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New Relic 2023 Impact Report

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A Word From Our CEO

This year, New Relic turns 15 years old. We're proud to be an early pioneer in application performance monitoring, and we now have more engaged customers on our platform than any other.

In many ways, however, we feel that we're just getting started on our mission to help the tens of millions of engineers around the world make decisions every day using telemetry data. We're renewing our commitment to building a more equitable and sustainable future for all, mobilizing our business, people, and resources as leaders in observability to effect positive change while meeting the demands of our customers, investors, employees, and communities.

Our ESG program is as ambitious as it is methodical. In fiscal year (FY) 2023, we began seeing the results of our strategies by operationalizing our previous ESG commitments. We're particularly proud to be the first observability company to set a goal to achieve net-zero greenhouse gas (GHG) emissions by 2030 as part of our broader climate strategy. In aligning our business and sustainability goals, we are helping to slow climate change while positioning our business for long-term growth and competitive differentiation. This also allows us to evolve alongside our global customers, for whom decarbonization is becoming an increasingly important consideration when it comes to choosing technology providers.

There is always more work to build upon and new external factors to contend with, such as the macroeconomic headwinds we faced last year. This FY23 impact report reflects the resiliency and dedication built into our program, presents our outcomes since first operationalizing our ESG strategy, and allows us to look forward and share our key goals for FY24 across each of our ESG focus areas. We will continue to deepen and strengthen our commitments across these impact focus areas, leveraging our obsession with data to hold ourselves accountable for our progress. I'm proud to share this report with you and hope it grants you a better understanding of our business.

Bill Staples
CEO of New Relic

Who We Are

Our Mission, Culture, and Values

We believe that great software is built using data, not opinions. New Relic offers engineers a unified platform for all their telemetry—metrics, events, logs, and traces—and powerful full-stack observability tools that empower them to create better digital experiences.

New Relic envisions a world where engineers can do their best work by harnessing observability insights at every stage of software development. We support this mission with a connected culture rooted in continuous learning, high performance, and advancement. Our employees (Relics) collaborate across continents, bringing their authentic selves to work every day to create valuable shared experiences.

New Relic's development is guided by our core values:

- Bold
- Authentic
- Passionate
- Connected
- Accountable

New Relic by the Numbers

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~2,700 Employees

~16,000 Paid Customers

$925.6M FY23 Revenue

Only unified telemetry data platform with hyper-scale, high performance, and low incremental cost.

ONE PLATFORM TO RUN ANY DIGITAL BUSINESS WITH **30+ INTEGRATED CAPABILITIES:** APM, SECURITY LOGS, INFRASTRUCTURE, AI, AND MANY MORE.

One Place for All Data
Collect all telemetry with open integrations and OpenTelemetry leadership.

No More "Screen Swivels"
Use all monitoring tools in one connected experience.

Platform Pricing Model
Give observability tooling to every team to use with low TCO at scale.

Governance of ESG Issues

We continue to deepen our commitments to ESG issues under our ESG operating team, which is led by our Director of Business Operations and ESG and our Senior Director of Social Impact and ESG.

Management of New Relic's ESG strategy is overseen by a team of three executive sponsors composed of our Chief People and Diversity Officer, Chief Operating Officer, and Chief Legal Officer, who are also some of the longest-tenured leaders in the company.

This team reports directly to the Nominating and Corporate Governance Committee (NCGC) of our Board of Directors, ensuring our ESG practices are aligned with our corporate governance, ethics, and integrity standards.

The NCGC takes into account and addresses any stockholder feedback it receives and meets biannually with executive sponsors. In turn, these executives 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.

More information on our Board of Directors can be found in the Corporate Governance section of our website.
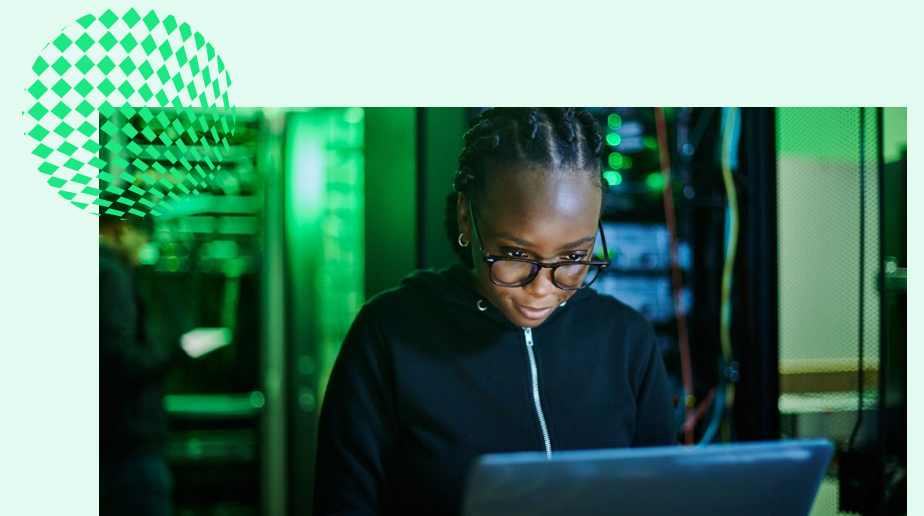
Our Impact Priorities and Strategy

New Relic has sought to grow sustainably from its founding. We began integrating ESG considerations into our operations early in our corporate history. In early FY22, we consolidated our company-wide efforts with the launch of a formal ESG program.

We partnered with Business for Social Responsibility to conduct our first materiality assessment, consulting with key internal and external stakeholders.

The material topics that we identified through this process became the pillars of our strategy, which we continued to execute in FY23. We focus our impact on the following areas:

Relics

We prioritize our people above everything because we understand our success depends on their well-being and our ability to nurture their growth.

Data Security and Trust

New Relic is committed to making the internet a more secure, resilient, and rights-respecting space.

Environment

Doing our part to curb climate change is a foundational priority for New Relic.

Equitable Access to Tech

We democratize access to observability tools through our software's free tiers and New Relic's commitment to open source. We enable Relics to leverage their skills, time, talents, and resources intentionally for the greater good.

FY23 ESG Accomplishments

To keep our stakeholders updated on our progress and plans for the future, this report includes dedicated sections that highlight our accomplishments and outline our short-term goals.

FY23 ESG Strategy and Work

We published our inaugural ESG report in July 2022 and began work to operationalize strategies defined the previous fiscal year:

Relics
We completed our transition towards becoming a Flex First company, cultivating connection and belonging among our global workforce, blending in-office and remote work for employee flexibility.

Read this section

Data Security and Trust
We consolidated management of data security issues by merging our Security, Legal, and Compliance departments into a single team.

Read this section

Environment
We built and launched our strategy to achieve net-zero by 2030.

Read this section

Equitable Access to Tech
We expanded free access to New Relic's platform, donating $8.5M in product and discounts to nonprofits through our Social Impact program.

Read this section
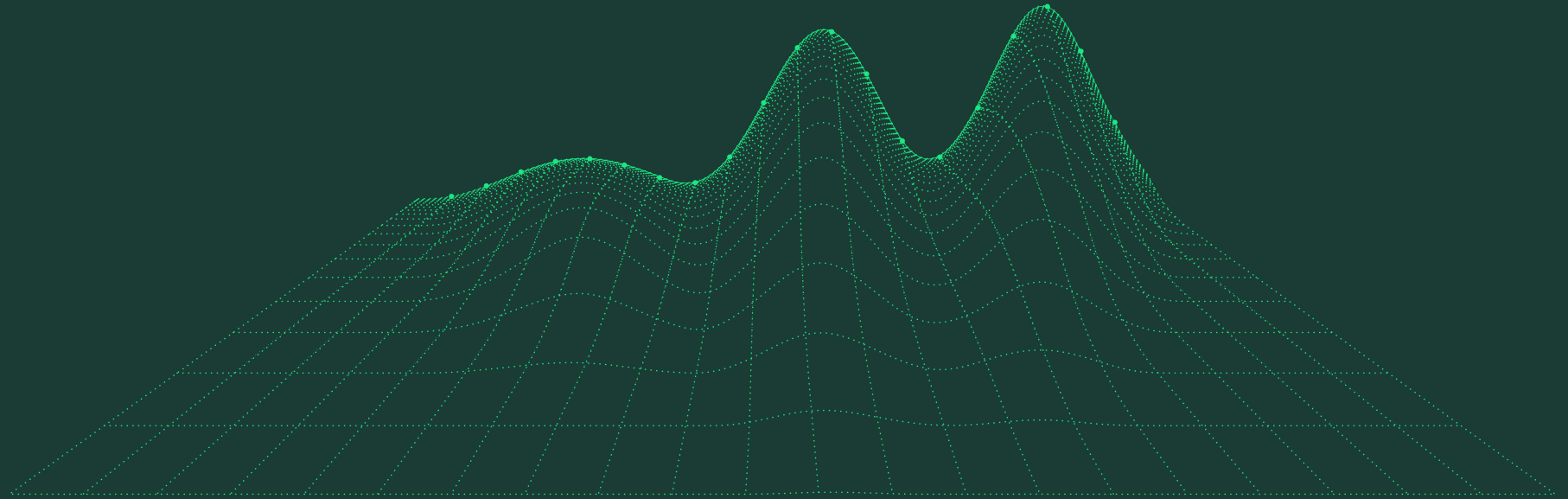
Relics

People come first at New Relic.

We integrate equity into everything we do—from hiring and promotions to identifying potential leaders and ensuring all Relics can shape their career growth. We take a data-driven approach to supporting Relics by building programs that support their growth and nourish their development.

We continued to perfect and evolve our Flex First working model in FY23. Responding to new, post-pandemic realities, we focused our efforts on developing an employee experience philosophy that includes creating the right conditions for all Relics to form meaningful connections and thrive with us.

→ **Promoting a differentiated employee experience rooted in connection, belonging, and equity** became a top priority in FY23; we appointed a full-time member to our People Team to lead this work.

→ **We published a new Gender Transition and Inclusion Support Policy** and developed a self-paced training called "Building a Better New Relic for Transgender Relics."

→ Recent updates to our ATS Avature allowed us to assess the effectiveness of the Mikey Rule in **helping us diversify our employee population.**

→ **We have made year-on-year progress on our journey towards becoming a more diverse, equitable company.** Responding to gaps identified in our data analysis, we also remain committed to deepening our work to create more career development opportunities across several historically underrepresented groups, including Hispanic/Latinx and women-identifying people in our workforce.

Our Progress Highlights

Our Progress Highlights

Compared to FY22, we can report a significant decrease in turnover across Relics from all groups in FY23. We specifically tracked 15–20 percentage point decreases among all regions, ages, and genders. We also more than doubled Black representation among our leaders in FY23, moving up 5 points to 9%.

There is still opportunity to increase representation among women and Hispanic Relics, which will be a focus in this fiscal year. New Relic remains committed to creating an inclusive, diverse workplace, and we will continue to work towards materializing this vision year on year.

