunteered more than 3,700 hours to in-person and online volunteer projects with 60 organizations in 17 countries around the world.









RELIC HOURS

586 employee hours volunteered through pro bono program

5,038 employee hours volunteered through Voluntary Time Off (VTO) Community Service

\$646,000 DONATED

Through employee-directed giving

To community partners

59% Relics participated in NewRelic.org Initiatives







1,209 Relics volunteered time toward charitable causes



\$6.5MM+

of product and discounts to nonprofits through our social impact programs

Equitable Access to Tech

New Relic 2022 Impact Report / Contents ↑

Partnerships

The work to achieve more equitable access to technology would not be possible without the incredible nonprofit organizations we're fortunate to partner with.

Many of these partnerships are part of multi-year collaborations in which New Relic provides funding and employee volunteers to an organization and their beneficiaries. These organizations include FastForward, PDX Women in Tech, ChickTech, CareerVillage.org, UPchieve, and the San Francisco and Oakland Public Education Funds. In fiscal 2022 we added an additional emphasis on organizations focused on reaching BIPOC communities—including partnerships with Hack the Hood, The Hidden Genius Project, Project LEDO (via FreeGeek), MigraCode, and Usher's New Look.













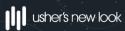














Equitable Access to Tech

New Relic 2022 Impact Report / Contents ↑

Amplifying Tech's Positive Impact

fast forward

<u>Fast Forward</u> is an accelerator for tech nonprofits, organizations working to build tech solutions for the world's most pressing social problems.

Since 2019, New Relic has proudly funded and contributed to Fast Forward's mission of providing these nonprofits with the resources to scale their positive impact. Every year, Relics in leadership positions meet with founders from the accelerator's cohort to offer tailored mentorship.

A number of Fast Forward accelerator alumni have gone on to participate in our Pro Bono program as Observability for Good customers, where they've been able to keep drawing on New Relic's engineering expertise and learn to power their software through data. We value the partnerships that have emerged from our close relationships with startups like UPchieve and CareerVillage; their products, values, and social altruism align with our vision of using tech to make the world a better place. Helping them succeed means we all succeed.

"Our partnership with New Relic has been deeply impactful. With a shared mission of using technology to build a better future, New Relic has allowed Fast Forward to expand its support of social entrepreneurs building tech solutions for our biggest problems. These entrepreneurs have benefitted from the expertise of volunteering Relics, who generously share their time each year to help our tech nonprofits scale their solutions. We're incredibly proud to advance tech for good alongside New Relic."

Shannon Farley

Co-Founder and Executive Director
Fast Forward

28 of 51

Equitable Access to Tech

New Relic 2022 Impact Report / Contents ↑ 30 of 51

Inspiring the Next Generation of Tech

Inspiring the next generation of technologists is a big part of how New Relic works towards democratizing observability as a practice. We want everyone, not just traditional computer science students, to have access to the education, skills, and opportunities that lead to securing jobs in tech.

With this objective in mind, we launched New Relic Student Edition in May 2021. The program offers an expanded free tier of New Relic for students to get hands-on experience using the same industry tools observability professionals use—for free. The Student Edition is managed by our Developer Relations and Social Impact teams in collaboration with GitHub's Student Developer Pack.

We're always looking for ways to widen the scope of our offerings and provide more public access to them. These efforts include partnering with non-profit organizations that support underrepresented minorities in pursuing careers in tech.

Industry Collaborations

New Relic believes that its social impact goals are much better served when we're sharing ideas, resources, and working in consortiums with others. We've been proud to serve as members of the <u>Pledge 1%</u> movement in the capacity of the "Builders" leadership cohort, sharing our experiences with other organizations in the hopes that our learnings spare them unnecessary toil as they develop their own social impact and ESG programs.

We're also members of the peer-led Impact Cloud, a group of SaaS companies collaborating to better meet the needs of the nonprofit industry through our product offerings and programs. We work closely with peer companies considered competitors at the product level because, from a social impact perspective, we believe that a rising tide lifts all boats. We're not afraid to share knowledge around how we achieve our objectives, what process we carry out, and how we make our projects work.

FutureTalks

Dialogue is at the root of any progress. New Relic is fostering meaningful exchanges to drive equitable access to tech through its FutureTalks series, a public event with leading industry experts to explore how tech professionals can exercise their voices and positioning to hold space for important conversations that bring all experiences with technology forward.

Future Talks

In February 2022, we honored Black History Month by sitting down with Minda Harts, author of Right Within, for a fireside chat on healing racial trauma. For Women's History Month in March, we chatted with a panel that included Katie SanFilippo, CEO of our nonprofit partner ChickTech, about how women can build and leverage community to propel their careers.



"Radical collaboration can mean we work closely with peer companies who could be considered competitors because, from a social impact perspective, we believe that a rising tide lifts all boats."

Erin Dieterich Senior Director of Social Imr

Senior Director of Social Impact and ESG New Relic

Our Commitment to Open Source

Upholding open standards, instrumentation, and collaboration is fundamental to New Relic's values. We're convinced that sharing data and processes maximizes innovation and the benefits of observability for everyone.

