



ESG Overview *2021*






Table of **Contents**

A Message from Our Leadership	3
Elastic ESG Overview	4
We're Elastic	5
Our Source Code	6
Activity Metrics	7
Social	8
Human Capital Management	9
Diversity, Equity, and Inclusion	12
Workforce Diversity Metrics	16
Gender Pay Equity	19
Elastic Cares	20
Governance	22
ESG Oversight	23
Business Ethics	24
Data Security and Privacy	26
Systemic Risk Management	27
Corporate Governance	28
Environment	29
Utilities	30
Infrastructure	30
Environmental Efforts	31
Product Societal Impact	32
As We Look Ahead	34
Forward-Looking Statements	35

A Message from Our Leadership

In a world where endless data creates endless possibilities, we empower organizations, their employees, and their customers to accelerate the results that truly matter. Our data analytics platform, powered by search, keeps our customers’ mission-critical applications running smoothly, protects them against cyber threats, and enhances search experiences for their customers and employees.

Our stakeholders — our customers, partners, community members, employees, and investors — face ever-increasing societal challenges, from the climate crisis to global social changes and geopolitical upheaval. When it comes to our growth and success as a global business, people and culture are vital to everything we do.

We recognize that working to address these challenges is a critical part of driving our success as a business, and that’s why we are committed to:

- Empowering everyone through the power of search
- Leading with conviction in the positive power of technology
- Supporting the fundamental rights of all people
- Doing the right thing because it’s the right thing to do

This inaugural ESG Overview is Elastic’s first report focused on our environmental, social, and governance impacts. While this type of reporting is new for us, ESG is certainly not new to our relationship with society or how we conduct ourselves as a

company. Our commitment is deepened as we embark on this journey to communicate our practices and further integrate ESG initiatives into our corporate strategy and the way we engage with our stakeholders.

We stand up for the rights and dignity of all people within our company and their families. We strive for a diverse, equitable, and inclusive culture because we believe that fueling innovation requires a strong foundation of community and belonging. Being remote-first isn’t new to us. Elastic started as a globally distributed company. From our experience in open source projects, we knew that great code and amazing ideas can come from anyone, anywhere. So it’s critical that we continue to provide the right processes and tools that enable all employees, or Elasticians, to work from where they are and as they are.

We are committed to playing our part in this journey while maintaining the highest governance standards — not simply because we have to, but because it’s the right thing to do. In addition, we recognize our responsibility for the ethical use of data and are steadfast in our efforts to secure and protect user data.

Technology has the power to improve the human experience and help people thrive — but it must be developed, deployed, and used in a way that minimizes impact on the environment while generating tangible benefits for society as a whole.

Our current efforts focus on efficiencies to reduce the environmental impact of our distributed workforce and leveraging cloud computing as the most carbon-efficient way to operate our business for customers.

We realize that there’s so much more to be done to create a sustainable and inclusive future for everyone. We are excited about what we can achieve together as we continue to advance sustainability within our organization and beyond.



With gratitude,

Ash Kulkarni
CEO

Shay Banon
Founder & CTO

ESG Overview

This document provides an overview of environmental, social, and governance (ESG) highlights at Elastic. We review our progress against the Sustainability Accounting Standards Board (SASB) standards for the Software and IT Services industry. We also align with select United Nations Sustainable Development Goals (UN SDGs), where we believe we can have the greatest impact. This document provides Elastic's ESG data for the period January 1, 2021, through December 31, 2021, unless otherwise noted. References to fiscal year (FY) indicate that associated data is for the 12-month period ended April 30 of that year; for example, fiscal year 2022 (FY22) refers to the period May 1, 2021, to April 30, 2022.



We're Elastic

Elastic is a data analytics company built on the power of search. We help organizations, their employees, and their customers find what they need faster, while keeping mission-critical applications running smoothly, and protecting against cyber threats.

Users can easily deploy Elastic wherever data lives, in their favorite public cloud, or across multiple clouds, and extend the value of Elastic to achieve new levels of success at scale and on a single platform.

Companies like Uber, Jaguar Land Rover, Zurich Insurance Group, Microsoft, and thousands of others rely on Elastic Enterprise Search, Observability, and Security solutions to advance their business and accelerate results that matter.



Our Source Code

We're a distributed company built on a heritage of open source. We value our employees for the whole humans they are and honor their contributions by following our Source Code:



Home, Dinner

There is no such thing as work-life balance. We are successful if we find balance in life. Elastic empowers you with the flexibility to do so. Be home for dinner, go for a run midday, care for a sick child, or visit a parent.

Finding balance means being more innovative and efficient at work. Which makes for a better Elastic.



Space, Time

It's easy to get stuck in a day-to-day work pattern. Allowing for the space and time to dream requires conscious effort. Embracing a high failure rate does, too.

Fulfillment comes from doing the obvious and dreaming up the un-obvious. Both are foundations of Elastic.



IT, Depends

It's pretty complicated to make some things simple, and even more complicated to make other things possible. We embrace and value the knowledge required to do both.

When a question is asked, buckle up. Sh*t is about to get real. Your journey will likely start with "it depends."



Progress, SIMPLE Perfection

Perfection is not a destination. Color inside the lines or color outside the lines. Just pick a color. It's as simple as 2048.

An Elastic that moves is an Elastic that survives, thrives, and stands the test of time.



01.02, /FORMAT

Our products are distributed by design, and our company is distributed by intention. With many languages, perspectives, and cultures, it's easy to lose something in translation. Over email and chat, doubly so. Until we get a perpetual empathy machine, don't assume malice.

