



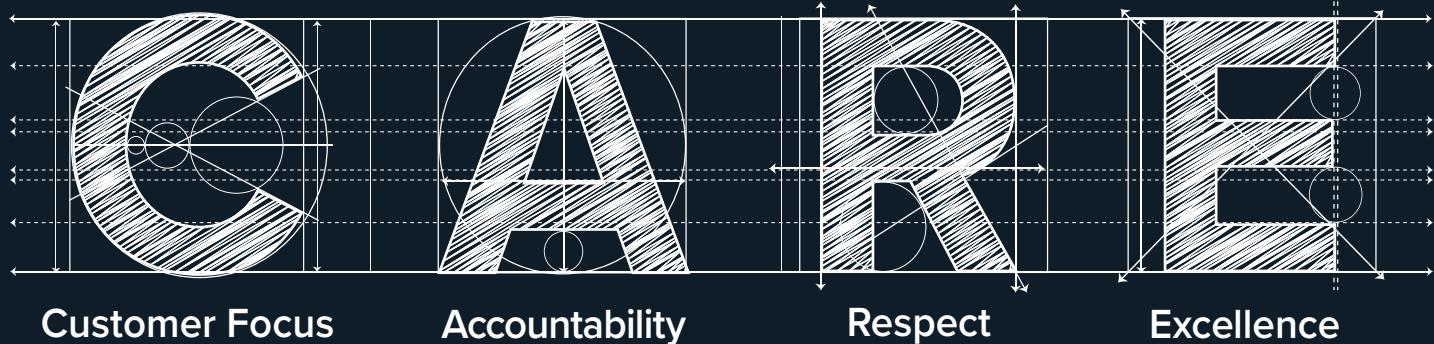
# ESG Impact Report

## FY24



# About Xactly

Xactly's company history starts in the cloud, as an early-adopter of powerful technologies that not only accelerate customer value, but also continue paving the way for sustainability in the software-as-a-service (SaaS) industry. At Xactly, we have always maintained a strong commitment to Environmental, Social, and Governance (ESG) principles as an extension of our core C.A.R.E. values: Customer Focus, Accountability, Respect, and Excellence. These values guide every decision we make, ensuring that we operate as a responsible, innovative, and forward-thinking organization.



## A Note From Our CEO

At Xactly, we believe that the future of technology lies in sustainability. ESG is not just a set of initiatives for us - it's a fundamental part of who we are and how we do business. As the world's first creator of an Intelligent Revenue Platform, we recognize the opportunity and responsibility we have to create meaningful change. By prioritizing environmental stewardship, fostering diversity and inclusion, and maintaining the highest standards of governance, we aim to set an example for others to follow.

Sustainability and innovation go hand in hand. By embedding ESG into our strategy, we're not only building a stronger, more resilient organization but also paving the way for a future where technology and sustainability thrive together.

**Arnab Mishra**

CEO, Xactly



# Our ESG Philosophy

From our inception 20 years ago, Xactly has embraced boldness and innovation as cornerstones of our business. This mindset drives Xactlians to challenge the status quo and create high-value solutions for our customers while fostering a sustainable and equitable future. Our ESG efforts align with our overarching mission to deliver excellence in everything that we do - from building an award-winning workplace culture to making a meaningful impact on our community and the environment.

## Social Impact: Diversity, Belonging, and Community Engagement

- **Diversity and Inclusion:** We believe that diversity fuels innovation and long-term company success. Our inclusive workplace celebrates the uniqueness of every Xactlian, and believes in the inherent value of belonging and empowerment.
- **XactlyOne Foundation:** Since 2005, the XactlyOne Foundation has raised and donated hundreds of thousands of dollars and contributed tens of thousands of volunteer hours to designated causes and organizations like the American Cancer Society, Best Buddies, and Brian's Hope. Employees are encouraged to participate in local volunteer projects throughout the year, and are exempt from work for contributing their time to these efforts during our annual C.A.R.E week, exemplifying the company's commitment to giving back.