Our <u>open source page</u> highlights our open source and open standards activities, and we have a GitHub organization that includes helpful tools like OpenTelemetry examples that anyone can use.

Recently, we also released the code for our data collecting agents.

These were made public under the permissive Apache software license,

allowing people to freely install, explore, and modify the code. Users can send us data from the agents and observe their systems by utilizing our free tier up to a set threshold.

New Relic is an active member of the <u>Cloud Native Computing</u> <u>Foundation (CNCF)</u>, a vendor-neutral home for many of the fastest-growing open source projects. We value our participation in CNCF because it's an organization that embodies New Relic's commitment to access and collaboration. In May 2021 we made proof of our commitment to CNCF and open source by contributing the seed code to the <u>Pixie Project</u>, a data collection platform that uses machine learning to monitor applications running in the cloud.

Given the increasing commoditization of data, we consider contributing the source code to Pixie, which New Relic purchased in December 2020, to be an important contribution towards maintaining equitable access. We operate from a place of collaboration, not competition, and wish to inspire others to join us. Making our code open source means developers everywhere can learn from it and help improve it.

New Relic is also a top contributor in CNCF's <u>OpenTelemetry Project</u>, an open source standard for generating data about customer systems. In fiscal 2022, a dedicated team of Relics was voted in as maintainers and approvers by the OpenTelemetry community, the members of which have praised our active contributions to pushing the standard forward.

New Relic is likewise an active member of the <u>Adoptium Top-Level Project</u> at the <u>Eclipse Foundation</u>, an open source initiative that develops open source builds for Java binaries. Last year we also acquired CodeStream, an open source IDE plugin that facilitates communication within teams as developers write code.







Looking Ahead

We will continue to encourage our Relics to be engaged, hold space for important conversations about equitable access to technology, and use New Relic products and services to partner with organizations that work to improve the lives of people worldwide. We will also continue to democratize access to the tools and training that drive observability as a practice, including through our commitment to open source standards, projects, and collaborations.

- → We will grow our employee participation in social impact efforts to 70% in fiscal 2023
- → We will launch a grantmaking program and distribute \$100,000 of unrestricted funding for nonprofits to use in building their technological capacity
- → We will hire a full-time dedicated Relic to look after the New Relic Student Edition program and continue to adapt and expand access
- → We will hire two full-time Relics to support and enable our nonprofit customers participating in Observability for Good
- → We will hire an additional full-time Relic to manage and expand our commitment to open source



Environment

Energy & Climate

New Relic recognizes the urgent need to protect the health of our planet by addressing climate change and its root causes.

We understand that our society must work together at an accelerated pace in order to avoid the worst of the environmental consequences looming on the horizon, and we want to be a part of that collective effort. While as a software company our climate impact is somewhat limited, we're moving fast to uncover opportunities for improving our energy efficiency and reducing our greenhouse gas emissions (GHGs).



Environment New Relic 2022 Impact Report / Contents ↑

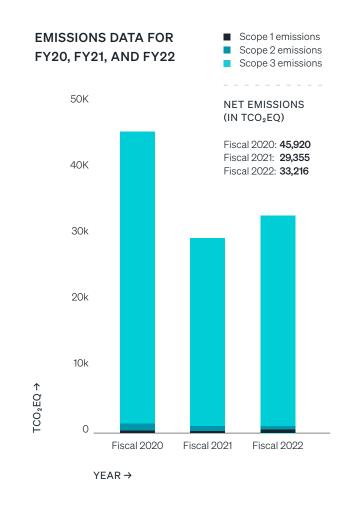
Starting Our Journey

In fiscal 2022, New Relic began to identify and engage the internal stakeholders who oversee the aspects of our business that most directly impact climate. We worked collaboratively to build consensus and the internal organizational muscle to evaluate, collect, and assess our impacts — establishing processes for collecting energy and emissions data.

Establishing a Baseline

We partnered with the climate solutions platform <u>Watershed</u> to collect and assess all of our climate impacts, including that of our office buildings, home offices, data centers, cloud providers, and corporate travel. We collected emissions data for fiscal years 2021 and 2022, as well as for fiscal 2020—our pre-pandemic business as usual—in order to disclose New Relic's Scope 1, 2, and 3 emissions in this report.³

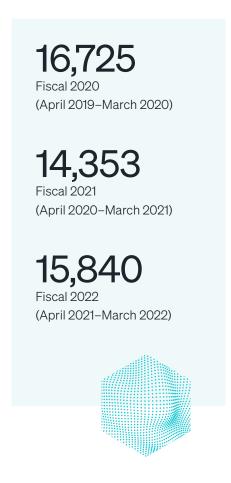
• cloud 42.92% • goods + services 29.47% • marketing 10.8% • offices 7.02% • travel 7% • other 2.8%



WITHIN THE ORGANIZATION

Total energy consumed (in gigajoules)

34 of 51



³ Watershed's emissions methodology calculates emissions based on spend or usage depending on the activity type.
We gathered information about business activities through datasets, including employees, office, and financial data, and we mapped line items from data to the appropriate emissions factor (EF). For spend-based emissions, Watershed uses vendor-specific EFs when available. Watershed measures emissions in CO2e, or carbon dioxide equivalents, which includes all greenhouse gasses, such as carbon dioxide (CO2), methane (CH4), and nitrous oxide (NZO).