A distributed Elastic makes for a diverse Elastic, which makes for a better Elastic.



As YOU, Are

We all come in different shapes with different interests and skills. We all have an accent. Celebrate it. Just come as you are.

No need to invest neurons trying to fit an arbitrary mold. We'd rather you put them to work shaping Elastic.



HUMBLE, Ambitious

Ambition drives us to challenge ourselves and the people around us to do better. It is not an excuse to be an asshole.

Be humble. Be ambitious. At Elastic, we are both.



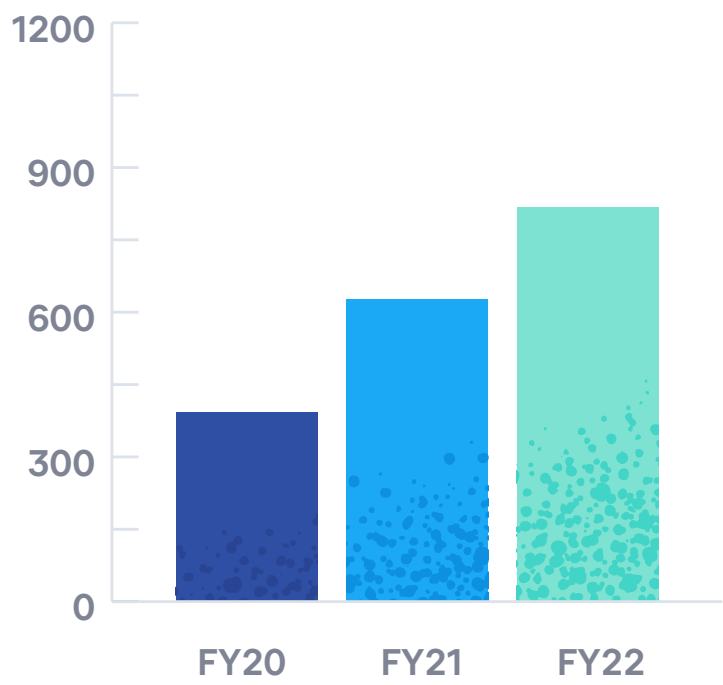
Speed, Scale, Relevance

Elastic is a search company. We focus on value to users by producing fast results that operate at scale and are relevant. This is our DNA. We believe search is an experience. It is what defines us, binds us, and makes us unique.

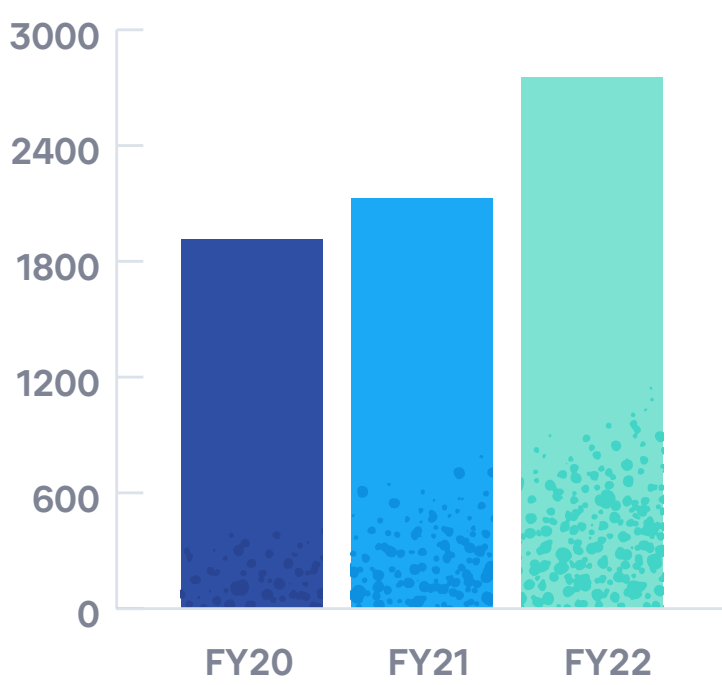
Activity Metrics

These metrics quantify our size, scope, and key business activities. Our fiscal year is May 1 to April 30.

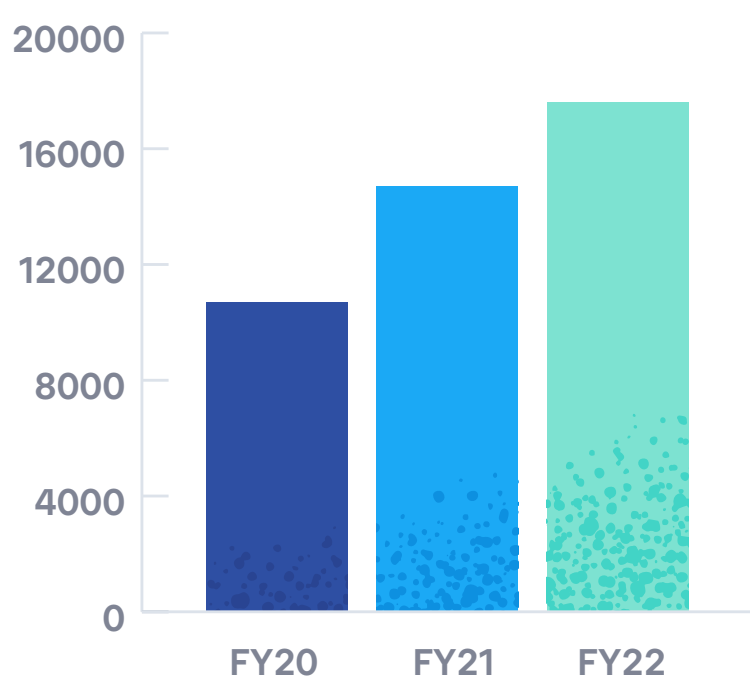
Revenue (\$MM)



Full-time employees



Customers



Metric	FY22	FY21	FY20
Revenue (\$MM)	862.4	608.5	427.6
Full-time employees	2,978	2,179	1,936
Customers	18,600+	15,000+	11,300+

Social

At Elastic, the power of infinite possibility is found in the talent and diversity of our people. As a distributed company, Elastic employs people around the globe. We focus on recruiting top, diverse talent and then engaging, supporting, developing, and retaining them with a flexible, supportive, and inclusive workplace that offers fair and consistent pay practices. We also prioritize community engagement, primarily through our Elastic Cares program.