GENDER　■ Male　■ Female

FY22
1491　726

FY23
1828　830

(scale: 0　500　1000　1500　2000　2500　3000)

■ Male　■ Female

LEADERSHIP	NON-TECH	TECH
FY22 75% / 25%	**FY22** 57% / 43%	**FY22** 76% / 24%
FY23 81% / 19%	**FY23** 58% / 42%	**FY23** 77% / 23%

ETHNICITY (USA)

Leadership

FY22	62%	26%	8%	4%
FY23	57%	26%	5%	9%	2% / 2%

Non-Tech

FY22	62%	18%	7%	8%	3%	1%
FY23	59%	19%	8%	8%	4%	1%

Tech

FY22	68%	19%	4%	4%	5%
FY23	64%	21%	5%	4%	6%

(scale: 0　20%　40%　60%　80%　100%)

The data in this table is rounded to the nearest whole number, resulting in a total slightly exceeding 100%.

■ American Indian or Alaska Native (Not Hispanic or Latino)
■ Asian (Not Hispanic or Latino)
■ Black or African American (Not Hispanic or Latino)
■ Hispanic or Latino
■ Native Hawaiian or Other Pacific Islander (Not Hispanic or Latino)
■ Not Declaring (Not Hispanic or Latino)
■ Two or More Races (Not Hispanic or Latino)
■ White (Not Hispanic or Latino)

VETERAN STATUS OF EMPLOYEES

	FY22	FY23
Unknown	12.41%	8.1%
I am not a veteran	84.53%	88.6%
I do not wish to self-identify	1.02%	1%
Identify as a veteran NOT PROTECTED	0.51%	0.8%
Identify as one or more PROTECTED	1.53%	1.5%

DISABILITY STATUS OF EMPLOYEES

	FY22	FY23
Unknown	37.8%	8.1%
I do not wish to answer	4.19%	6.3%
I do not have a disability	24.31%	24.6%
I do not have a history of disability	28.6%	53.3%
I have a disability	1.13%	1.1%
I have a history of disability	3.97%	6.7%

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Growth and Impact

DEI Strategy

We believe that tech companies play a vital role in eliminating systemic barriers that perpetuate inequities in the tech industry and society at large.

We take this responsibility seriously because we know that diversity is a key enabler of growth, product differentiation, and workforce engagement. It's why we integrate DEI across all levels and aspects of our business, engaging every Relic, leader, department, and region of operation. Our DEI pillars of Engage, Scale, and Grow allow us to continually strengthen this commitment.

Engage
We value leaders who understand the value and importance of diversity, equity, and inclusion in the mission and success of New Relic.

Scale
We promote deep organizational change that moves our organization's culture, priorities, and structures towards our DEI goals and in support of our company mission.

Grow
We address and mitigate implicit bias in our processes to ensure we hire and promote talent from all backgrounds.

Leadership involvement and accountability are defining features of our progress towards achieving DEI results.

Our most important work is framed by our Leader-led Action Plans (LLAPs), which guide our approach to expanding recruitment, retention, and career growth for underrepresented Relics. LLAPs are overseen by C-suite executives and designed to accelerate DEI throughout New Relic. Leaders build their LLAPs by evaluating their workforce demographics and setting measurable key results in order to close identified gaps across hiring, promotion, and attrition, as well in representation across leadership, technical roles, and our organization generally. In FY23, LLAPs centered on developing and diversifying our employee population by ensuring managers follow our Hiring for Success training (described below) and developing a deeper understanding of allyship that takes into account global differences.

Workforce Development

Our work environment fosters the sustained growth and success of all Relics.
We accomplish this by implementing equitable hiring practices that diversify our workforce, providing transparency and agency around promotion processes, and enabling Relics to expand their skills while acquiring new ones.

Our Hiring For Success training is a major driver of this effort, giving Relics making hiring decisions the tools they need to recruit the best candidates, understand how bias can impact decisions, and how to mitigate bias in our global recruitment practices. In FY23, we deepened our efforts to improve our engagement with veteran's resumes by identifying potential barriers to mutual understanding.

New Relic supports second-chance employment. Our applications for open roles do not directly ask candidates whether they have been convicted of a crime, allowing anyone to apply. Additionally, our background check process treats every candidate on a case-by-case basis. In instances where there is a prior conviction, we take into consideration the nature of the conviction as well as the position the candidate is applying for.

Growing with New Relic
We want Relics to be able to put down roots with us and flourish. In FY23, we continued defining job architectures through our Career Tracks initiative, which provides transparent career paths for Relics by clearly outlining the expectations, skills, and abilities associated with each role. This helps managers and employees to measure progress, evaluate promotion readiness, and identify development opportunities. We also launched speed mentoring and speed networking, allowing global Relics to grow their internal networks and gain exposure to different career paths and peer-to-peer mentorship. Our DEI team also held discussion sessions that combined career track overviews with stories from underrepresented leaders about their professional journeys to underscore the importance of representation, diverse career paths, and peer connection.

We also prioritize developing early career talent through our robust internship programs, supporting a diverse talent pipeline for future growth. We are currently focused on reaching out to college students from underrepresented groups, especially those enrolled in historically Black colleges (HBCUs). **Our summer 2022 internships provided meaningful experiences to 50 college students, 92% of whom hailed from underrepresented groups.**

Connection and Belonging

In a world where work is increasingly defined by virtual experiences, we're pioneering initiatives that cultivate a sense of interconnectedness among our global Relics.

Building a Better New Relic for All

Supporting a vibrant, diverse workforce starts with deep listening and understanding. In Q2, we conducted a career development needs assessment for Relics who identify as women globally and for Relics in technical roles in the U.S. who identify as Black, Indigenous, and/or People of Color (BIPOC). Our assessment showed that while Relics have confidence in their ability to perform their jobs, they would like more mentorship, time to pursue role-specific and technical learning, as well as a greater understanding of other internal career opportunities. We have taken careful note of these needs, and will mobilize our resources to create strategies that respond to them.

In an effort to provide greater support to our LGBTQIA+ Relics, we published a new Gender Transition and Inclusion Support Policy, which outlines manager and team responsibilities in supporting non-binary

and transitioning Relics. We also developed a self-paced training called "Building a Better New Relic for Transgender Relics," which sheds light on how to support transitioning employees and provides information about language, pronoun use, and the difference between gender identity and sexual orientation.

We invest in conferences and partnerships that engage and tap into pools of top underrepresented talent. These activities bring critical value to New Relic's efforts to build a more diverse, inclusive company.

Employee Resource Groups (ERGs)

Our ERGs are instrumental to moving New Relic towards ever greater inclusion and connection. They provide Relics with community, support, career and personal development opportunities, and access to peers who share commonalities and interests. ERGs receive our complete organizational support, including funding, executive sponsorship, and committee members that help drive shared activities.

ERGs are the beating heart that powers New Relic's commitments to celebrating cultural diversity as well as heritage and awareness moments. Every year, ERGs play a vital role in bringing communities together through both in-person and virtual gatherings for Relics and our customers.

Our C-suite executives are highly involved in supporting the development of ERG leaders. Executives meet with ERG leaders biannually to understand community needs, annual plans, and key challenges. In FY23 we also launched informal job shadowing that paired five ERG leaders with executives, including our CEO.

"In-person events are valuable opportunities to further promote belonging at New Relic—the sense of connectedness and joy is always palpable."

Kim Camacho
DIRECTOR OF DEI, NEW RELIC

Relics of Color

Rainbow Relics

Women at New Relic

Access at New Relic

Veterans at New Relic

Employee Experience

Relics are becoming more professionally agile, finding their own rhythms, and creating work-life balances that suit them. We continue to prioritize workplace flexibility through our Flex First working model, allowing us to embody the future of work in our industry.

Since fully embracing flexible ways of working, connecting Relics across continents in meaningful, unexpected ways has become a natural priority for us:

Aug. '22

We gave our workforce time to decompress with our annual Relic Recharge Week, for which we closed our virtual and physical offices globally.

Sept. '22

More than 400 Relics participated in our annual Amazing Relic Hunt, a fun and authentic company-wide exchange of personal stories and pictures.

Dec. '22

We engaged Relics through our year-end Gratitude Campaign and our Global Day of Service, encouraging teams to connect and reflect on their accomplishments.

Supporting Relics Wherever They Are

As employers, we want Relics' experience with us to have a positive impact on their lives and their loved ones. Due to the nature of our skilled workforce, we pay well above a "living wage" standard in all of our locations, which allows our Relics to enjoy a standard of living above simply meeting basic needs. We also include compensation information in specific job postings (that is, a reasonable estimate of the listed position's pay range, other compensation and incentives, and benefits) to promote pay transparency and equity and to comply with applicable law.

Sustainable Productivity

New Relic adheres to the philosophy of sustainable productivity, making sure we support all facets of Relics' well-being with policies and professional environments that empower them to do their best work.

Relic Health and Safety

New Relic reopened offices worldwide in May 2022 with a reduced footprint, providing more workspace flexibility for Relics. We strongly encourage Relics to get vaccinated against the COVID-19 virus and support local vaccination requirements for workplace attendance. Since our last report and in response to changing conditions in the pandemic, we have discontinued our policy of requiring vaccination. We continue to encourage employee health and workplace safety.

Mental Health and Well-being

Wellness is woven into our people strategy and we promote a culture of learning around topics related to mental health. In FY23, we expanded our efforts by hosting 22 wellness events and several talks on topics ranging from emotional health to neurodivergent communications and impostor syndrome. We also partnered with The Black Girl Doctor to offer Relics several new trainings geared at supporting mental well-being.

For more information on how we engage with and listen to Relics, consult the Stakeholder Engagement section of this report.

Looking Ahead
Relics

In the coming fiscal year, we will continue promoting a culture rooted in our values, one that allows Relics to be the best version of themselves at work in order to support New Relic's mission. We will continue to build an organization that welcomes diversity and creates equitable opportunities for all Relics to thrive, raising the bar on this front through our high-performance culture.

→ We will promote sustainable productivity so that Relics are energized rather than depleted by the pace of their work by refreshing our Flex First team agreements; this will include a template for aligning on team collaboration hours and launching our Thriving in Flex First Playbook.

→ We will invest in programs that drive sound performance management, ensuring that all Relics have clear, challenging goals and a deeper understanding and connection to our company strategy.

→ We will deliver specialized programming to continue to elevate our leadership capabilities.

→ We will launch an international career development program for women in EMEA and APJ called Set to Augment Results (STAR).

→ We will enhance our commitment to pay equity by launching a new strategy covering our philosophy on pay transparency.

→ We will deliver training on global cultural competency to ensure Relics have the knowledge and skills needed to be successful in today's interconnected global world.

2023

Data Security and Trust

Customers trust New Relic with their data. Because of that, we can deliver powerful insights driven by full observability.

At every step of the way, our customers can rest easy knowing that their information is safe with us and that they have options for maintaining control over their data.

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.

→ **We centralized management of data security and trust issues** into the hands of our newly minted Security, Legal, and Compliance (SLC) team, allowing us to integrate related considerations into our engineering work as well as to update and streamline our documentation, policies, and procedures.