Cloud Migration

We recognize that our largest environmental impacts come from hosting our customers' data. In practice, cloud providers manage their infrastructure to deliver higher resource utilization in their facilities than we are able to drive with the servers in our own data centers.

Cloud Migration

As a result, for the last two years, we have continued our efforts to move from our own data centers to the cloud. By the end of fiscal 2022, we had successfully moved 100% of our data ingest pipeline to the cloud.

Now that the majority of our data is being processed by our cloud partners, we are focused on optimizing the processing and storage of that data. This will reduce the energy we utilize with our cloud providers to manage New Relic's data by driving more efficient utilization of the cloud resources requested to serve our customers. Additionally, in fiscal 2022, we implemented autoscaling—automatically giving back unused resources to the cloud providers—across our three largest resource-consuming services. Through these initiatives, we have begun to deliver on a model in which efficiencies in our resource utilization reduce our environmental footprint.



Operational Environmental Initiatives

While developing our climate strategy is a top priority, New Relic already maintains a number of environmental initiatives and commitments. The environmental policy statement in our <u>Code of Conduct</u> outlines our commitment to conduct our business in an environmentally responsible way that minimizes environmental impacts.



Wherever possible, we look for leases in LEED-certified buildings located in central downtown areas, which facilitates Relics' access to public transport when they come to the office. Our <u>Vendor Code of Conduct</u> requires vendors to comply with environmental laws and regulations.

Additionally, we dispose of our used IT resources, such as computers and other electronic equipment, via an electronic waste vendor, ensuring much of it is recycled, repurposed, or donated. In fiscal 2022, we directed all donations from this initiative to Revivn, a public benefit e-waste corporation that distributes usable equipment to various charitable organizations around the globe. Equipment that is not reusable is sold for parts or recycled, and those buyback funds are given to the New Relic Social Impact team for disbursement to organizations we support directly. In fiscal 2022, buyback funds totaled over \$42,000.



Looking Ahead

We remain dedicated to understanding, tracking, and reducing our environmental impact by developing a robust climate strategy and working to set science-based targets in the future. This will help us to improve our energy efficiency as well as reduce our greenhouse gas emissions and climate impact.

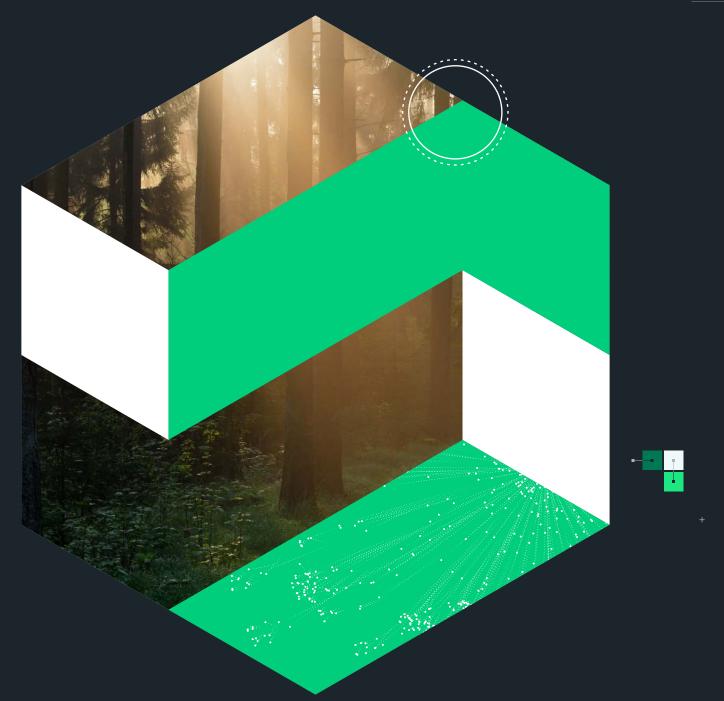
- → We will develop our climate strategy, including a strategy for our facilities, data centers, and corporate travel
- → We will shift to graviton instances (ARM processors) in our cloud compute clusters, where possible, in order to improve energy efficiency
- We will move completely out of our data centers to become entirely cloud-based



Ethical Business Practices

We're a global company empowering engineers everywhere with the practice of observability.

No matter what part of the world New Relic operates in, we serve this mission by adhering to the highest standards of corporate governance, ethics, and integrity. Being good corporate citizens and holding ourselves accountable for our business practices is an integral part of our identity.



Our Board of Directors & Corporate Governance

Our corporate governance is rooted in honesty, integrity, ethical business conduct, and compliance with applicable laws, rules, and regulations.

The New Relic Board of Directors is a unitary board with an independent majority and has three standing committees: Audit, Compensation, and Nominating and Corporate Governance. These bodies address risk management in their respective oversight areas while the Board performs this function holistically.