## Environmental Responsibility

Xactly is dedicated to reducing its environmental footprint through:

- **Plastic-Free Offices:** We have established plastic-free zones and encourage the use of reusable products in each of our offices.
- **Composting Initiatives:** We have begun office-wide composting programs to reduce waste.
- **Sustainable Practices:** We promote and prioritize eco-friendly operations to minimize environmental impact.



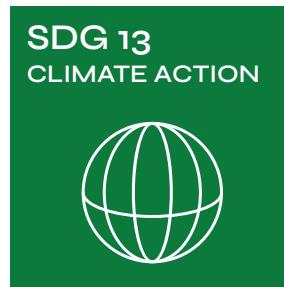
# Governance and Ethical Leadership

Our governance framework is built on accountability and transparency. By aligning seller behavior with revenue goals through the Intelligent Revenue Platform, Xactly delivers solutions that optimize Incentive Compensation Management, Sales Planning, Sales Forecasting, and Territory and Quota Management processes to maximize value-driven results for our customers and stakeholders.

As we continue to evolve, ESG remains a foundational aspect of how we drive positive change within our organization and beyond. Through collaboration and innovation, we strive to meet the challenges of today while creating a better tomorrow.

# Environmental Stewardship at Xactly

## Environmental Responsibility



- Water conservation initiatives such as smart sensor faucets and the use of recycled water.
- Waste management, composting programs, and e-waste buyback initiatives to minimize landfill contributions and promote a circular economy.
- Emissions reduction strategies, including optimizing cloud infrastructure, reducing travel-related emissions, and encouraging hybrid/remote work to lower carbon footprints.
- Efforts to promote sustainable practices in office operations to minimize environmental impact.

At Xactly, we are deeply committed to minimizing our environmental impact by embedding sustainability into our operations. Our environmental initiatives focus on key areas such as water conservation, waste management, and emissions reduction to build a greener future.

## Water Conservation

We prioritize water efficiency in all our office spaces by using recycled water for various operations and installing smart sensor faucets to reduce wastage. These technologies ensure we maintain responsible water usage while promoting sustainable practices among employees.

## Waste Management

Xactly has implemented a comprehensive waste management program that prioritizes sustainability and environmental responsibility. This program involves separating waste at the source and partnering with external vendors to ensure proper disposal. Monthly reports are generated to track waste disposal activities, fostering greater transparency and accountability. Additionally, Xactly actively promotes composting within its offices, with employees participating in workshops to learn about the importance of organic waste recycling. These initiatives demonstrate our commitment to reducing landfill contributions and advancing a circular economy.

As part of our efforts to address e-waste, we have introduced an innovative *employee buyback program*. This program allows employees to purchase old office electronics, providing these items with a second life and significantly reducing e-waste generation. The funds generated through these buybacks contribute to CapEx, further enhancing the sustainability of this initiative.

The e-waste buyback program has made a measurable impact, with the following results in FY2024:

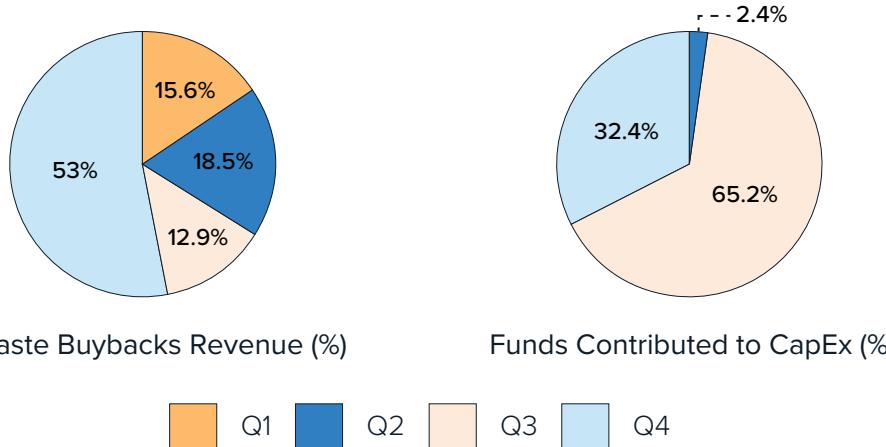


Table 1: Proportion of each quarter's revenue and CapEx contribution relative to the annual total.