→ In FY23, **New Relic responded quickly to changes** in export law controls related to the war in Ukraine.

→ **We continue to maintain 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 certifications such as SOC 2 Type 2, FedRAMP Moderate Impact SaaS authorization, HITRUST, TISAX, and ISO 27001.

→ **Visitors to our websites can now also manage their cookies and "do not sell" preferences through a new "Your Privacy Choices" link.** New Relic websites also respond to global privacy control signals.

Our Progress Highlights

Data Security and 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 Data Privacy Notice, which cover our collection, use, and disclosure of personal data, and how individuals can exercise their privacy rights.

Customers can find tools, resources, and additional information on data security and privacy in New Relic's privacy documentation.

Securing Customer Data

We are constantly evaluating and enhancing our internal cybersecurity and engineering standards. We use industry standards such as the NIST Cybersecurity Framework to measure and evaluate the effectiveness of our cybersecurity controls and risk management strategy. Improving customer-facing security issues is likewise a top priority as we continue to maintain a variety of certifications critical to our customers and set up audit responses for customer requests regarding the handling of their data.

More information on New Relic's approach to security policies and procedures is detailed in our Security Policy.

Improved Governance and Assurance

We have further improved alignment and collaboration between our SLC and product management teams to guide secure, compliant development from design to launch. The creation of our SLC team has standardized internal processes by allowing our engineers to integrate security and legal considerations into their workflows.

Developing the organizational muscle we need to respond to a changing technology and regulatory environment ultimately benefits our customers. In keeping with our privacy by design principles, we enable New Relic's developers to build security into products through our Secure Software Development Lifecycle initiative, which includes risk assessment, threat modeling, secure coding practices, and other best practices. Moreover, our new Vulnerability Management Tool empowers customers—and New Relic—with greater visibility into potential security issues and facilitates prioritization.

Data Security and Privacy

Regulatory Compliance

We diligently comply with regulatory requirements surrounding privacy. To that end, New Relic signs the following: (i) Data Protection Addendums with updated EU and UK standard contractual clauses (SCCs) and the Swiss addendum, (ii) Service Provider Addendums to meet the requirements of the California Consumer Privacy Act (CCPA) as amended by the California Privacy Rights Act (CPRA) that also incorporates other state privacy laws such as those from Virginia, Connecticut, Colorado, and Utah. New Relic's Vendor Code of Conduct lays out our expectation for vendors to respect and uphold our core values when doing business with us.

We also make corresponding amendments to applicable vendor agreements. Our Security Policy has been updated to address the technical and organizational measures specified in Annex II of the SCCs, making it easier for customers to comply with their own regulatory requirements and understand how New Relic is upholding its obligations. We have also revised customer-facing materials and FAQs surrounding the SCCs and Service Provider Addendum updates, facilitating access to the latest terms and appropriate clauses for conducting international data transfers as well as making it easier to track and match regulatory requirements.

To further strengthen our data governance, we have improved automation of our data mapping and work processing records through a strong relationship with data governance and compliance services. We also consolidated our audit process in FY23 and are expanding our internal controls compliance, such as the SOC 2 Type 2 report.

Vendor and Export Compliance

New Relic values its relationships with its suppliers and their role in helping us maintain our core values of accountability, authenticity, and connectedness. As part of our supply chain management, New Relic considers vendors' ability to operate in accordance with these values by looking at their commitment to meeting compliance obligations like trade control, conflicts of interest, and protecting human rights.

We do not discriminate against any world regions in offering our services; exclusion decisions are made in response to extreme factors like war and to comply with the law or sanctions applied for ethical reasons. In the context of Russia's invasion of Ukraine, we took swift, decisive action to conform with changes to export laws stemming from the crisis.

Systemic Risks From Technology Disruptions

New Relic continually improves its preparedness to handle potential service disruptions and works to identify operational risks. We maintain a Business Continuity Plan, which we review on an annual basis. This helps New Relic mitigate potential disruptions through contingency strategies to help maintain operations and enable us to deliver quality client services.

In line with our commitment to transparency, customers can monitor and receive notifications on product status by region and stay informed about any outages or interruptions in real time through our status page. We help enable customers to plan ahead by informing them of upcoming maintenance periods in advance, and prioritize performing scheduled maintenance when we anticipate it will be least disruptive for the majority of our customers.

Emerging Technology and Ethics

New Relic is a data-driven company built by engineers for engineers. Our customers are contractually prohibited from sending us inappropriate or sensitive data that would be used to violate human rights.

As New Relic evolves, we will continue to develop our technology ethically and responsibly—and we expect our customers to engage with our services in the same way. We are always vigilant about reported misuse of our platform. This includes terminating accounts that violate our Terms of Service and Acceptable Use Policy.
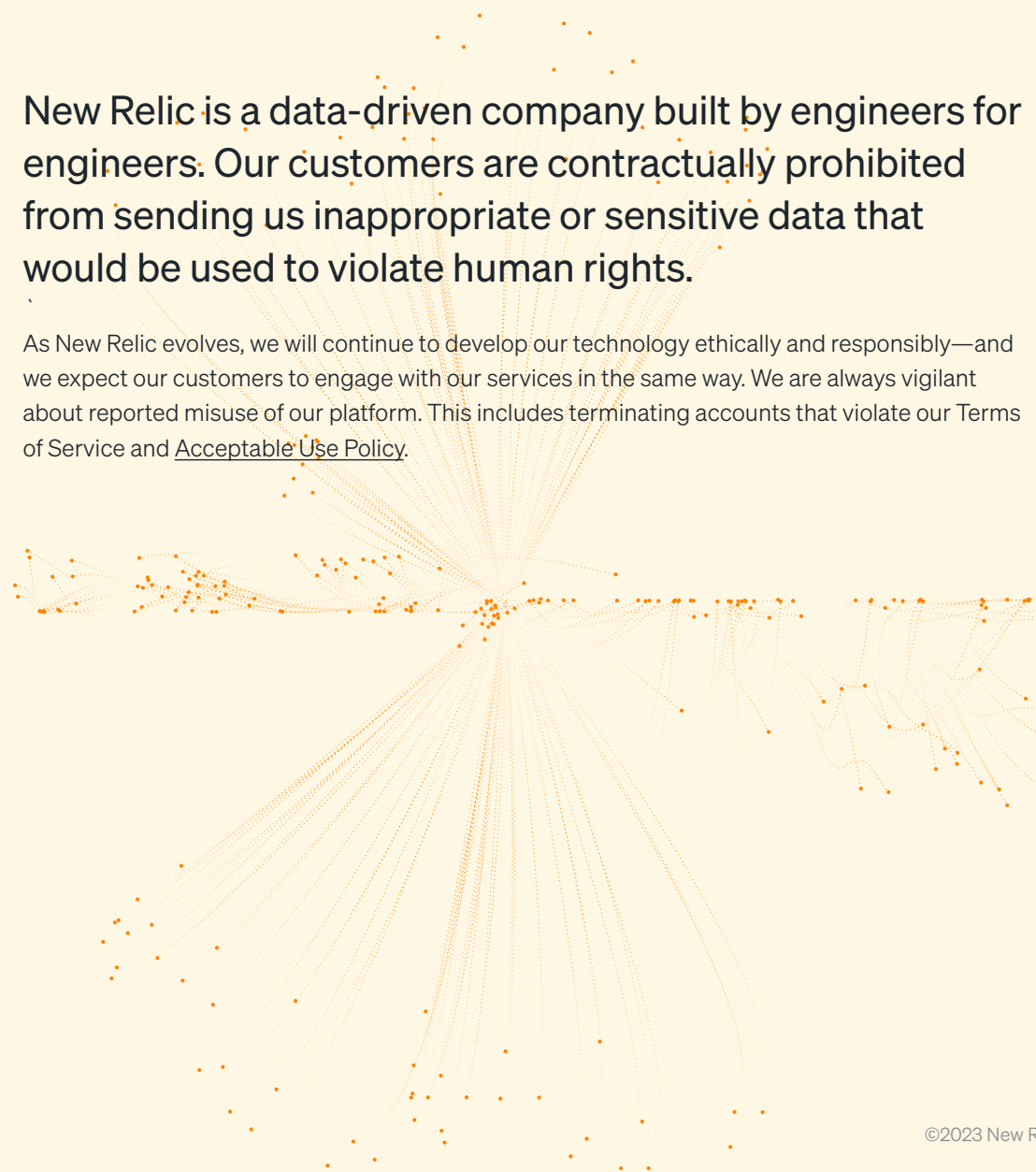
Looking Ahead
Data Security and Trust

New Relic is always looking for ways to enhance protection of customer data throughout all our processes. We will continue to do so by adhering to our industry's security best practices.

→ We will continue to secure the integrity of the software and services that we provide customers with and the continued enhancement of controls over the software development lifecycle.

→ As artificial intelligence (AI) and machine learning (ML) use continues to evolve, we will continue to strengthen and refine our policies around AI and ML use in a variety of potential use cases.

2023

Environment

New Relic believes that
our responsibility to shape
a better future includes
safeguarding the planet.