Our efforts to support our Elasticians and our communities align with key objectives of the UN SDGs in promulgating equity and providing fulfilling and human-centered employment.

5 GENDER EQUALITY

8 DECENT WORK AND ECONOMIC GROWTH

10 REDUCED INEQUALITIES



Human Capital Management

Talent recruitment

We have a globally distributed talent acquisition team focused on bringing together a diverse team that reflects the global nature of our customers. We partner with organizations like PowerToFly and Fairygodboss to help expand our talent brand, particularly to women across technical and sales roles globally.

ElastiGrad program

We believe recent graduates can bring new perspectives and creative ways of solving problems. Our ElastiGrad program seeks out recent graduates in computer science, engineering, and other science disciplines with a focus on programming to join our Elastic Engineering team. By recruiting from different universities around the world, we aim to find talented graduates to join us. We launched the ElastiGrad program in 2021 and will be expanding the program to other functional areas in 2022.

New employee onboarding

Our new employee onboarding experience centers around our week-long, extensive new hire orientation program, known as X-School. There, new Elasticians meet virtually and collaborate with others from around the world while learning about our products, business strategy, culture, and ways of working.

Global learning and development

We prioritize and support global learning through a variety of capability-building pathways, including “always-on” opportunities with LinkedIn Learning and L.E.A.P., our proprietary platform enabling training for people managers, as well as an array of scheduled, facilitated experiences on topics including communications, goal setting, people leadership, inclusivity, and onboarding. Learning & Organization Development (L&OD) delivered 768 hours of facilitated training in FY22.



Employee engagement as a percentage

SASB: TC-SI-330a.2

We've been running a semiannual global engagement survey for five years. We typically see high engagement and participation across the organization and benchmark well against our peers. We use our engagement survey to drive programmatic action at the company level and team actions down to the manager level.

We look at the data across demographics including gender and geography to tenure and team. The participation rate for the July 2021 Pulse Survey was 86%, while the engagement score was 78%. Consistently, the highest factor scores are on Elastician alignment and involvement at 85% each. We also see high scores on questions related to belonging and pride in working at Elastic.

Percentage of employees that are (1) foreign nationals and (2) located offshore

SASB: TC-SI-330a.1

We have 206 foreign nationals (long-term transfers) on different types of visas and work authorizations representing 15 countries where Elastic acts as their sponsor. This is 6.9% of the total number of Elastic employees (or 206 of 2,978 full-time employees) as of April 30, 2022.

Of all work permit holders (foreign nationals), 75% were hired in country “A” (originally) and transferred to country “B” either upon initial hire or at a later stage, as required by the business. Twenty-five percent of all foreign workers were in-country hires, meaning they already had a valid work visa through another employer, but it was not transferable and a work visa sponsorship was needed by our local entity licensed in the country of hire for immigration purposes.

Benefits and well-being

We continue to work toward ensuring all Elasticians and their families have access to competitive local market benefits with a focus on core plans such as healthcare, paid time off, and financial protection plans. We're also making targeted investments designed to strengthen our diversity, equity, and inclusion (DEI) efforts and meet the needs of individual Elastician's experiences. This includes:

- Offering a gender-neutral and flexible parental leave policy that sets a global minimum standard of 16 weeks of paid time off.
- Extending family formation benefits to support Elasticians globally on their fertility, surrogacy, or adoption journeys. It's available to Elasticians regardless of marital status, sexual orientation, or gender.
- Honoring our serving military by offering a salary differential to total 100% of a service member's Elastic salary for the first six months of active duty.

- Offering enhanced transgender and non-binary care in our US health plans. We will continue exploring how we can offer this outside of the United States.
- Five days of paid volunteer time off to engage in helping others.
- Up to \$1,500 per fiscal year in charitable donation matching to support the generosity of Elasticians.
- Up to one month paid compassionate leave to help Elasticians manage and recover from situations in their personal lives.
- Enhancing benefits in our US health plans to provide better support to Elasticians when traveling out of state for covered health care not available in their current location.
- Providing access to several mental well-being resources, including weekly guided meditation, a global employee assistance program (EAP), and Ginger and Lyra digital counseling services.
- Encouraging Elasticians to take care of their health with fun and engaging campaigns like our fruit and veggie or sleep challenges.
- Ensuring remote Elasticians have ergonomic home workspaces with online and one-to-one assessments and accommodation support.
- Making all Elasticians who work at least 20 hours per week eligible for equity in the form of new hire and annual Restricted Share Units (RSU) grants. Equity ranges are established by geographic zone, salary band, and job level. Equity ranges and zones are reviewed annually, with the equity framework approved by the Compensation Committee of the Board of Directors.