Processes aimed at preventing, assessing, and mitigating conflicts of interest, including the Board's involvement in those policies and procedures, are outlined in the <u>Code of Conduct</u>. There have been no related party interests that were material or required disclosure to stockholders.

Engagement with the Board

New Relic has adopted a formal process by which stockholders can communicate concerns to the Board of Directors that is outlined in our Stockholder Communications Policy. In response to stockholder feedback and as part of our ongoing

evaluation of best practices, New Relic has made a number of enhancements to our corporate governance practices, such as appointing two new independent directors in fiscal 2022, and increasing information on our practices and commitments to community involvement, diversity and inclusion, and environmental sustainability in our annual Proxy Statements.

Stakeholder Engagement

We're in constant dialogue with Relics—responding to their ideas, thoughts, and concerns drives our growth and direction as an organization.

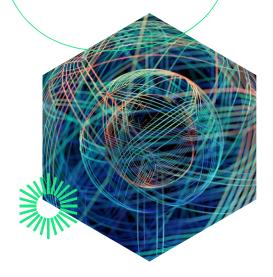
Our employee listening strategy is an integrated approach to understanding and improving our Relic's work experience. It is purposefully designed to involve all Relics, harness their ideas and feedback, and respond so they thrive and are able to focus on our customers and drive business impact. Our annual Relic Survey is a key component of the listening strategy. Our goal is to get even more Relics involved in making positive change in the organization. To that

end, we will launch a new survey program in fiscal 2023, increasing our target participation rate to 85%, up from 83% for our fiscal 2022 annual survey, and enabling more first-line managers to get their team's results and engage in action-taking.

Other lines of communication include our dynamic all-hands meetings, bustling Slack channels, and direct feedback. We also monitor turnover rates and conduct exit surveys to further evaluate how we're doing and where we can improve.

We show the same level of engagement to our customers—we're constantly working on ways to better understand their needs and improve New Relic's services. We stay in touch with clients through private virtual and in-person meetings, regional technical and advisory boards, in-person and virtual learning events, hack-athons, and more. These avenues for customer contact are crucial, as they allow us to gather and incorporate valuable feedback into our products and business processes.

We're in constant dialogue with Relics—responding to their ideas, thoughts, and concerns drives our growth and direction as an organization.



Ethical Business Practices

New Relic 2022 Impact Report / Contents ↑

Guiding Ethical Business Practices

Policies and Commitments

New Relic's policies and guideposts for ethical conduct allow us to maintain integrity internally and in our business relationships. Our Corporate Governance Guidelines, governance committee charters, Stockholder Communications Policy, and our Code of Conduct—all of which can be found in our Governance documents page—direct the actions of our board.

Our <u>Code of Conduct</u> stipulates expectations for employees, officers and directors, including compliance with laws and regulations, standards and procedures, maintaining confidentiality, and avoiding conflicts of interest. The Code of Conduct also details how to obtain more information about its implementation. Any company member who witnesses a violation of the Code of Conduct is obligated to report it. New Relic investigates all reported incidents and maintains a strict non-retaliation policy.

Our <u>Open Door Whistleblower Policy</u> stipulates the reasons for and procedures to report any violations of our internal financial and auditing policies, laws, and regulations. These concerns, as well as any other

grievances about responsible business conduct, can be reported through the New Relic Ethicspoint hotline.

We expect our vendors to hold themselves to the high ethical standards we follow. In January 2022, we published our Vendor Code of Conduct, which requires vendors to follow applicable laws and regulations, protect product quality and safety, and maintain financial integrity. It also outlines our expectations for vendors to promote diversity, equity, and inclusion considerations within their business practices, respect employee rights, and perform due diligence to assure against modern slavery or human trafficking in their supply chains.

We adhere to the UK Modern Slavery Act of 2015 and have published a New Relic Modern Slavery Act Statement. Updated in January 2022, the statement outlines how New Relic undertakes due diligence to evaluate whether third parties have the relevant policies and procedures in place to address modern slavery risks.

Managing Ethical Business Practices

New Relic's Nominating and Corporate Governance Committee monitors the effectiveness of our Code of Conduct and Corporate Governance Guidelines, including whether they are successful at preventing illegal or improper conduct.

In addition to its corporate governance efforts, New Relic provides market transparency to its customers. We supply detailed information about our <u>pricing</u>, services, and functionality through our contracts, order forms, and <u>documentation</u>. New Relic strives to provide current information or otherwise provide the date of all material documentation or information.

Internally and through its supply chain, New Relic maintains strict policies against bribery, extortion, and price fixing. Relics who have a purchasing or customer-facing role, as well as those who fulfill an executive or critical function, are required to go through training in global anti-bribery and corruption practices and to review and certify quarterly representations concerning ethical transactions and business practices. All Relics are required to complete training on insider trading.

New Relic's General Counsel is responsible for investigating any potential violations of the Code of Conduct. They are also responsible for

maintaining and updating the code, for training new employees in its policies, and for conducting annual refresher training sessions for all Relics.

40 of 51

There have been no material monetary losses associated with any legal proceedings, including any proceedings related to user privacy or anticompetitive behavior regulations or significant instances of non-compliance with laws and regulations during this reporting period. (Please see "Legal Proceedings" sections in our latest 10-Q and 10-Ks filed with the SEC.)