We realize that curbing climate change
is a collective responsibility and we are
eager to do our part.
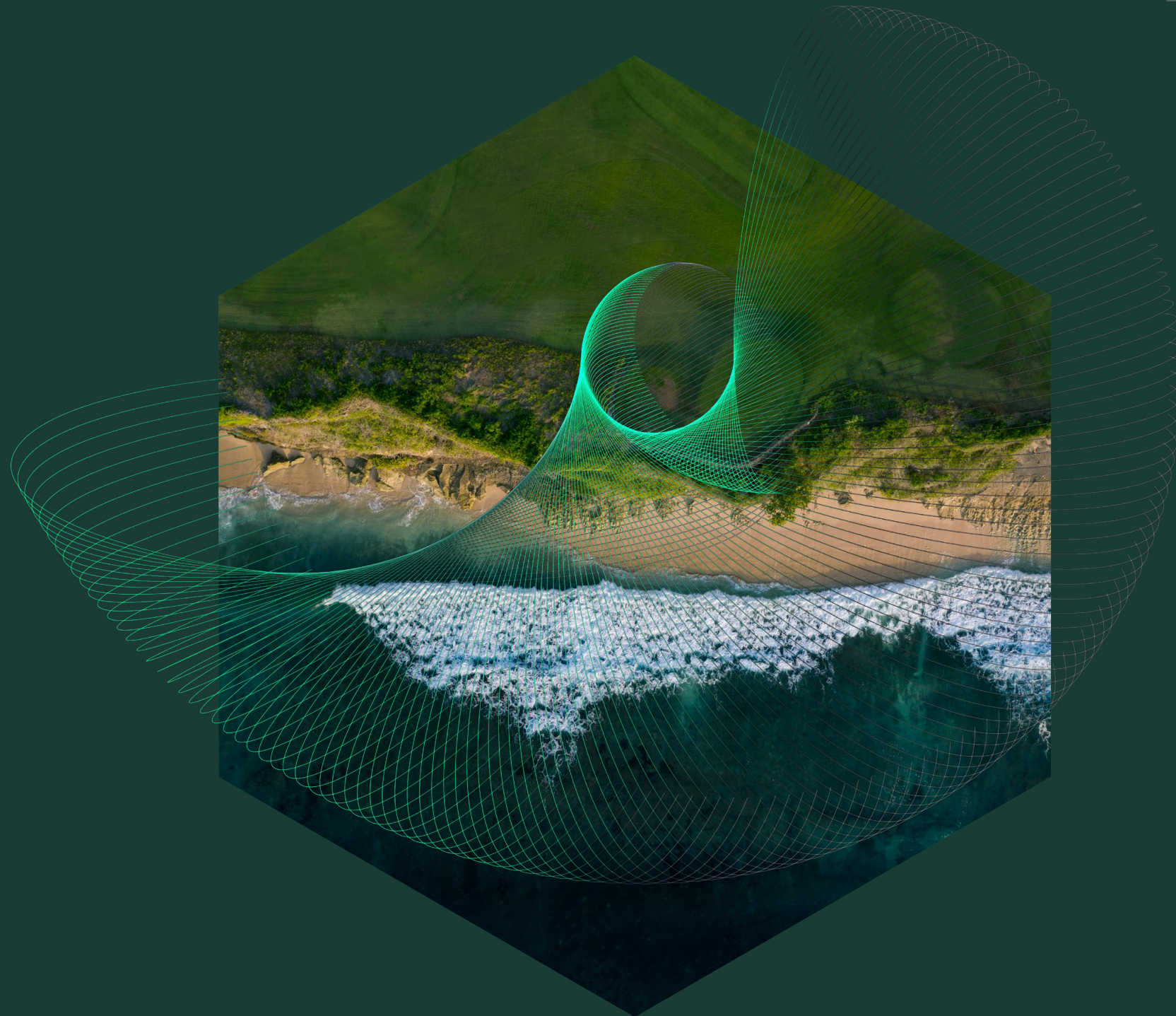
→ **We developed a climate strategy** that takes into account our facilities footprint, data centers, cloud usage, and corporate travel.

→ We publicly announced our **net-zero 2030 commitment** and submitted our commitment letter to SBTi in order to set near-term emissions reduction targets.

→ We made progress on **offsetting our emissions.**

SCOPE 1
Purchased reforestation credits from Trees for Global Benefits Uganda to offset 100% of natural gas consumption based on our FY22 footprint .

SCOPE 2
Purchased 100% clean energy to offset our FY22 Scope 2 global energy consumption through certified renewable energy certificates.

SCOPE 3
Purchased 100% clean energy for all FY22 work-from-home emissions globally based on employee's home ZIP Codes.

Our Progress Highlights

Building Our Climate Strategy

When we developed our ESG strategy in FY22, we identified "environment" as our biggest area of opportunity and established data baselines to understand our (GHG) emissions. We continued to build on this work over the last fiscal year by holding discussions with Relics across our business and identifying opportunities for carbon reductions.

Together with qb. consulting, a women-owned ESG strategy and communications firm, we developed a formal climate strategy in Q4. Our goal to reach net-zero GHG emissions by 2030 is the cornerstone of this strategy, making New Relic the first observability company to declare this objective. Our climate strategy includes continual review of our GHG emissions inventory, committing to developing a plan to reduce emissions for facilities and assets, setting incremental targets, and repo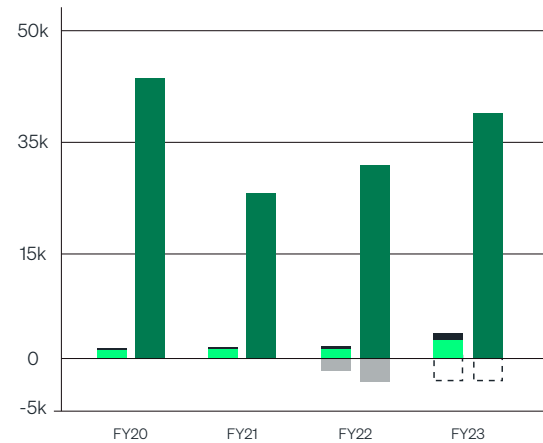rting on our progress. We are also focused on improving the efficiency of our cloud use and inspiring our customers, partners, and suppliers to follow our lead. We are building our platform with several cloud providers to ensure New Relic can take advantage of the strongest environmental policies.

New Relic uses climate solutions platform Watershed to calculate our greenhouse gas emissions. Some of our emissions categories were subject to Watershed's methodology changes based on changes in climate science, changes in the world, and improvements in Watershed's methodology. For our FY23 footprint, we adjusted methodology assumptions related to the Covid19 pandemic. Impacted categories that increased due to these methodology changes include: employees, offices, goods + services, marketing, cloud usage, travel, and data centers. For FY23, New Relic moved from a fully spend-based estimate of cloud and data center emissions to a more granular and accurate activity-based measurement for cloud and data center emissions. Electricity usage emissions resulting from an activity based measurement can result in higher total MWh consumption year-over-year when this change is made due to the consumption actuals being higher than previously estimated averages. Activity-based measurement allows for more granular measurement of electricity used for compute and networking, which can lead to higher consumption numbers. In addition, New Relic's cloud usage increased in FY23, contributing to the increase in total MWh electricity emissions.

EMISSIONS DATA

- ■ Scope 1 emissions
- ■ Scope 2 emissions
- ■ Scope 3 emissions
- ▢ Removals and Renewable Energy Credits
- ⋮⋮⋮ Projected Removals and Renewable Energy Credits

FY23 EMISSIONS BY CATEGORY

• cloud	45.41%
• goods + services	22.00%
• travel	8.69%
• offices	7.60%
• data centers	7.34%
• marketing	4.73%
• employees	4.23%

NET EMISSIONS

FY20: **45,920** TCO$_2$EQ
FY21: **29,355** TCO$_2$EQ
FY22: **33,216** TCO$_2$EQ
FY23: **42,829** TCO$_2$EQ

WITHIN THE ORGANIZATION
TOTAL ENERGY CONSUMED
(IN GIGAJOULES)

FY20
16,725
APR. '19–MAR. '20

FY21
14,353
APR. '21–MAR. '22

FY22
15,840
APR. '21–MAR. '22

FY23
31,095
APR. '22–MAR. '23

Net-Zero by 2030

Net-zero means eliminating emissions to the greatest extent possible and offsetting any residual emissions with measurable removals.

New Relic is underscoring this commitment by submitting its GHG emissions targets to the Science Based Targets initiative (SBTi), joining a global community of companies that are leading the transition to a net-zero economy. Setting 2030 as our target gives us the space to engage in rigorous work to achieve our goals. This date is also in line with guidance from the Intergovernmental Panel on Climate Change (IPCC), which has urged limiting global warming to 1.5°C (equivalent to 2.7°F) by 2050 to avoid the worst consequences of climate change.

OUR STRATEGY RESTS ON THE FOLLOWING PILLARS

- Vendor Engagement on Climate
- Internal Efficiencies and Tracking
- Reduced Operational Footprint
- Policy Setting and Leadership Engagement

We're convinced that our business will be better-positioned for long-term growth and competitive differentiation by adhering to science-backed emissions targets and contributing to decarbonization.

Vendor Engagement on Climate

We are beginning to work with vendors to understand and reduce their operational emissions. This will allow us to align on a collective path forward that is compatible with our climate goals. Cloud infrastructure represents the biggest portion of New Relic's total footprint at 45%, with Amazon Web Services (AWS) currently making up the bulk of those emissions. Our top vendors—Amazon, IBM, Google, Microsoft—have all published near-term reductions targets. We are also helping our customers optimize their own cloud usage through our Cloud Optimize open source app, which allows them to view their AWS EC2 data on our platform in order to reduce costs by identifying opportunities to drive operational efficiencies.

Internal Efficiencies and Tracking

We continue to refine our GHG emissions calculations using Watershed, a climate solutions platform, through which we're able to gain a fine-grained understanding of our environmental impact. For increased accountability, we are disclosing climate-related risks and opportunities in this report in accordance with the Task Force on Climate-related Financial Disclosures (TCFD) framework.

We are constantly re-evaluating our internal processes to home in on emissions reduction opportunities. Our Product teams are always working to iron out inefficiencies in our code, resulting in a platform that uses less energy. We've also migrated nearly 50% of our Kubernetes workloads to AWS Graviton processors, resulting in better performance per watt than any other AWS processor.

Reduced Operational Footprint

New Relic continually assesses its operational footprint and ensures climate remains a part of our criteria. We are currently in the process of reducing our real estate portfolio to meet our current demand as a Flex First company. In September 2022, we began efforts to reduce our operational footprint and are assessing the impact of these efforts on New Relic's energy consumption.

Policy Setting and Leadership Engagement

We're introducing and updating internal policies across New Relic's business to ensure climate is a shared responsibility.

One of the ways we do this is by providing Relics with disposal and recycling options for electronic waste, the fastest growing waste stream in the world. We facilitate quarterly electronic waste disposals at all our offices globally in partnership with Revivn, a hardware lifecycle management platform for disposing of information technology (IT) assets. Our Social Impact and IT teams partnered on a campaign with DonorsChoose to direct $54,231, accumulated over several years of equipment buyback funds, to support instructional technology projects for teachers in historically underfunded schools.

We have also created a travel policy with climate language to reduce travel. Internally, we utilize TripActions to report on our GHG emissions data for corporate travel. This information is shared with cost center managers every quarter. This will allow us to reevaluate our progress towards our emissions reduction goals and improve emissions tracking.

"We have spent the past three years transforming our product and business model. Establishing science-based climate goals is the right decision and next step as we continue to future-proof our business. This also allows us to evolve alongside our global customers who are making similar strides towards a net-zero future and consider it a must-have when choosing their technology providers."

Bill Staples
CEO, NEW RELIC
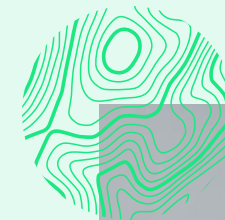
Looking Ahead
Environment

With our roadmap to net-zero and our first initiatives picking up steam, we look forward to continuing to execute on our climate strategy.

→ We will fully operationalize our net-zero climate goal in FY24, taking steps across each of our strategic pillars to drive internal optimizations and efficiencies.

→ We will continue to purchase removals and renewable energy for our Scope 1, 2, and work-from-home (Scope 3) emissions based on our FY23 footprint.

→ We will submit our SBTi near-term targets and complete our first submission to CDP.

→ We will continue to migrate compute workloads to more carbon-efficient platforms and improve our cloud resource utilization by setting efficiency targets for all cloud applications.

2023

Equitable Access to Tech

New Relic is committed to driving programs and partnerships that democratize access to our observability tools and guide our employees to make informed decisions about how to use their time, talent, and wealth to impact their communities.

In FY23, our attention turned to maturing our programs and refining our impact strategies to accelerate outcomes.