Through this program, Xactly not only supports responsible e-waste management but also empowers employees to contribute to sustainability efforts, ensuring a greener future for all.

## Emissions Reduction

Xactly Corp aims to reduce absolute Scope 1, 2, and 3 GHG emissions by **42% by 2030** from a **2021 base year**, aligning with the **1.5°C science-based target**. The company ensures **100% coverage** of Scope 1, 2, and 3 emissions, leveraging the **Watershed platform** for measurement and tracking progress under the Vista Climate Pledge.

In FY 2024, Xactly recorded a total of 2,460 tCO<sub>2</sub>e in carbon emissions across scopes 1, 2, and 3:

**Scope 1:** 76 tCO<sub>2</sub>e

**Scope 2:** 419 tCO<sub>2</sub>e

**Scope 3:** 1,965 tCO<sub>2</sub>e

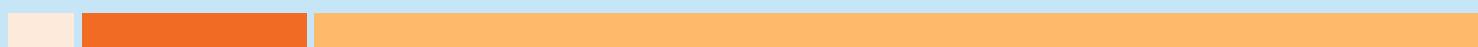
Scope 3 emissions, which include cloud infrastructure (982 tCO<sub>2</sub>e), travel (470 tCO<sub>2</sub>e), and employee-related activities (464 tCO<sub>2</sub>e), accounted for the majority of our footprint. These insights have driven targeted strategies to lower emissions, including optimizing our cloud infrastructure, reducing travel-related emissions, and encouraging hybrid or remote work options.

Through these initiatives, Xactly remains committed to addressing environmental challenges while fostering innovation and collaboration. Our journey toward sustainability aligns with our core values and reflects our dedication to creating a lasting positive impact on the planet.

### Scopes

The GHG Protocol splits emissions into scopes based on the party directly emitting.

During Jan - Dec 2023, 79.9% of Xactly's footprint came from Scope 3 emissions.



**Scope 1**

**76 tCO<sub>2</sub>e**

**3.1%**

**Scope 2**

**419 tCO<sub>2</sub>e**

**17.0%**

**Scope 3**

**1,965 tCO<sub>2</sub>e**

**79.9%**

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

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

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

# Social

## Social Impact

### SDG 5 GENDER EQUALITY



### SDG 8 DECENT WORK AND ECONOMIC GROWTH



### SDG 10 REDUCED INEQUALITIES



- Commitment to diversity, inclusion, and fostering a sense of belonging for all employees.
- Providing employee support through policies like transportation reimbursement and promoting a safe and sustainable commute to work.
- Policies that celebrate diversity, foster inclusion, and ensure equal opportunities for all employees.

Xactly believes in social responsibility and community impact. The company believes in the social welfare of its employees standing true to its C.A.R.E values. The care-week at Xactly is an action packed week filled with giving back to society.

Apart from this, we also believe in providing comfortable travel to employees with the transportation policy. Under this policy, transport is provided to employees to and from the office through cabs. We also reimburse public transport fares including bus passes. This allows for a sustainable and safe mode for our employees to commute to work!



# Governance

## Governance



- Implementation of ethical governance policies, including anti-corruption measures, a whistleblower policy, and a business code of conduct.
- Collaboration with organizations like the XactlyOne Foundation and external partners to drive social impact and sustainability initiatives globally.

At Xactly, governance serves as the foundation of our responsible and transparent operations. Our governance framework is designed to ensure accountability, promote ethical practices, and foster a culture of trust and integrity throughout the organization. This commitment is reflected in our comprehensive policies, communication channels, and training programs.

## Policies and Code of Conduct

Xactly's governance policies are built to promote ethical conduct, compliance with laws, and accountability across all levels of the organization. Key policies include:

- Anti-Corruption Policy
- Business Code of Conduct
- Discrimination, Harassment, & Retaliation Policy
- Whistleblower Policy
- Environmental, Social, and Governance (ESG) Policy
- Equal Employment Opportunity Policy
- Social Media Guidelines
- Travel & Expense Policy

Our **Code of Conduct** applies to employees, board members, officers, independent contractors, and consultants. It promotes:

- Operating the business with integrity.
- Honest and ethical handling of conflicts of interest.
- Compliance with applicable laws, rules, and regulations.
- Prompt reporting of violations.
- Accountability for following the Code of Conduct.