While we believe better software for all organizations and engineers is a noble mission, we do hold the line against groups with missions that actively spread hate, which are identified by the Southern Poverty Law Center. We prevent those organizations from using New Relic and remove those that join our platform. We also remain vigilant in restricting access in order to align with relevant sanctions. For instance, in March 2022, we terminated the accounts of companies with registered billing addresses in Russia and Belarus to support the imposition of sanctions in response to Russia's aggression in Ukraine.

Looking Ahead

New Relic will continually aspire to the highest standards of corporate governance, ethics, and integrity wherever in the world we operate, working against corruption and upholding human rights while ensuring honest, transparent, and fair communication with our customers.

- → We will continue adhering to and updating our <u>Corporate</u> <u>Governance Guidelines and Policies</u>
- → We will continue to develop and update policies reflecting our commitment to human rights, including updating our policies relating to modern slavery and human trafficking, and reviewing them with our NCGC on an annual basis at minimum



Appendix

About This Report

This report was published on July 13, 2022, and covers the period April 1, 2021 through March 31, 2022—aligned with fiscal 2022—unless otherwise noted.

To set the bar and inform our disclosure, we have used <u>SASB</u> and the <u>Global Reporting Initiative (GRI)</u> frameworks to guide our reporting. We will continue to report our progress on an annual basis.

This document was reviewed to assess whether data contained therein can be traced back to internal or external records. The non-financial data contained in this document was not independently assured by a third party. The work towards refining strategic objectives and improving our initiatives is never done, and we're always interested in hearing from our stakeholders and members of our extended community.

For any questions, comments, or feedback, please contact esg@newrelic.com.

GRI and SASB Content Index

Statement of use: New Relic has reported the information in this report with reference to the GRI Standards, using GRI 1: Foundation 2021.

DISCLOSURE	LOCATION AND/OR INFORMATION	SASB	GRI
GENERAL DISCLOSURES			
Organizational details	FY22 Proxy Statement	_	GRI 2-1-a through 2-1-
Entities included in the organization's sustainability reporting	New Relic, Inc.	_	GRI 2-2-a
Reporting period, frequency, and contact point	Page 42	_	GRI 2-3
Restatements of information	No restatements of information	_	GRI 2-6-a + 2-6-b
Activities, value chain, and other business relationships	FY22 Form 10-K	_	GRI 2-6-a + 2-6-b
Employees	Page 46	_	GRI 2-7
Governance structure and composition	Page 6 + Page 47 + FY22 Proxy Statement	_	GRI 2-9
Nomination and selection of the highest governance body	FY22 Proxy Statement	_	GRI 2-10
Chair of the highest governance body	FY22 Proxy Statement	_	GRI 2-11
Role of the highest governance body in overseeing the management of impacts	Page 6 + FY22 Proxy Statement	_	GRI 2-12
Delegation of responsibility for managing impacts	Page 6 + Page 39	_	GRI 2-13
Role of the highest governance body in sustainability reporting	Page 6	_	GRI 2-14
Conflicts of interest	Page 39 + Page 40	_	GRI 2-15
Communication of critical concerns	Page 39	_	GRI 2-16-a
Remuneration policies	FY22 Proxy Statement	-	GRI 2-19-a

To align with U.S. government reporting requirements, data in this report uses their gender categories of "male" and "female." New Relic respects that gender is non-binary; reporting in this manner for legal compliance purposes does not represent our position on the issue.

43 of 51

GRI and SASB Content Index — Continued

DISCLOSURE	LOCATION AND/OR INFORMATION	SASB	GRI
Process to determine remuneration	FY22 Proxy Statement	_	GRI 2-20
Annual total compensation ratio	FY22 Proxy Statement	_	GRI 2-21 a + 2-21-c
Statement on sustainable development strategy	Page 3	_	GRI 2-22
Policy commitments	Page 40	_	GRI 2-23-a + 2-23-c
Processes to remediate negative impacts	Page 40	_	GRI 2-25-a + 2-25-b
Mechanisms for seeking advice and raising concerns	Page 40	_	GRI 2-26
Compliance with laws and regulations	Page 40	_	GRI 2-27
Approach to stakeholder engagement	Page 39	_	GRI 2-29
DISCLOSURES ABOUT PROCESS TO DETERMINE MATERIAL TOPICS AND LIST OF MATERIAL TOPICS			
Process to determine material topics	Page 7	_	GRI 3-1
List of material topics	Page 7	_	GRI 3-2
MATERIAL TOPICS — PILLAR 1: RELICS			
DIVERSITY, EQUITY AND INCLUSION			
Management of material topics	Page 10 + Page 11 + Page 12	_	GRI 3-3-a through 3-3-c, 3-3-d-i + 3-3-e-i
Diversity of governance bodies and employees	Page 47	_	GRI 405-1-a-i-ii; + 405-1-b-i-iii
Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	Page 48	SASB (S&ITS) TC-SI-330a.3	_
EMPLOYEE HEALTH, SAFETY AND WELLBEING			
Management of material topics	Page 14	_	GRI 3-3-a-3-3-c + 3-3-d-i
Employee engagement as a percentage	Page 39	SASB (S&ITS) TC-SI-330a.2	_
FUTURE OF WORK			
Management of material topics	Page 14	_	GRI 3-3-a through 3-3-c + 3-3-d-i