We maximize the impact of our initiatives by utilizing our strengths as a business and expertise as leaders in observability. That means leveraging our assets, forming powerful partnerships, and activating our people to make progress towards our goals.

→ We expanded the impact of our programs by hiring three full-time Relics to **support the New Relic for Students and Observability for Good programs.**

→ We committed **$100,000 of unrestricted funding** for nonprofits to use in building their tech capacities.

→ We exceeded our employee participation goal, with nearly **76% of Relics participating in volunteering or giving campaigns.**

Our Progress Highlights

Tech for Good

New Relic supports the tech solutions that our world needs through NewRelic.org, our social impact division. We listen attentively to the nonprofits we join forces with to build lasting, meaningful relationships.

Observability for Good and Pro Bono

Our Observability for Good mission and team unlock more New Relic for nonprofits—for free. In addition to New Relic's free tier, which is available to any user, we provide eligible organizations with access to up to five standard users and a terabyte of data per month at no charge. More information on our free-tier offerings can be found on our website.

Twice a year, we also engage Relics in a two-week sprint supporting nonprofit customers through skills-based pro bono work. The long-term relationships we cultivate as part of pro bono work familiarize us with the organizations we work with on a deep level, allowing us to transcend our role as software vendors in order to become true partners.

Impact Fund

In May, we launched New Relic's first Impact Fund as a new program and complement to our Tech for Good mission and initiatives. We invited nonprofits in the US to participate in a $100,000 funding round by applying for grants related to digital transformation. As a result, we selected five grantees from a pool of 115. We were not exclusively focused on funding nonprofit organizations who are Observability for Good customers.

Grantee Spotlight: Supporting the Fight Against Homelessness

Central City Concern (CCC) is dedicated to ending homelessness by taking a holistic, people-centric approach that supports housing, employment, social, enterprise, and case management services for their clients. To provide these services, CCC had historically relied on spreadsheets, outdated tracking methods, and databases that no longer served their needs. This changed in February, when New Relic's Impact Fund grant provided CCC with the backing it needed to implement powerful case management software that has transformed the way staff can leverage tech to serve clients.

Offering transparency and a centralized database for tracking all of their services in one place, it has been a major improvement for CCC. The system allows staff to easily see how clients are engaging with other internal services, who they are being served by, and where they are living in CCC's housing portfolio. In time, this observability will enable the organization's teams to better deliver on their mission by empowering them to make data-driven decisions that improve client outcomes.

IMPACT FUND GRANTEES

MOBILE PATHWAYS

FREE GEEK

CENTRAL CITY CONCERN

PhET INTERACTIVE SIMULATIONS

DAYS FOR GIRLS

Inspiring the Next Generation of Technologists

In addition to supporting organizations harnessing tech for good, New Relic is also committed to helping develop the technologists of the future.

Students pursuing any educational path—from the university-enrolled to those in tech bootcamps—can access New Relic for Students through our partners or via GitHub Education. Qualifying students get 500 GB of data ingest and up to three full platform users to learn, collaborate, and innovate with. Recently, New Relic partnered with Platzi, an online learning platform that caters to students in Latin America, to create Portuguese and Spanish-language content on observability.

Ensuring equitable access to tech for everyone requires us to be engaged members of our communities. We value our partnerships with nonprofit organizations because they amplify our ability to meet the needs of future technologists. Relics engage with learners within the context of these partnerships by showcasing their careers and illuminating paths to securing tech jobs.

Our Commitment to Open Source

New Relic values collaboration over competition. We understand that sharing data and processes accelerates innovation and maximizes the reach and benefits of observability for all.

Our open source page showcases our standards and activities, and our GitHub organization offers free observability tools.

In the spirit of furthering access and collaboration, New Relic has been an active member of the Cloud Native Computing Foundation (CNCF) since 2018, and we're top contributors to CNCF's OpenTelemetry and Pixie projects. Last fiscal year, we were proud to see a dedicated group of Relics appointed as maintainers and technical committee members of the OpenTelemetry community, which has recognized our contributions towards advancing open source standards.
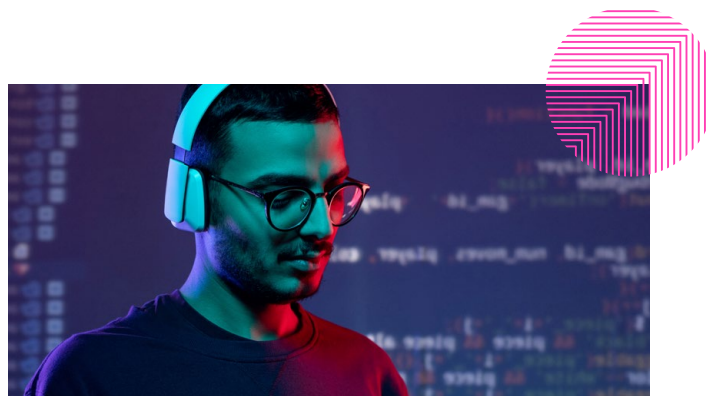
Enabling Relics to Give Back With Intention

We are continuously finding new ways to foster connection and engage Relics as a distributed, Flex First company.

We enable Relics to approach their volunteer work with intention and give them the tools to think critically about their own impact in order to maximize it.

Volunteerism, giving, and educational programs are crucial to mobilizing Relics to make a difference. Every Relic has 16 hours of paid volunteer time off each year in addition to our annual day of service. In Q3, we activated Relics for our second annual 21 Days of Goodness & Day of Service campaign. Relics showed up powerfully for others by donating more than $138,000 and volunteering 4,020 hours across 137 projects.

Enabling Relics to Give Back With Intention

TOTAL DONATIONS

FY22	FY23
$646,000	**$735,121**

TO COMMUNITY PARTNERS

FY22	FY23
$320,000	$395,500

EMPLOYEE-DIRECTED GIVING

FY22	FY23
$326,000	$339,621

newrelic.org

Social Impact by the Numbers

FY22
5,624
FY23
7,967

EMPLOYEE VOLUNTEER HOURS

Volunteer time off (VTO) and pro bono volunteering

FY22
1,209
FY23
2,059

TOTAL NUMBER OF RELICS WHO VOLUNTEERED

FY22 59%
FY23 76%
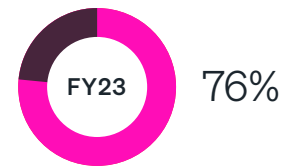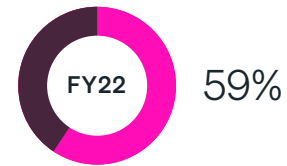
PERCENTAGE OF RELICS

Who participated in NewRelic.org initiatives

1k

FY22 594
FY23 795
0
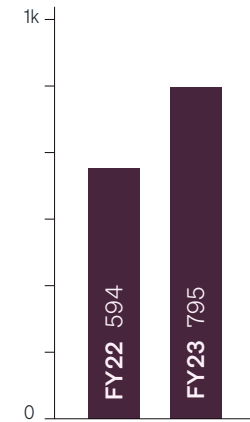
OBSERVABILITY FOR GOOD NONPROFITS

FY22
$6.5M
FY23
$8.5M

TOTAL VALUE OF PRODUCTS AND DISCOUNTS

To nonprofits through our Social Impact programs

Looking Ahead
Equitable Access to Tech

We believe observability as a practice makes for a world that runs on better software, which is ultimately good for everyone. We will continue to invest in programs that engage our employees, equip our nonprofit partners, and drive a more equitable future.

→ We will explore opportunities to integrate our Social Impact work with our climate strategies and priorities.

→ We will pilot a new skills-based volunteer program that will allow us to leverage the skills of more Relics to support our community partners and the New Relic for Students program.

→ We will refine outreach efforts and pro bono enablement to advance the technology skills and impact of our nonprofit customers through our Observability for Good program.

→ We will continue to partner with organizations that share this mission and promote open source projects and standards.

2023

Ethical Business Practices

New Relic delivers on its mission to provide engineers with powerful observability tools by operating with the highest standards of ethics, integrity, and corporate governance.

Wherever we are, we strive to be a force for good and hold ourselves accountable for the way we run our business.

→ We published an updated **Modern Slavery and Human Trafficking Statement**.

→ **We continued to keep privacy and security compliance at heart** as we continue to develop our service offerings.

→ We continued to engage with stakeholders to make sure we **provide better experiences to our Relics and customers.**

Our Progress Highlights

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Policy Updates

In August, we reaffirmed our commitment to complying with modern slavery laws and more effectively managing our modern slavery risks by publishing our updated <u>Modern Slavery and Human Trafficking Statement</u>, which addresses the reporting requirements under the United Kingdom Modern Slavery Act of 2015 and the Australian Modern Slavery Act 2018.

We proactively implement our Privacy, Security, and Compliance by Design policy to address data security risks as part of product development (see our <u>Security Policy</u>). New Relic has also implemented an internal vulnerability management working group focused on eliminating technical debt as we continue to develop our service offerings.

Our Board of Directors and Governance

The New Relic Board of Directors is our governing body, which has an independent majority and three standing committees: the Audit Committee, Compensation Committee, and Nominating and Corporate Governance Committee, all of which are composed of independent members of the board.

These committees oversee risk management and provide strategic guidance in their respective areas while the entire Board provides oversight of and strategic guidance to senior management and makes sure that risk management is carried out generally.

Our Code of Conduct outlines procedures that aim to prevent, assess, and mitigate conflicts of interest, all of which are overseen by the Board. We have not had any material-related party interests that require disclosure to stockholders. We have a formal process for stockholders to communicate their concerns to the Board of Directors as outlined in our Stockholder Communications Policy.

More information on New Relic's governance oversight can be found on our website.

Our commitment to ethical business practices and compliance with laws and regulations is at the core of our corporate governance.

Stakeholder Engagement

Listening to Relics

We listen deeply to Relics through our employee surveys and strive to offer them a more perfect work experience. In April, we conducted our first survey with Culture Amp. Approximately 83% of Relics took this survey, and we're proud to report a very favorable 70% overall engagement score, up 17 points from the previous fiscal year. The Relic survey delivers insights into how employees feel about action, leadership, service, and quality of work at New Relic. While progress was evident on all fronts, we will continue to listen closely and improve the quality of experience we create for Relics.

A follow-up Relic Pulse Survey in October engaged employees to think critically about how to tackle the improvements needed to make our company stronger. An outstanding 90% of Relics participated and shared their candid feedback. The data gleaned from this survey was studied carefully by our CEO and C-suite executives to uncover opportunities for change.

We conducted our first Global Benefits Survey in July, in which over half of Relics participated. Their feedback is essential to our ongoing efforts to provide market-competitive benefits to employees globally. This year's data will serve as a baseline for future benefits surveys. Though we understand there is always room to improve, we are pleased to share that this survey showed Relics appreciate their existing coverage, feel our benefits package is inclusive and accessible, and are satisfied with the company's contribution towards their coverage.