These policies and guidelines ensure that Xactly operates ethically and maintains high standards of professionalism in every aspect of its business.

## Fostering Open Communication and Transparency

Xactly believes in two-way communication between leadership and employees, providing multiple channels for open dialogue:

- **#Ask\_Arnab Slack Channel:** A direct platform for employees to communicate with the CEO, enabling discussions on strategic initiatives and day-to-day concerns.
- **Company-Wide Townhalls and All-Hands Meetings:** Regular forums where leadership shares updates on company performance and strategic initiatives, followed by employee Q&A sessions.
- **Leadership Office Hours:** Leaders provide scheduled time slots for one-on-one discussions with employees, encouraging honest and meaningful interactions.
- **Departmental Meetings and Informal Interactions:** Opportunities for team-specific updates and casual engagement with leadership foster transparency and collaboration.

## Commitment to Training and Development

Xactly prioritizes training to maintain ethical and secure practices across the organization. Recent programs include:

- Anti-Harassment Training
- Anti-Bribery Training
- Security Awareness Training

These sessions achieved 100% participation, demonstrating the collective commitment to fostering an inclusive and compliant workplace.

By integrating robust policies, transparent communication, and continuous training, Xactly ensures its governance framework aligns with its core values of accountability, respect, and excellence. This foundation enables us to operate with integrity while driving meaningful progress in all areas of our business.

## Customers, Product, and Partners

### Customers: Delivering Impact Across Industries

Approaching our 20th anniversary, Xactly is proud to see many of our earliest customers achieve exponential success since Xactly's infancy. These customers span a wide range of industries and sectors, united by their drive to transform sales performance and revenue operations. Xactly solutions consistently empower organizations to align their go-to-market (GTM) strategies with corporate objectives, resulting in measurable success throughout the revenue lifecycle.

From small to enterprise-level businesses, Xactly's commitment to customer success is reflected in our extensive library of success stories and they're not restricted by industry, GTM model, or geographic region. These stories highlight how Xactly has helped organizations turn their sales operations into a transformation revenue success and an overarching competitive advantage.

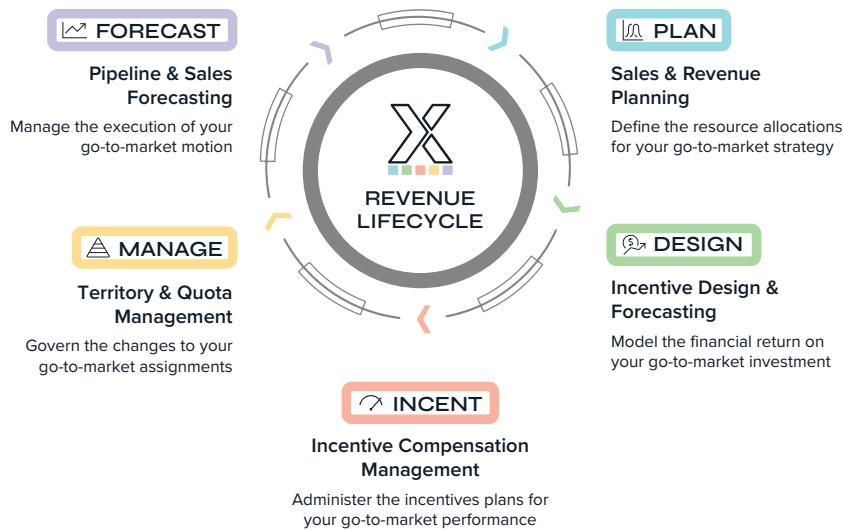
With a continued focus on innovation and a customer-centric approach, Xactly continues to drive transformation across the revenue lifecycle for organizations worldwide.