GRI and SASB Content Index — Continued

DISCLOSURE	LOCATION AND/OR INFORMATION	SASB	GRI	
WORKFORCE DEVELOPMENT				
Management of material topics	Page 13	_	GRI 3-3-a through 3-3-c + 3-3-d-i	
New employee hires and employee turnover	Page 48	_	GRI 401-1	
Benefits provided to full-time employees that are not provided to temporary or part-time employees	Page 13 + Page 49	_	GRI 401-2-a	
Parental leave	Page 13 + Page 50	_	GRI 401-3	
MATERIAL TOPICS — PILLAR 2: DATA SECURITY AND TRUST				
DATA SECURITY AND PRIVACY				
Management of material topics	Page 18 + Page 19	_	GRI 3-3-a through 3-3-c, 3-3-d-i + 3-3-e-i	
Description of policies and practices relating to behavioral advertising and user privacy	Page 18	SASB (S&ITS) TC-SI-220a.1	_	
Number of users whose information is used for secondary purposes	Page 18 + Page 19	SASB (S&ITS) TC-SI-220a.2	_	
Total amount of monetary losses as a result of legal proceedings associated with user privacy	Page 40	SASB (S&ITS) TC-SI-220a.3	_	
(1) Number of law enforcement requests for user information, (2) number of users whose information was requested, (3) percentage resulting in disclosure	New Relic has received 0 national surveillance requests and there are no instances of required material disclosures. "National security requests" is a National Security Letter issued under 18 U.S.C. § 2709, any process issued pursuant to the Foreign Intelligence Surveillance Act, 50 U.S.C. § 1801, et seq., or any other classified request for user information issued in the United States	SASB (S&ITS) TC-SI-220a.4	_	
EMERGING TECHNOLOGY AND ETHICS				
Management of material topics	Page 20	_	GRI 3-3-a through 3-3-c + 3-3-d-i	
ETHICAL BUSINESS PRACTICES				
Management of material topics	Page 40	_	GRI 3-3-a through 3-3-c + 3-3-d-i	
Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	Page 40	SASB (S&ITS) SASB TC-SI- 520a.1	_	

GRI and SASB Content Index — Continued

DISCLOSURE	LOCATION AND/OR INFORMATION	SASB	GRI
SYSTEMIC RISKS FROM TECHNOLOGY DISRUPTIONS			
Management of material topics	Page 19	_	GRI 3-3-a through 3-3-c + 3-3-d-i
Number of (1) performance issues and (2) service disruptions; (3) total customer downtime	Page 19	SASB (S&ITS) TC-SI-550a.1	_
Description of business continuity risks related to disruptions of operations	Page 19	SASB (S&ITS) TC-SI-550a.2	_
MATERIAL TOPICS — PILLAR 3: ENVIRONMENT			
ENERGY AND CLIMATE			
Management of material topics	Page 34 + Page 35	_	GRI 3-3-a through 3-3-c + 3-3-d-i
Total energy consumption within the organization, in joules or multiples	Page 34 + Page 50	_	GRI 302-1-e
Gross direct (Scope 1) GHG emissions in metric tons of CO2 equivalent	Page 34 + Page 50	_	GRI 305-1-a
Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO2 equivalent	Page 34 + Page 50	_	GRI 305-2-a
Gross other indirect (Scope 3) GHG emissions in metric tons of CO2 equivalent	Page 34 + Page 50	_	GRI 305-3-a
(1) Total energy consumed, (2) percentage grid, electricity, (3) percentage renewable	Page 34 + Page 50	SASB (S&ITS) TC-SI-130a.1	_
MATERIAL TOPICS — PILLAR 4: EQUITABLE ACCESS TO TECHNOLOGY			
TECH FOR GOOD			
Management of material topics	Pages 23, 25, 26, 27, 30 + 31	_	GRI 3-3-a through 3-3-c + 3-3-d-i

Data Table #1

GRI 2-7 Employees

a. Report the total number of employees, and a breakdown of this total by gender and by region:

Region	Gender	Headcount
AMER	Female	556
AMER	Male	1049
APJ	Female	46
APJ	Male	122
EMEA	Female	124
EMEA	Male	320
All Regions	Total	2217

b-ii. Temporary employees, and a breakdown by gender and by region:

Region	Worker Type	Gender	Headcount
AMER	Contingent Worker	Unknown	137
APJ	Contingent Worker	Unknown	103
EMEA	Contingent Worker	Unknown	13

b-iii. Non-guaranteed hours employees, and a breakdown by gender and by region:

Region	Worker Type	Gender	Headcount
N/A	N/A	N/A	N/A

b-i. Permanent employees, and a breakdown by gender and by region:

Region	Worker Type	Gender	Headcount
AMER	Employee	Female	556
AMER	Employee	Male	1049
APJ	Employee	Female	46
APJ	Employee	Male	122
EMEA	Employee	Female	124
EMEA	Employee	Male	320

b-iv. Full-time employees, and a breakdown by gender and by region:

Region	Time Type	Gender	Headcount
AMER	Full time	Female	556
AMER	Full time	Male	1048
APJ	Full time	Female	46
APJ	Full time	Male	122
EMEA	Full time	Female	124
EMEA	Full time	Male	320

b-v. Part-time employees, and a breakdown by gender and by region:

Region	Time Type	Gender	Headcount
AMER	Part-time	Male	1

c. Describe the methodologies and assumptions used to compile the data, including whether the numbers are reported:

We do not keep track of gender, ethnicity, and age for contingent workers.

c-i. In headcount, full-time equivalent (FTE), or using another methodology

Headcount based on Worker Status = 'Active'

c-ii. At the end of the reporting period, as an average across the reporting period, or using another methodology

Snapshot date, end of reporting period

- **d.** Report contextual information necessary to understand the data reported under 2-7-a and 2-7-b: N/A
- **e.** Describe significant fluctuations in the number of employees during the reporting period and between reporting periods: N/A

Data Table #2

GRI 405-1 Diversity of governance bodies and employees

a. Percentage of individuals within the organization's governance bodies:

i. GENDER OF THE BOARD OF DIRECTORS

66.70%
MALE
33.30%
FEMALE

ii. AGE GROUP OF THE BOARD OF DIRECTORS

44.40% 30-50 **55.60%** 50+ **b**. Percentage of employees per employee category:

i. GENDER OF EMPLOYEES

67.30%
MALE
32.70%
FEMALE

ii. AGE GROUP OF EMPLOYEES

13.62% UNDER 30 70.82% 30-50 15.56% 50+

b-iii. Other indicators of diversity where relevant (such as minority or vulnerable groups):

Veteran status and disability status categories align with US government reporting requirements.

Veteran Status of Employees (US Only)	Headcount %
Unknown	12.41%
I am not a veteran	84.53%
I do not wish to self-identify	1.02%
Identify as a veteran, just not a protected veteran	0.51%
Identify as one or more of the classifications of protected veterans	1.53%

Disability Status of Employees	Headcount %
Unknown	37.80%
I do not wish to answer	4.19%
No, I don't have a disability	24.31%
No, I don't have a disability, or a history/record of having a disability	28.60%
Yes, I have a disability (or previously had a disability)	1.13%
Yes, I have a disability, or have a history/record of having a disability	3.97%

Appendix

Data Table #3

GRI 401-1 New employee hires and employee turnover

Hire rates or turnover rates are employee start counts or stop counts divided by average headcount per employee category in fiscal 2022.

a. Total number and rate of **new employee hires** during the reporting period, by age group, gender and region:

Region	New Hires	Hire Rate
AMER	624	42%
APJ	82	61%
EMEA	156	37%

Age Group	New Hires	Hire Rate
Under 30	190	58%
30-50	561	38%
Over 50	111	41%

Gender	New Hires	Hire Rate
Female	306	46%
Male	555	40%
Unknown	1	N/A

b. Total number and rate of **employee turnover** during the reporting period, by age group, gender and region:

Turnover	Turnover Rate
602	40%
53	39%
152	36%

Turnover	Turnover Rate
121	37%
561	38%
125	46%

Turnover	Turnover Rate
267	40%
539	38%
1	N/A

Data Table #4

SASB TC-SI-330a.3 Percentage of gender and racial/ethnic group representation for management, technical staff, and all other employees

Management or leadership at New Relic is defined as VP level and above as defined by job level. Ethnicity categories align with US government reporting requirements.

Gender	Leadership	Non-Tech	Tech
Female	25%	43%	23.8%
Male	75%	57%	76.2%

Ethnicity (USA)	Leadership	Non-Tech	Tech
American Indian or Alaska Native (Not Hispanic or Latino)	0%	0%	0%
Asian (Not Hispanic or Latino)	26%	18%	19%
Black or African American (Not Hispanic or Latino)	4%	8%	4%
Hispanic or Latino	8%	7%	4%
Native Hawaiian or other Pacific Islander (Not Hispanic or Latino)	0%	1%	0%
Not Declaring (Not Hispanic or Latino)	N/A	N/A	N/A
Two or more races (Not Hispanic or Latino)	0%	3%	5%
White (Not Hispanic or Latino)	62%	62%	68%

Data Table #5

GRI 401-2-a Benefits which are standard for full-time employees of the organization but are not provided to temporary or part-time employees