Listening and Responding to Customer Feedback

Our business model is tied to customer success. By incorporating customer feedback into our processes, we are able to continuously learn, adapt, and innovate to meet their needs through our product and go-to-market strategy.

We embed customer feedback into our product at various stages of product development. Common customer pain points surface in both our Explorers Hub community forum and Global Technical Support tickets, and these are regularly analyzed and have direct influence on our product roadmap. Furthermore, we run product preview (beta) programs to get early feedback on new features and encourage open and transparent dialogue.

We work closely with our customers through dedicated customer-facing roles, including sales, technical, and support staff and provide opportunities for in-person connection around the world. These include FutureStack regional user conferences, FutureHACK design thinking workshops, industry developer events, and user group meet-ups. We also gather direct feedback through focus group surveys, account team surveys, and industry research, which culminates in the publication of our Annual Observability Study.

APRIL 2022 RELIC ENGAGEMENT SURVEY
HIGH LEVEL RESULTS

83%	70%	66%
PARTICIPATION RATE	**ENGAGEMENT % FAVORABLE**	**CONFIDENCE IN LEADERSHIP**
STEADY	+17 PTS	+25 PTS
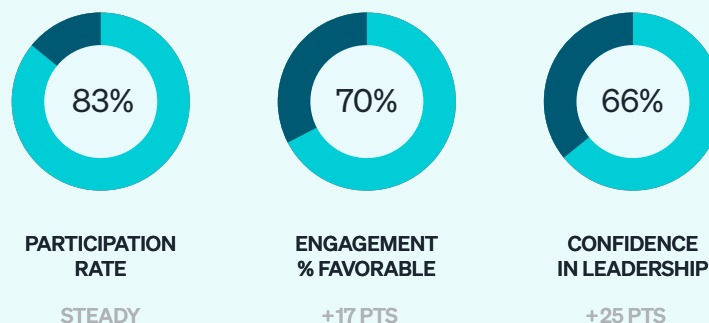
APRIL 2022 RELIC ENGAGEMENT SURVEY
STRENGTHS & PROGRESS

HIGHEST 3 SCORES
FROM THIS SURVEY

91% **MANAGEMENT**
"My manager genuinely cares about my wellbeing"

89% **ALIGNMENT & INVOLVEMENT**
"I know how my work contributes to the goals of New Relic"

88% **INCLUSION**
"I feel respected at New Relic"
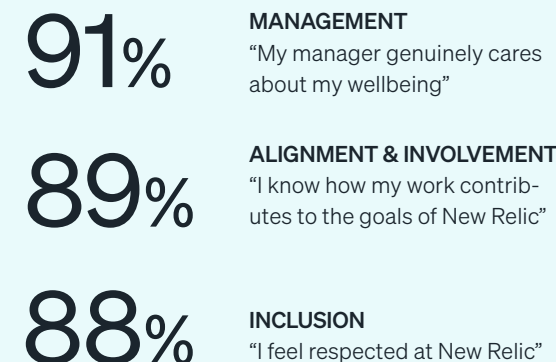
TRENDING UPWARD
SINCE SPRING '21

80% **INCLUSION**
"I feel like I belong at New Relic"

84% **ENABLEMENT**
"We have enough autonomy to perform our jobs effectively"

83% **ENGAGEMENT**
"I would recommend New Relic as a great place to work"
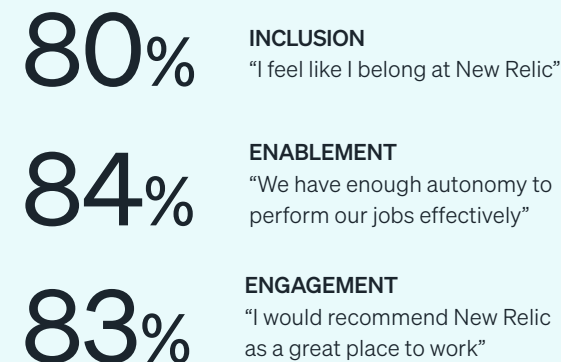
Looking Ahead
Ethical Business Practices

We're dedicated to maintaining the highest standards of corporate governance, ethics, and integrity wherever we operate. We will continue to stand against corruption, uphold human rights, and work to ensure transparent, honest, and fair communication with our customers.

2023

Appendix

About This Report

This report was published on July 11, 2023. The period covered by this report is from April 1, 2022 through March 31, 2023, which aligns with FY23, unless otherwise specified.

In order to provide transparency and set standards for disclosure, we are reporting with reference to the Sustainable Accounting Standards Board (SASB), the Global Reporting Initiative (GRI) standards and the TCFD framework as guides, and we intend to continue to report our progress annually.

We have reviewed this document to ensure the data contained within can be traced back to internal or external records. However, the non-financial data in this report has not been independently assured by a third party. As we work towards refining our strategic objectives and improving our initiatives, we value the input and feedback of our stakeholders and extended community members.

If you have any questions, comments, or feedback, please reach out to us at esg@newrelic.com.

In line with our commitment to supplier diversity, we partnered with qb. consulting, a small, women-owned ESG strategy and communications firm, to develop this report. We collaborated with FRINGE22 Studio, a BIPOC-owned design and creative strategy studio with a passion for social impact, for the report's design.

GRI, SASB, and TCFD Disclosures

DISCLOSURE	LOCATION AND/OR INFORMATION	GRI, SASB, or TCFD Reference
Organizational details	FY23 Proxy Statement	GRI 2-1-a, -b, -c
Entities included in the organization's sustainability reporting	New Relic, Inc.	GRI 2-2-a
Reporting period, frequency, and contact point	Page 43	GRI 2-3
Restatements of information	Board gender percentages were misstated in the FY22 report and have been updated on page 47. FY22 net emissions were slightly misstated in the FY22 report and have been updated on page 51. FY22 net emissions are lower than previously stated.	GRI 2-4
Activities, value chain, and other business relationships	FY23 Form 10-K	GRI 2-6-a, -b
Employees	Page 46	GRI 2-7
Governance structure and composition	Page 6 + Page 47 + FY23 Proxy Statement	GRI 2-9
Nomination and selection of the highest governance body	FY23 Proxy Statement	GRI 2-10
Chair of the highest governance body	FY23 Proxy Statement	GRI 2-11
Role of the highest governance body in overseeing the management of impacts	Page 6 + FY23 Proxy Statement	GRI 2-12
Delegation of responsibility for managing impacts	Page 6 + Page 40	GRI 2-13
Role of the highest governance body in sustainability reporting	Page 6	GRI 2-14
Conflicts of interest	Page 40 + Code of Conduct	GRI 2-15
Communication of critical concerns	FY23 Proxy Statement	GRI 2-16-a
Remuneration policies	FY23 Proxy Statement	GRI 2-19-a
Process to determine remuneration	FY23 Proxy Statement	GRI 2-20
Annual total compensation ratio	FY23 Proxy Statement	GRI 2-21-a, -c
Statement on sustainable development strategy	Page 3	GRI 2-22
Policy commitments	Pages 20 – 22 + Page 39 + Corporate Governance Documents	GRI 2-23-a, -c
Processes to remediate negative impacts	Pages 39 – 40 + Corporate Governance Documents	GRI 2-25-a, -b
Mechanisms for seeking advice and raising concerns	Whistleblower Policy + Code of Conduct	GRI 2-26
Compliance with laws and regulations	No significant instances of noncompliance	GRI 2-27
Membership associations	Page 34	GRI 2-28
Approach to stakeholder engagement	Page 41	GRI 2-29

GRI, SASB, and TCFD Disclosures — Continued

DISCLOSURE	LOCATION AND/OR INFORMATION	GRI, SASB, or TCFD Reference
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
SASB ACTIVITY METRIC DISCLOSURES		
(1) Number of licenses or subscriptions, (2) percentage cloud-based	Not disclosed, sensitive business information	SASB (S&ITS) TC-SI-000.A
(1) Data processing capacity, (2) percentage outsourced	(1) Not disclosed, sensitive business information, (2) 84% outsourced	SASB (S&ITS) TC-SI-000.B
(1) Amount of data storage, (2) percentage outsourced	(1) Not disclosed, sensitive business information, (2) 90% outsourced	SASB (S&ITS) TC-SI-000.C
RELICS		
DIVERSITY, EQUITY AND INCLUSION		
Management, of material topics	Pages 12–16	GRI 3-3-a, -b, -c, -d, -e-i, -f
Diversity of governance bodies and employees	Page 11 + Page 47	GRI 405-1-a-i, a-ii, -b
Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff, and (3) all other employees	Page 11 + Page 49	SASB (S&ITS) TC-SI-330a.3
EMPLOYEE HEALTH, SAFETY AND WELLBEING		
Management of material topics	Page 16	GRI 3-3-a, -b, -c, -d-i
Employee engagement as a percentage	Page 41	SASB (S&ITS) TC-SI-330a.2
WORKFORCE DEVELOPMENT		
Management of material topics	Page 13	GRI 3-3-a, -b, -c, -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 41 + Page 50	GRI 401-2-a
Parental leave	Page 51	GRI 401-3
SUSTAINABLE PRODUCTIVITY		
Management of material topics	Page 16	GRI 3-3-a, -b, -c, -d-i
DATA SECURITY AND TRUST		
DATA PRIVACY AND SECURITY		
Management, of material topics	Pages 18–23	GRI 3-3-a, -b, -c, -d-i, e-i
Description of policies and practices relating to behavioral advertising and user privacy	Pages 20–21	SASB (S&ITS) TC-SI-220a.1
Number of users whose information is used for secondary purposes	Our users' information is used to provide the services and as set forth in our General Privacy Notice and Services Privacy Notice	SASB (S&ITS) TC-SI-220a.2

GRI, SASB, and TCFD Disclosures — Continued

DISCLOSURE	LOCATION AND/OR INFORMATION	GRI, SASB, or TCFD Reference
Total amount of monetary losses as a result of legal proceedings associated with user privacy	There have been no material monetary losses associated with any legal proceedings and link to 10-Q and 10-K	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	NR has received 0 national surveillance requests and there are no instances of required material disclosures. See Privacy Shield update for more information.	SASB (S&ITS) TC-SI-220a.4
(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of users affected	Not disclosing for reasons of confidentiality	SASB (S&ITS) TC-SI-230a.1
Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	Security Policy	SASB (S&ITS) TC-SI-230a.2
SYSTEMIC RISK FROM TECHNOLOGY DISRUPTIONS		
Management of material topics	Page 22	GRI 3-3-a, -b, -c, -d-i
Number of (1) performance issues and (2) service disruptions; (3) total customer downtime	Page 22	SASB (S&ITS) TC-SI-550a.1
Description of business continuity risks related to disruptions of operations	Page 22	SASB (S&ITS) TC-SI-550a.2
EMERGING TECHNOLOGY AND ETHICS		
Management of material topics	Page 22	GRI 3-3-a, -b, -c, -d-i
Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	No related losses	SASB (S&ITS) TC-SI-520a.1
ENVIRONMENT		
ENERGY AND CLIMATE		
Management of material topics	Pages 26–27 and New Relic Energy Climate Announcement	GRI 3-3-a, -b, -c, -d, -e, TCFD Strategy
Energy consumption within the organization	Page 26 + Page 51	GRI 302-1-e
Direct (Scope 1) GHG emissions	Page 26 + Page 51	GRI 305-1-a, -g, TCFD Metrics and Targets
Energy indirect (Scope 2) GHG emissions	Page 26 + Page 51	GRI 305-2-a, -b, -g, TCFD Metrics and Targets
Other indirect (Scope 3) GHG emissions	Page 26 + Page 51	GRI 305-3-a, -g, TCFD Metrics and Targets
(1) Total energy consumed, (2) percentage grid, electricity, (3) percentage renewable	Page 51	SASB (S&ITS) TC-SI-130a.1
Disclose the organization's governance around climate related risks and opportunities	Developing these components of the Energy and Climate strategy	TCFD Governance
Describe the organization's processes for identifying, assessing and managing climate-related risks.	Developing these components of the Energy and Climate strategy	TCFD Risk Management
Discussion of the integration of environmental considerations into strategic planning for data center needs	Page 26	SASB (S&ITS) TC-SI-130a.3
EQUITABLE ACCESS TO TECH		
Management of material topics	Pages 32–36	GRI 3-3-a, -b, -c, -d-i