- Recognizing financial wellness as an important component of well-being for all Elasticians, we've recently enhanced or introduced additional retirement and savings plans to support Elasticians in India, Israel, Sweden, and Switzerland, with plans to invest in additional countries over the coming year. Elastic offers a company-matched 401(k) plan for all US employees. Elasticians may make pre-tax and/or Roth IRA contributions up to the annual IRS limit. Elastic matches employee contributions dollar for dollar up to six percent of eligible earnings capped each year in accordance with the IRS eligible compensation limit. Canadian employees can contribute to a company-matched Registered Retirement Savings Plan (RRSP), with Elastic matching employee contributions dollar for dollar up to six percent of eligible earnings.



Pandemic Response

Throughout the pandemic, we've ensured Elasticians have the flexibility and support they need to cope with the ever-changing landscape. We introduced a number of key initiatives, including:



COVID-19 leave

A temporary paid time-off benefit for all Elasticians in addition to regular leave policies. Elasticians can use the additional time when caring for family members suffering from COVID-19 (COVID), when they're affected by school closures, or for times when they can't perform their jobs remotely.



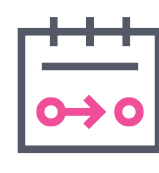
Home-working allowance

We extended our home working allowance to include all Elasticians so they could set up an appropriate home office either through our partnership with Herman Miller or through a vendor of their choice.



Mental health

We expanded our digital services with Lyra, Ginger, and global EAP partners like Workplace Options to enhance the ability of our Elasticians and their family members to access support during an uncertain period.



Shut It Down Days

We introduced company-wide holidays to allow Elasticians to take time off to recharge and ease the mental burden of operating during the pandemic.



Emergency response

We provided oxygen concentrators to Elasticians in India during the height of the pandemic.



Resources

We hold webinars and information sessions about topics our Elasticians care about, including parenting during the pandemic and better sleep tactics.



COVID management reviews

We hold ongoing COVID management reviews with leaders to ensure the continuing relevance of our approach and strategy and pivot when required.



Ongoing employee communication

We maintain dedicated safety and COVID communication lines that allow anyone to report incidents, get advice, or offer feedback and suggestions.

Diversity, Equity, and Inclusion

We're working to give more structure and context to how we talk about diversity — evolving from diversity, inclusion, and belonging (DIB) to diversity, equity, and inclusion (DEI), with an articulated mission philosophy and foundational tenets.

Elastic's DEI philosophy



Diversity

At Elastic, we are strengthened by the differences that define us. We celebrate the limitless dimensions inherent to our Elasticians, and aspire to build a team with a wide breadth and depth of diversity, including representation, that reflects our customers and communities around the globe.



Equity

Often used interchangeably with equality, equity is critically different. Equality is the state of being equal — treating everyone the same. Equity involves impartiality and fairness — treating everyone fairly. Equity is the lens through which we approach our policies and practices to ensure we create the best environment and results for everyone.



Inclusion

We want to cultivate an environment at Elastic where every Elastician feels included. By treating all Elasticians fairly and respectfully, and providing equitable access to opportunities and resources, we hope to empower our team so that they can contribute fully to our collective success.

DEI Tenets

The following tenets guide our approach to diversity, equity, and inclusion and help us flourish as we grow:



Source Code

The foundation for DEI is our Source Code, or the things that make Elastic, Elastic. Some ideas resonate more strongly with others, and that's OK. The ideas in our Source Code are reminders that keep us steadfast because we're not perfect. We're human.



Pause and explain

When a bothersome situation occurs that creates discomfort or unease, we encourage Elasticians to remember the Source Code. Pause and remember that we wear different lenses, have different backgrounds and experiences, live in different parts of the world, and speak different languages. After the pause, explain — without judgment, condemnation, or assuming bad intent — why the situation created discomfort or unease.



Respect the pause

Respecting pauses someone may take during a meeting or conversation is respectful and inclusive of non-native language speakers, cognitive differences, and the countless dimensions of diversity across the globe. Respect the pause rather than moving to the next discussion point or a new topic.



DEI is a journey, not a destination

The road to achieving diversity, equity, and inclusion is never-ending.

In 2021, we worked on establishing strong foundational components to our DEI strategy.

We established a DEI section on our intranet with specific resources, and formalized our Elastician Resource Groups, seven identity-based groups that provide critical input and advice on our ongoing DEI efforts.

We also created aspirational diversity hiring rate targets, to hold ourselves accountable as we build a diverse workforce in the future, and cultivated more focused collaborations with Marketing, which included DEI sessions during our ElasticOn Global events in FY21 and FY22.

Plus, our Learning & Organizational Development (L&OD) team curated a robust suite of workshops and training sessions designed to share resources, drive performance, and encourage innovation in our DEI approach.

In addition, Elastic Cares supports an evergreen giving opportunity for anti-racism and social justice causes, and hosts regular sessions to highlight a diverse slate of global non-profits.

Plus, we're introducing a monthly DEI Scorecard for leaders, which includes tracking quantitative and qualitative measures.

Elastician Resource Groups (ERGs)

We have seven ERGs around shared identity, interest, and allyship:



The Accessibles
(Accessibility)



Blasticians
(Black and African American)



ElastAsians
(Asian and Pacific Islander+)



Elasticians Unidos
(Hispanic/Latinx)



Rainbow Stack
(LGBTQIA+)



Mil-Asticians
(Military/Veteran)



Women of Elastic
(Women)

We leveraged ERG leads to provide action items to our L&OD organization to optimize inclusivity across the company and they provide input and feedback to DEI efforts and initiatives across Elastic. Senior leadership serves as executive sponsors to ERGs, providing guidance and support.