## Product: The Xactly Intelligent Revenue Platform

The Xactly Intelligent Revenue Platform unlocks agility for GTM teams to more effectively execute on their strategies. This is accomplished through removing silos and aligning people, processes, and technology throughout the revenue ecosystem. The platform empowers businesses to drive predictable, profitable revenue growth by focusing on the five core phases of the revenue lifecycle:

- **Sales & Revenue Planning:** Enabling executive teams to define the optimal resource allocations for their go-to-market strategy aligned with corporate objectives.
- **Incentive Design & Forecasting:** Support compensation experts in optimizing their incentive programs and modeling the financial return on their go-to-market investment.
- **Incentive Compensation Management:** Streamline the execution and administration of the businesses desired incentives plans to ensure optimal go-to-market performance.
- **Territory & Quota Management:** Empower operations teams to seamlessly deploy and govern the changes to their go-to-market assignments.
- **Pipeline & Sales Forecasting:** Drive GTM leadership teams to monitor execution, forecast outcomes, and assess progress to ensure strategies are on track to achieve desired results.

This comprehensive approach allows leading organizations to unify their teams and optimize their GTM model for sustainable, profitable growth.



## Partners: Driving Revenue Growth with Global Expertise

Xactly partners with best-in-class enterprise software providers and systems integrators to deliver exceptional support for revenue growth worldwide. Our partnerships with industry leaders enable us to offer specialized solutions tailored to the unique needs of our customers.

Key partners include:

- **Accenture:** A global leader in professional services, specializing in digital, cloud, and security transformation.
- **Salesforce:** A long-standing technology and marketing partner since 2006, supporting sales performance and innovation.
- **Oracle NetSuite:** Seamlessly integrated with Xactly's Intelligent Revenue Platform, empowering enterprises to achieve sales efficiency.
- **Canidium:** A key partner since 2010, with expertise in implementation and managed services across 500+ projects.
- **ZS Associates:** Providing industry-specific expertise, analytics, and managed services to enhance sales performance.

Additional partners, including KPMG, Microsoft, Argano, and Workday, bring diverse expertise in sales performance management, cloud computing, and automation, helping our customers unlock their full revenue potential.

# Appendix

## UN SDGs



- **SDG 6: Clean Water and Sanitation**

Water conservation initiatives such as smart sensor faucets and the use of recycled water.

- **SDG 12: Responsible Consumption and Production**

Waste management, composting programs, and e-waste buyback initiatives to minimize landfill contributions and promote a circular economy.

- **SDG 13: Climate Action**

Emissions reduction strategies, including optimizing cloud infrastructure, reducing travel-related emissions, and encouraging hybrid/remote work to lower carbon footprints.

- **SDG 15: Life on Land**

Efforts to promote sustainable practices in office operations to minimize environmental impact.

- **SDG 5: Gender Equality**

Commitment to diversity, inclusion, and fostering a sense of belonging for all employees.

- **SDG 8: Decent Work and Economic Growth**

Providing employee support through policies like transportation reimbursement and promoting a safe and sustainable commute to work.

- **SDG 10: Reduced Inequalities**

Policies that celebrate diversity, foster inclusion, and ensure equal opportunities for all employees.

- **SDG 16: Peace, Justice, and Strong Institutions**

Implementation of ethical governance policies, including anti-corruption measures, a whistleblower policy, and a business code of conduct.

- **SDG 17: Partnerships for the Goals**

Collaboration with organizations like the XactlyOne Foundation and external partners to drive social impact and sustainability initiatives globally.

Questions about this report? Reach out to us on [Ikhan@xactlycorp.com](mailto:Ikhan@xactlycorp.com)

## About Xactly

Xactly provides the only AI-powered platform that combines revenue intelligence and sales performance management so organizations can unlock their full revenue potential. Backed by two decades of pay and performance data, Xactly's Intelligent Revenue Platform is designed for finance, revenue, compensation, and sales leaders who want to drive quality, sustainable revenue. To learn more about Xactly and the latest issues and trends in revenue intelligence, visit us at [XactlyCorp.com](http://XactlyCorp.com), follow our [blog](#), and connect with us on [LinkedIn](#).