Data Table #1

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

GRI 2-7 Employees

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

Region	Gender	FY22 Headcount	FY23 Headcount
AMER	Female	556	601
AMER	Male	1049	1180
APJ	Female	46	92
APJ	Male	122	266
EMEA	Female	124	137
EMEA	Male	320	382
All Regions	Total	2217	2658

b-i. Permanent employees, and a breakdown by gender and by region; (all worker type Employee)

Region	Gender	FY22 Headcount	FY23 Headcount
AMER	Female	556	601
AMER	Male	1049	1180
APJ	Female	46	91
APJ	Male	122	266
EMEA	Female	124	134
EMEA	Male	320	382

b-ii. Temporary employees, and a breakdown by gender and by region; (all worker type Contingent Worker)

Region	Gender	FY22 Headcount	FY23 Headcount
AMER	Unknown	137	76
APJ	Unknown	103	51
EMEA	Unknown	13	5

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

Region	Gender	FY22 Headcount	FY23 Headcount
N/A	N/A	N/A	N/A

b-iv. Full time employees, and a breakdown by gender and by region;
b-v. Part time employees, and a breakdown by gender and by region;

Region	Time Type	Gender	FY22 Headcount	FY23 Headcount
AMER	Full time	Female	556	601
AMER	Full time	Male	1048	1180
APJ	Full time	Female	46	91
APJ	Full time	Male	122	266
EMEA	Full time	Female	124	134
EMEA	Full time	Male	320	382
AMER	Part time	Male	1	0
APJ	Part time	Female	0	1
EMEA	Part time	Female	0	3

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
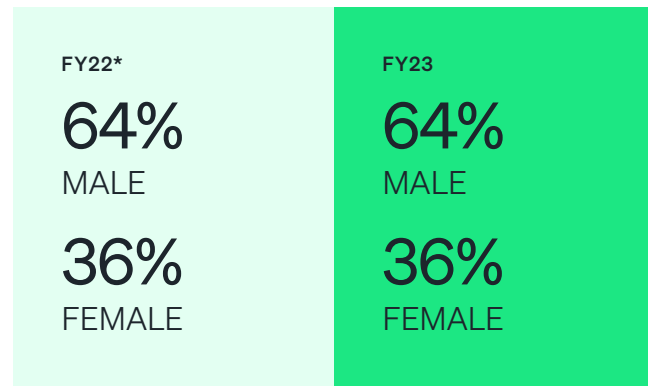
e. Describe significant fluctuations in the number of employees during the reporting period and between reporting periods: N/A
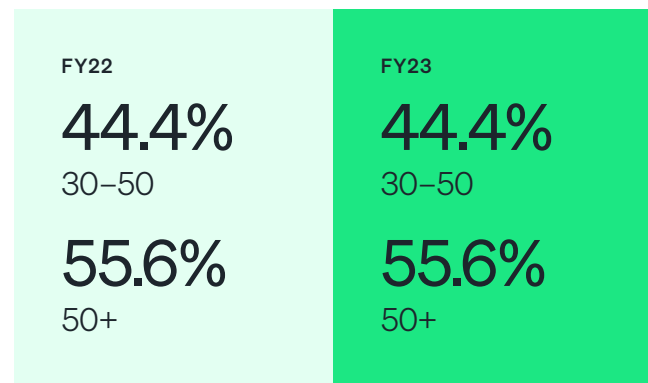
Data Table #2

GRI 405-1 Diversity of governance bodies and employees

a. Percentage of individuals within the organization's governance bodies:
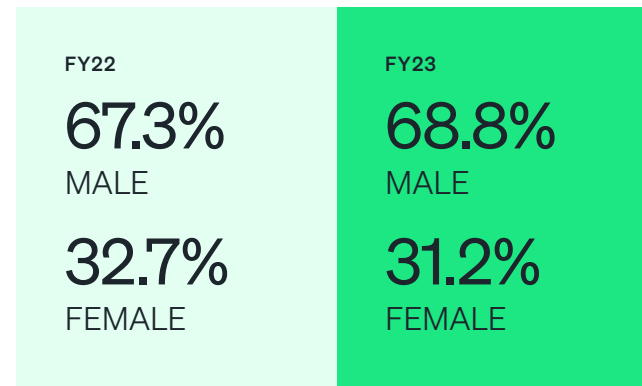
i. GENDER OF THE BOARD OF DIRECTORS

FY22*	FY23
64% MALE	**64%** MALE
36% FEMALE	**36%** FEMALE

ii. AGE GROUP OF THE BOARD OF DIRECTORS

FY22	FY23
44.4% 30–50	**44.4%** 30–50
55.6% 50+	**55.6%** 50+

b. Percentage of employees per employee category:

i. GENDER OF EMPLOYEES

FY22	FY23
67.3% MALE	**68.8%** MALE
32.7% FEMALE	**31.2%** FEMALE

ii. AGE GROUP OF EMPLOYEES

FY22	FY23
13.6% UNDER 30	**16.9%** UNDER 30
70.8% 30–50	**69.8%** 30–50
15.6% 50+	**13.3%** 50+
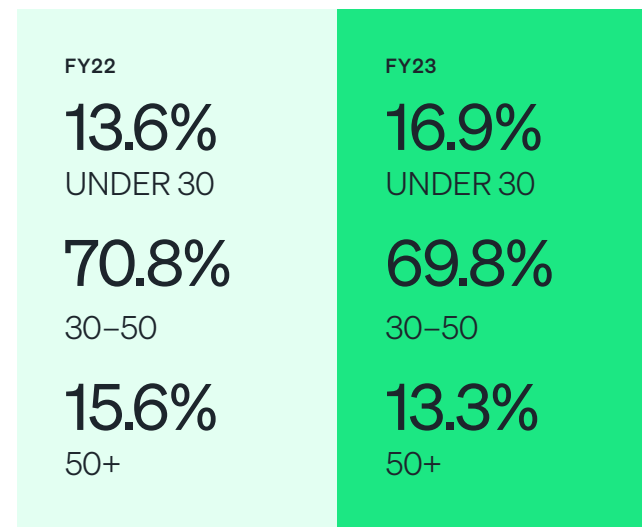
b-iii. Other indicators of diversity where relevant (such as minority or vulnerable groups):

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

Veteran Status of Employees (US Only)	FY22 Headcount %	FY23 Headcount %
Unknown	12.41%	8.1%
I am not a veteran	84.53%	88.6%
I do not wish to self-identify	1.02%	1%
Identify as a veteran, just not a protected veteran	0.51%	0.8%
Identify as one or more of the classifications of protected veterans	1.53%	1.5%

Disability Status of Employees	FY22 Headcount %	FY23 Headcount %
Unknown	37.8%	8.1%
I do not wish to answer	4.19%	6.3%
No, I don't have a disability	24.31%	24.6%
No, I don't have a disability, or a history/record of having a disability	28.6%	53.3%
Yes, I have a disability (or previously had a disability)	1.13%	1.1%
Yes, I have a disability, or have a history/record of having a disability	3.97%	6.7%

*There was a misstatement of data in the FY22 report which listed Board gender data as 66.7% male and 33.3% female. The data has been corrected in this report to be 64% male and 36% female.

Data Table #3

GRI 401-1 New employee hires and employee turnover

Hire rates are employee start counts or stop counts divided by average headcount per employee category in the respective fiscal year.

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

Region	FY22 New Hires	FY22 Hire Rate	FY23 New Hires	FY23 Hire Rate
AMER	624	42%	552	32%
APJ	82	61%	230	91%
EMEA	156	37%	168	35%

Age Group	FY22 New Hires	FY22 Hire Rate	FY23 New Hires	FY23 Hire Rate
Under 30	190	58%	272	68%
30-50	561	38%	600	35%
Over 50	111	41%	78	24%

Gender	FY22 New Hires	FY22 Hire Rate	FY23 New Hires	FY23 Hire Rate
Female	306	46%	290	37%
Male	555	40%	660	40%
Unknown	1	N/A	N/A	N/A

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

Region	FY22 Turnover	FY22 Turnover Rate	FY23 Turnover	FY23 Turnover Rate
AMER	602	40%	376	22%
APJ	53	39%	39	16%
EMEA	152	36%	93	20%

Age Group	FY22 Turnover	FY22 Turnover Rate	FY23 Turnover	FY23 Turnover Rate
Under 30	121	37%	76	19%
30-50	561	38%	351	21%
Over 50	125	46%	81	24%

Gender	FY22 Turnover	FY22 Turnover Rate	FY22 Turnover	FY22 Turnover Rate
Female	267	40%	187	24%
Male	539	38%	321	19%
Unknown	1	N/A	N/A	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	FY22 Leadership	FY22 Non-Tech	FY22 Tech	FY23 Leadership	FY23 Non-Tech	FY23 Tech
Female	25%	43%	24%	19%	42%	23%
Male	75%	57%	76%	81%	58%	77%

Ethnicity (USA)	FY22 Leadership	FY22 Non-Tech	FY22 Tech	FY23 Leadership	FY23 Non-Tech	FY23 Tech
American Indian or Alaska Native	0%	0%	0%	2%	0%	0%
Asian	26%	18%	19%	26%	19%	21%
Black or African American	4%	8%	4%	9%	8%	4%
Hispanic or Latino	8%	7%	4%	5%	8%	5%
Native Hawaiian or other Pacific Islander	0%	1%	0%	0%	1%	0%
Not Declaring	N/A	N/A	N/A	N/A	N/A	N/A
Two or More Races	0%	3%	5%	2%	4%	6%
White (Not Hispanic or Latino)	62%	62%	68%	57%	59%	64%

The data in this table is rounded to the nearest whole number, resulting in a total slightly exceeding 100%.