DEI learning

Rather than mandating DEI training (akin to a compliance requirement), Elastic's preferred approach is to monitor and measure qualitative metrics, which we continue to develop.

We also have created a learning path for all Elasticians encompassing unconscious bias training for interviewers, DEI segments in our employee onboarding program, and walk-through demonstrations on inclusivity.

DEI communications

Our Employee Resource Groups (ERG) participate in content curation, highlighting targeted observances like Black History Month, and contribute to our quarterly newsletter and internal wiki.

We facilitate collaboration between ERGs, Employer Brand, Communications, and Elastic Cares to tell the stories of Elasticians on our website. The Someone Like Me program connects candidates with Elasticians of similar backgrounds, and produces [blogs](#) in recognition of special celebrations like Hispanic Heritage Month, Black History Month, Asian Pacific Heritage Month, and Veterans Day.

Affirmative action program (AAP)

We maintain an affirmative action program. As part of this effort, we conduct an analysis of hiring and promotion by Equal Employment Opportunity (EEO-1) categories by race/ethnicity/gender within each EEO job code, which serves to denote underutilization that may exist and outline any resulting hiring goals requiring good-faith efforts needed to address underutilization. We brief our leaders on AAP to ensure they are aware of and understand the requirements pertaining to expectations for good faith efforts. Effective FY23, we moved to a Functional AAP that better reflects how Elastic functions as a business, tying the requisite analysis and reporting to five key functions: Field, Engineering, Marketing, HR, and Corporate (Finance, IT, and Legal).



Workforce Diversity Metrics

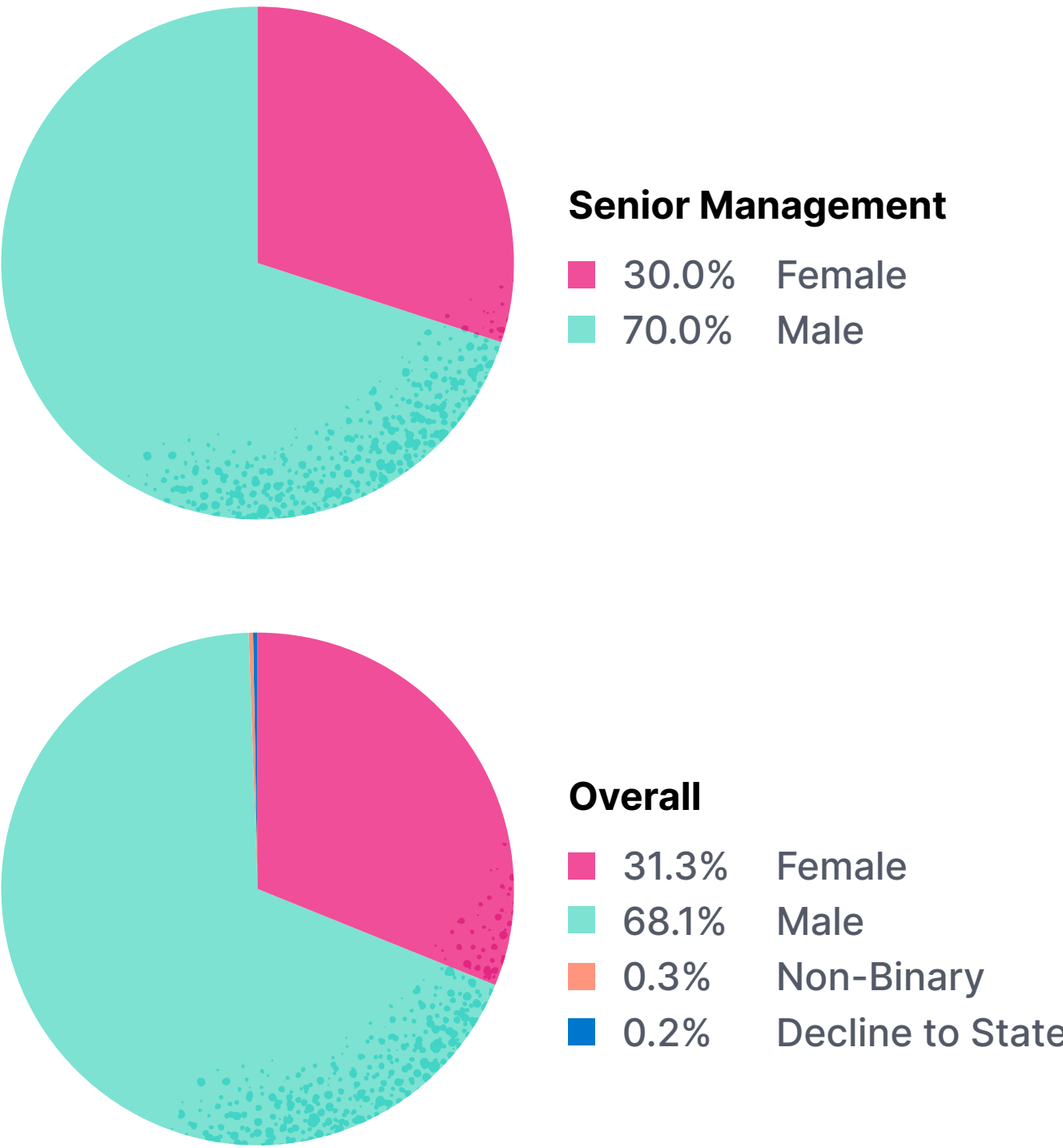
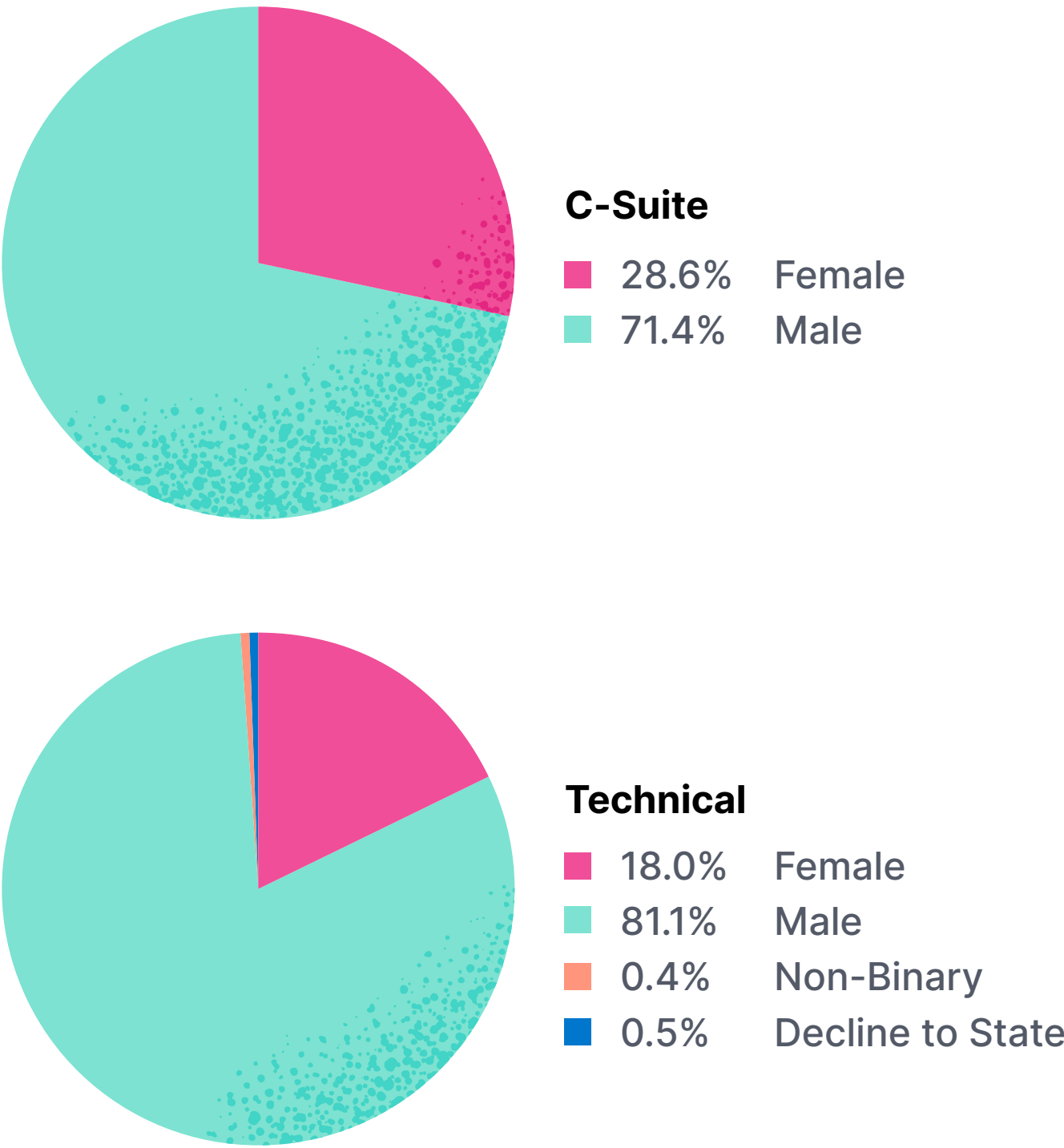
SASB: TC-SI-330a.3