Location	Benefits *Benefits not available to part-time or temporary employees
United States	401(k) pre-tax & Roth, ESPP, medical, dental, vision, life and AD&D, short-term disability, long-term disability, health savings account, flexible spending account (commuter, health care and dependent care), business travel insurance, EAP, on-demand emotional support (Ginger), fertility care benefits, back-up care and paid parental leave
Canada	Retirement saving plan & company match, ESPP, medical, dental, vision, life, short-term disability, long-term disability, business travel insurance, EAP, on-demand emotional support (Ginger), fertility care benefits, back-up care, and paid parental leave
Ireland	Retirement plan, ESPP, medical, dental, life, income protection, business travel insurance, EAP, on-demand emotional support (Ginger), fertility care benefits, back-up care, and paid parental leave
United Kingdom	Pension scheme, ESPP, private medical, private dental, evouchers (vision), life, income protection, business travel insurance, EAP, on-demand emotional support (Ginger), fertility care benefits, back-up care, and paid parental leave
France	Supplemental health, life insurance, disability insurance, subsidized meal vouchers, business travel insurance, EAP, fertility care benefits, access to care.com , and paid parental leave
Germany	Pension scheme, life, income protection, business travel insurance, EAP, on-demand emotional support (Ginger), fertility care benefits, back-up care, and paid parental leave
Spain	Retirement company match, ESPP, medical, dental, life, accident insurance, business travel insurance, EAP, on-demand emotional support (Ginger), fertility care benefits, back-up care, salary sacrifice scheme (meal/transport/kindergarten), and paid parental leave
Netherlands	Business travel insurance, EAP, on-demand emotional support (Ginger), fertility care benefits, back-up care, and paid parental leave
Australia	Superannuation, ESPP, medical, dental, life, total permanent disability, business travel insurance, EAP, on-demand emotional support (Ginger), fertility care benefits, access to care.com, and paid parental leave
Singapore	Medical, dental, life insurance, business travel insurance, EAP, on-demand emotional support (Ginger), fertility care benefits, access to care.com , and paid parental leave
Japan	Life, long-term disability, business travel insurance, EAP, fertility care benefits, and paid parental leave
Korea	Pension, business travel insurance, EAP, on-demand emotional support (Ginger), fertility care benefits, and paid parental leave
India	Medical, dental, life/accident, permanent total disability, business travel insurance, EAP, fertility care benefits, and paid parental leave

Data Table #6

GRI 401-3 Parental Leave

Region	Female	Male
a. Total number of employees that are entitled to parental leave, by gender	980	1994
b. Total number of employees that took parental leave (in fiscal 2022), by gender	59	100
c. Total number of employees that returned to work in the reporting period (fiscal 2022) after parental leave ended, by gender.	46	92
d. Total number of employees that returned to work after parental leave ended who were still employed 12 months after their return to work, by gender.	30	70
e. (1) Return to work rate of employees that took parental leave, by gender.	78%	92%
e. (2) Retention rate of employees that took parental leave, by gender.	70%	65%

Data Table #7

GRI 305-1-a Direct (Scope 1) GHG emissions; **GRI 305-2-a** Energy indirect (Scope 2) GHG emissions; **GRI 305-3-a** Other indirect (Scope 3) GHG emissions; **GRI 302-1-e**. Total energy consumption within the organization, in joules or multiples; **SASB TC-SI-130a.1** (1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable

	Fiscal 2020	Fiscal 2021	Fiscal 2022
Scope 1 emissions (tCO2eq)	156	168	185
Scope 2 emissions (tCO2eq)	1,217	1,025	1,013
Scope 3 emissions (tCO2eq)	44,547	28,162	32,018
Net emissions (tCO2eq)	45,920	29,355	33,339
Total energy consumed within the organization (gigajoules)	16,725	14,353	15,840
Percentage grid electricity energy (as % of total energy) The remainder of total energy consumed in the organization is natural gas usage.	82%	76.78%	63.44%
Percentage renewable energy (as % of total energy)	0%	0%	13.33%

About New Relic

As a leader in observability, New Relic empowers engineers with a data-driven approach to planning, building, deploying, and running software. Offering the only unified data platform that empowers engineers to get all telemetry paired with powerful full-stack analysis tools, New Relic helps engineers do their best work with data, not opinions.

Delivered through the industry's first usage-based pricing, New Relic delivers more value by helping engineers improve cycle times, change failure rates, release frequency, and mean time to resolution. This improves uptime, reliability, and efficiency to deliver exceptional customer experiences that fuel growth.

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This report may contain forward-looking statements regarding our future business expectations, which involve risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements. Forward-looking statements include all statements that are not purely historical and are often identified by the use of words such as, but not limited to: "aim," "believe," "can," "continue," "could," "estimate," "expect," "intend," "may," "might," "plan," "project," "potential," "seek," "should," "target," "will," "would" and similar expressions or variations intended to identify forward-looking statements. Such statements include, but are not limited to: statements regarding our business plans and objectives, our strategies and systems for implementing our goals, our commitments to programs and policies, and our expectations and priorities for ESG initiatives. These statements reflect management's current expectations, estimates and assumptions based on the information currently available to us. These forward-looking statements are not guarantees of future performance and involve significant risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from results, performance or achievements expressed or implied by the forward-looking statements contained in this report. Further information on factors that could affect our results and the forward-looking statements in this report is included in the fillings we make with the SEC from time to time, including in our most recent Form 10-K and Form 10-Q, particularly under the captions "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations." Copies of these documents may be obtained by visiting our Investor Relations website at http://ir.newrelic.com or the SEC's website at www.sec.gov. We assume no obligation and do not intend to update these forward-looking statements, except as required by law.