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
GLOBAL	Employee assistance program (EAP), emotional health support through the Ginger app, Headspace for meditation, business travel insurance, 12 weeks parental leave (100% pay), 2 days of volunteer time off, NRgize funds (wellness funds every pay period), family formation benefits through Carrot ($6k per year, $18k lifetime benefit for infertility, surrogacy, adoption, egg freezing, etc.), employer discount program, generous vacation time to allow Relics to rest and recharge
UNITED STATES	Healthcare benefits (medical, dental, vision, telehealth), FSAs and HSA, commuter benefits, employer-paid life insurance and AD&D (+ voluntary buy-up options for life and AD&D), STD and LTD (pre-tax and post-tax options), 401(k) (+ employer match up to $6k per year), employee stock purchase program (stock ownership), voluntary legal benefit, voluntary pet insurance, 10 weeks paid medical time (100% pay), 10 days of subsidized back-up child care through Care.com and premium membership access to Care.com; exempt employees accrue paid sick time at the rate of 1 hour for every 30 hours worked; exempt employees have unlimited PTO; employees are ensured stable scheduling
AUSTRALIA	Healthcare benefits (medical, dental, vision), retirement (10.5% of earnings up to a maximum of AUD 60,220 per quarter), employer-paid group life and total permanent disability, group salary continuance, employee stock purchase program (stock ownership), membership access to Care.com for child care
BELGIUM	Healthcare benefits (medical, dental, vision), employer-sponsored defined contribution pension, disability benefits, death benefits, 10 days of subsidized back-up child care through Care.com and premium membership access to Care.com
CANADA	Healthcare benefits (medical, dental, vision), employer-paid life insurance and AD&D (+ voluntary buy-up options for life and AD&D), STD and LTD, retirement (+ employer match of 100% of employee contributions up to a maximum of 4% of base salary to the group DPSP), 10 days of subsidized back-up child care through Care.com and premium membership access to Care.com
FRANCE	Healthcare benefits (medical, dental and vision) employer-paid life and disability, meal voucher, 10 days of subsidized back-up child care through Care.com and premium membership access to Care.com
GERMANY	Defined contribution pension (+ employer match up to 3% of annual gross base salary), LTD (long-term disability), employer-paid life insurance, 10 days of subsidized back-up child care through Care.com and premium membership access to Care.com
INDIA	Healthcare benefits (medical, dental, vision, teleconsultations), group personal accident, home health checks
IRELAND	Healthcare benefits (medical, dental), defined contribution pension (+ employer match of 100% of employee contributions up to a maximum of 5% of basic annual salary), death-in service benefits, income protection/disability (STD and LTD), employee stock purchase program (stock ownership), 10 days of subsidized back-up child care through Care.com and premium membership access to Care.com
ISRAEL	Healthcare benefits, defined contribution pension (no less than 14.83%), meal vouchers
JAPAN	Defined contribution pension (5% of pensionable salary capped at JPY 55,000 per month), employer -paid group term life insurance, group long term disability
NETHERLANDS	Defined contribution pension (10% of pensionable salaries up to € 114,866.00), AD&D, STD and LTD, 10 days of subsidized back-up child care through Care.com and premium membership access to Care.com
SINGAPORE	Healthcare benefits (medical, dental, vision), group term life, total and permanent disability, group accidental death and dismemberment insurance
SOUTH KOREA	Benefit allowance to offset health and risk insurance expenses, retirement pension plan
SPAIN	Healthcare benefits (medical, dental, vision), employer-paid life and AD&D insurance, retirement (+ employer match of 100% of the employee's contributions up to 5% of salary), voluntary UpSpain program (reducing tax levels to pay for kindergarten, meals, transport), employee stock purchase program (stock ownership), 10 days of subsidized back-up child care through Care.com and premium membership access to Care.com
SWITZERLAND	Healthcare benefits (medical, dental), STD and LTD, accident insurance, pension, 10 days of subsidized back-up child care through Care.com and premium membership access to Care.com
UNITED KINGDOM	Healthcare benefits (medical, dental, vision), employer-paid life insurance, income protection, group personal pension plan (+ employer match of 100% of employee contributions at 5% of basic annual salary), bike to work scheme, employee stock purchase program (stock ownership), 10 days of subsidized back-up child care through Care.com and premium membership access to Care.com

Data Table #6

GRI 401-3 Parental Leave

Region	FY22 Female	FY22 Male	FY23 Female	FY23 Male
a. Total number of employees that are entitled to parental leave, by gender.	980	1994	1013	2138
b. Total number of employees that took parental leave, by gender.	59	100	47	101
c. Total number of employees that returned to work in the reporting period after parental leave ended, by gender.	46	92	36	87
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	22	58
e. (1) Return to work rate of employees that took parental leave, by gender.	78%	92%	77%	86%
e. (2) Retention rate of employees that took parental leave, by gender.	70%	65%	61%	67%

Data Table #7

U.S. Employees by Race/Ethnicity and Gender

% of total US population

Demographic	Female	Male
Asian Employees	8.2%	12.3%
Black Employees	3.1%	3.1%
Employees of Two or More Races	2.3%	2.4%
Latina/o Employees	1.8%	4.5%
Native Hawaiian or Pacific Islander Employees	0.3%	0.4%
White Employees	18.0%	43.7%
American Indian or Alaska Native Female Employees	0.1%	0%
Employees of Other Ethnicities	N/A	N/A

Data Table #8

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; TCFD Metrics and Targets.

	FY20		FY21		FY22		FY23	
	Market-Based	Location-Based	Market-Based	Location-Based	Market-Based	Location-Based	Market-Based	Location-Based
Scope 1 emissions (tCO2eq)	156	156	168	168	185	185	268	268
Scope 2 emissions (tCO2eq)	1,217	1,186	1,025	1,019	1,013	1,128	2,675	2,826
Scope 3 emissions (tCO2eq)	44,547	44,541	28,162	28,159	32,019	32,016	39,886	46,509
Net emissions (tCO2eq)	**45,920**	**45,882**	**29,355**	**29,346**	**33,217**	**33,329**	**42,829**	**49,603**
Total energy consumed within the organization (gigajoules)	16,725		14,353		15,840		31,095	
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%		78%	
Percentage renewable energy (as % of total energy)	0%		0%		13.33%		9.8%	

The data in this table is rounded to the nearest whole number and the totals represent sums of the rounded numbers.

New Relic uses climate solutions platform Watershed to calculate our greenhouse gas emissions. Some of our emissions categories were subject to Watershed's methodology changes based on changes in climate science, changes in the world, and improvements in Watershed's methodology. For our FY23 footprint, we adjusted methodology assumptions related to the Covid19 pandemic. Impacted categories that increased due to these methodology changes include: employees, offices, goods + services, marketing, cloud usage, travel, and data centers. For FY23, New Relic moved from a fully spend-based estimate of cloud and data center emissions to a more granular and accurate activity-based measurement for cloud and data center emissions. Electricity usage emissions resulting from an activity based measurement can result in higher total MWh consumption year-over-year when this change is made due to the consumption actuals being higher than previously estimated averages. Activity-based measurement allows for more granular measurement of electricity used for compute and networking, which can lead to higher consumption numbers. In addition, New Relic's cloud usage increased in FY23, contributing to the increase in total MWh electricity emissions.

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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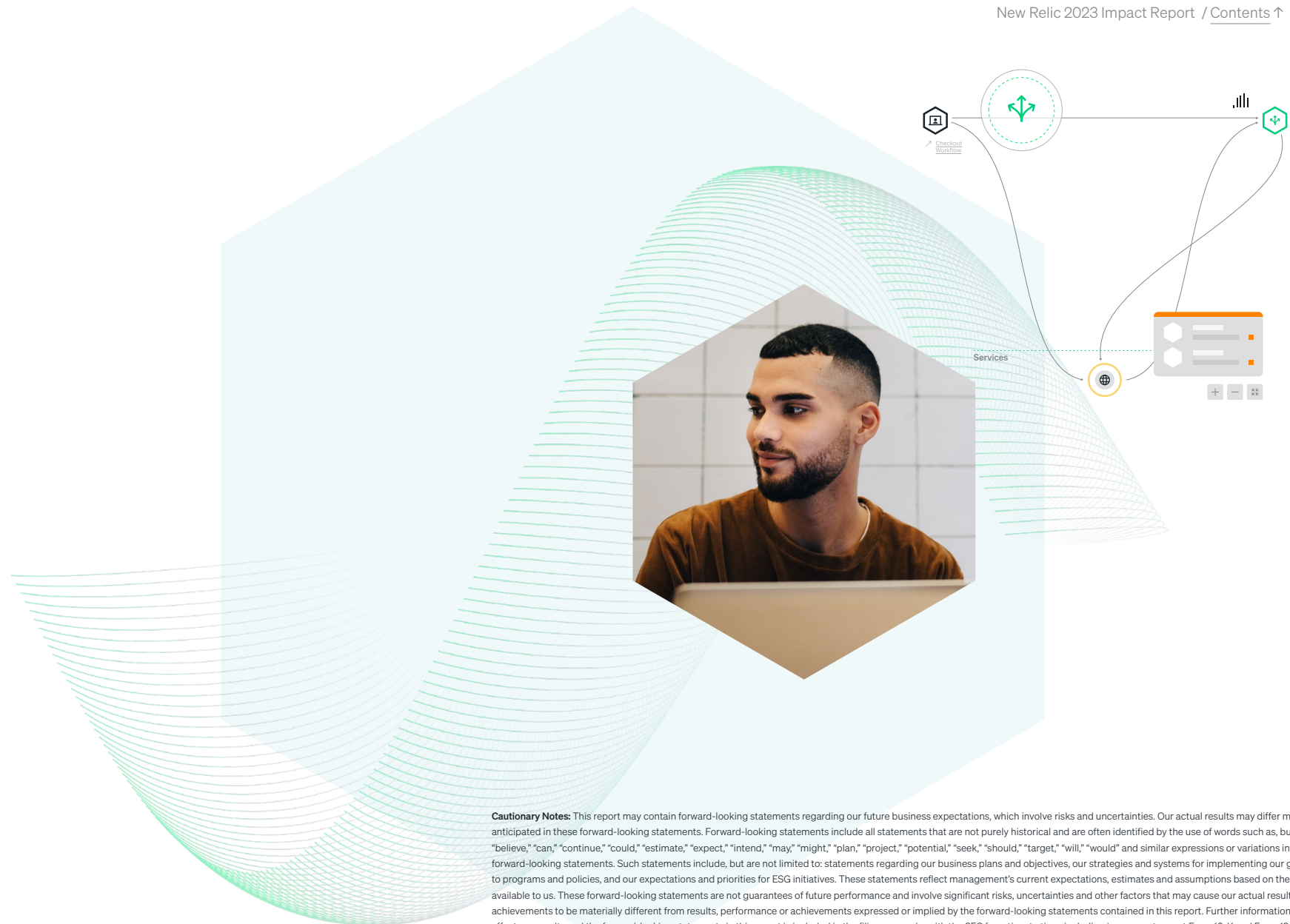
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