Diversity is about the differences between people. At Elastic, we aspire to have employee representation that reflects the diversity of our customers and communities around the globe.

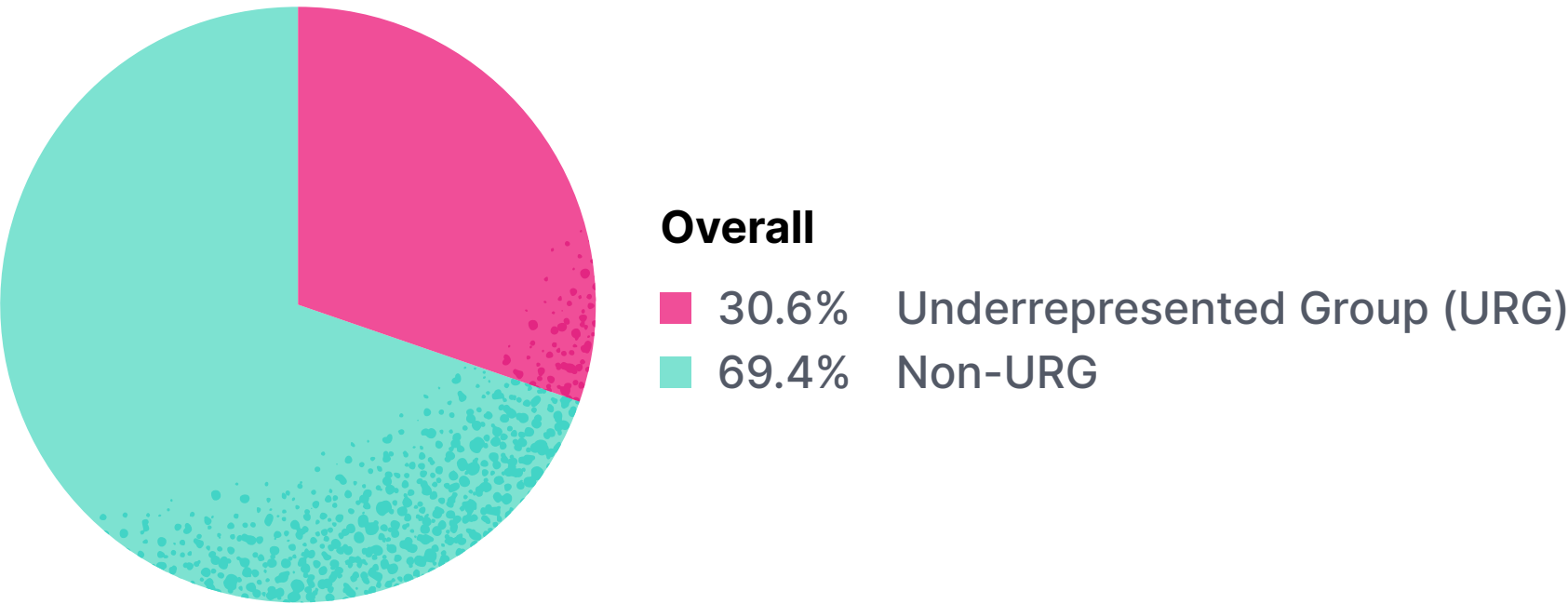
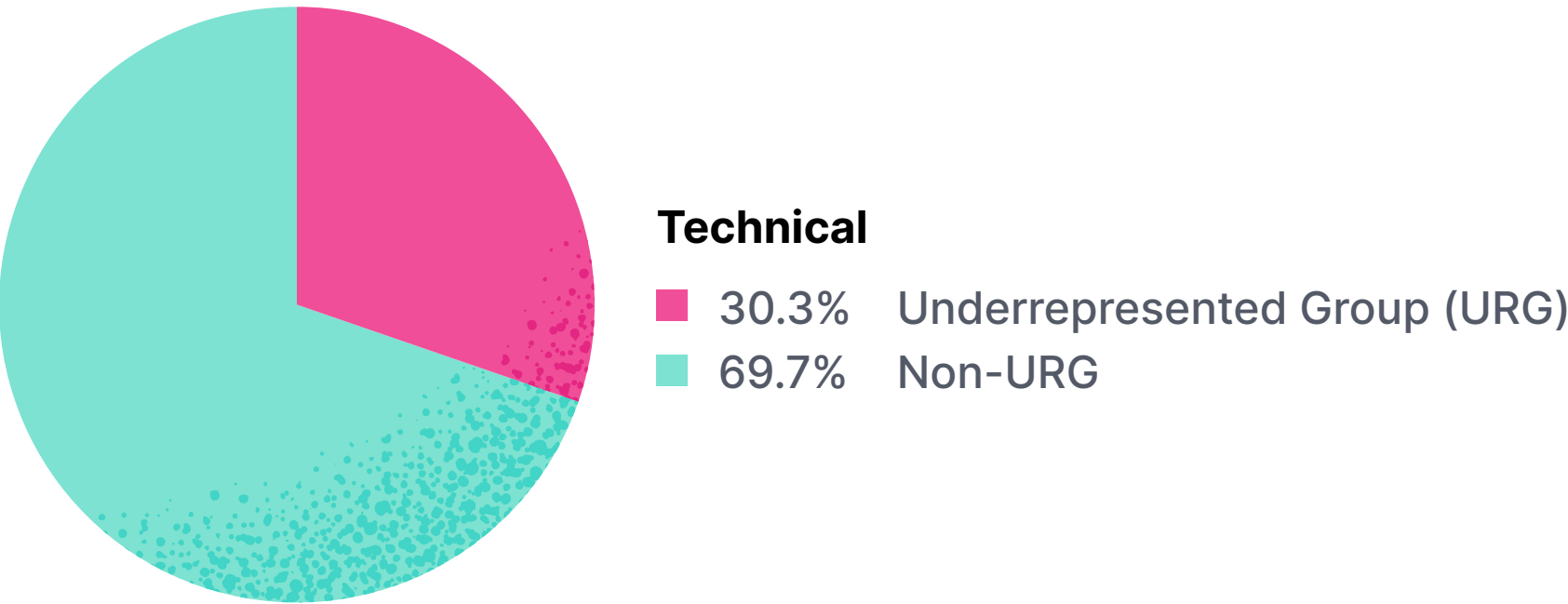
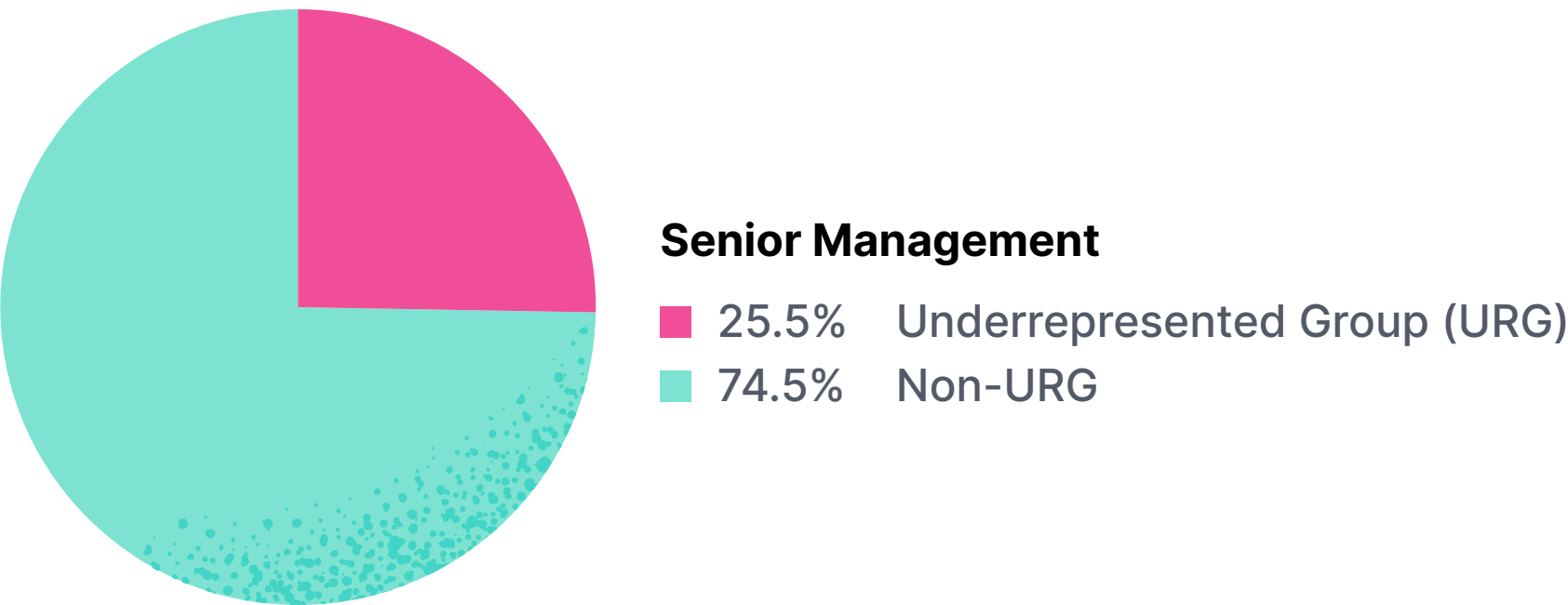
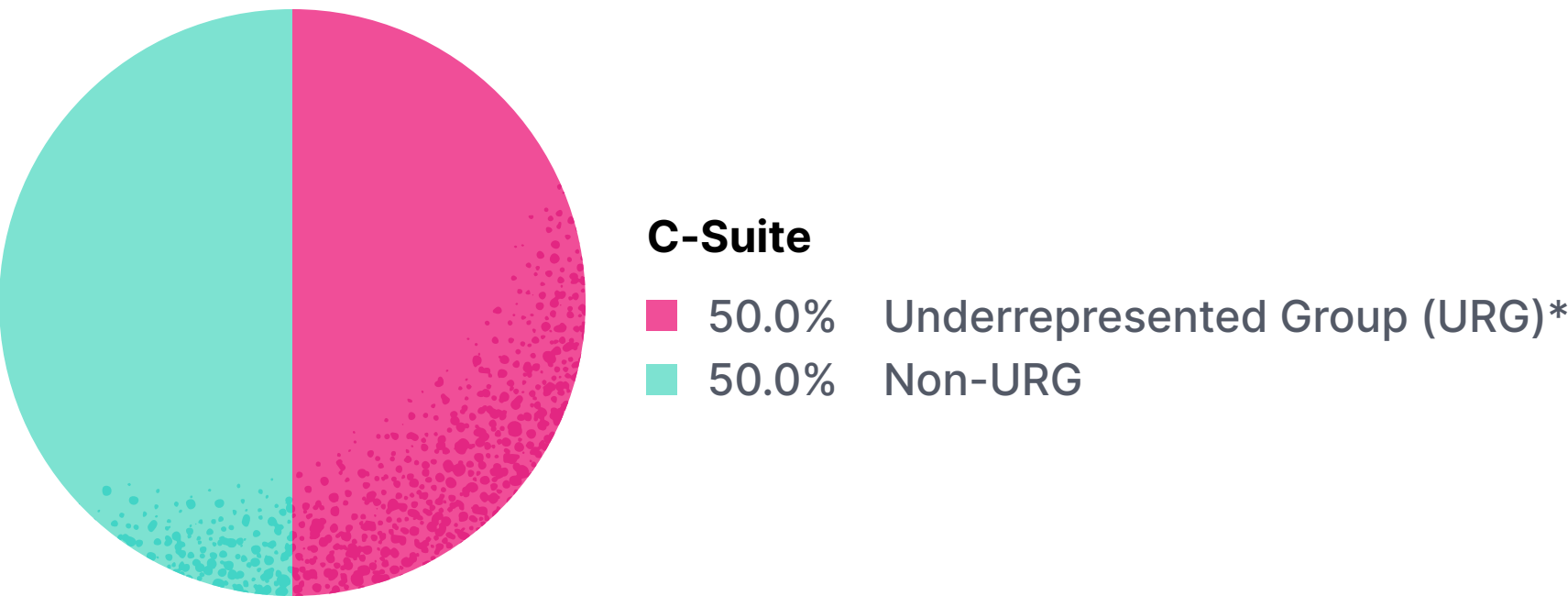
In FY21, Elastic established company-wide goals to improve hiring rates for women, non-binary, and underrepresented groups, per US Equal Employment Opportunity Commission categories, across all functions.

The following information reflects Elastic’s workforce representation as of December 31, 2021. It also aids us in identifying opportunities for improvement in FY23 and beyond.

2021 Global Gender Diversity

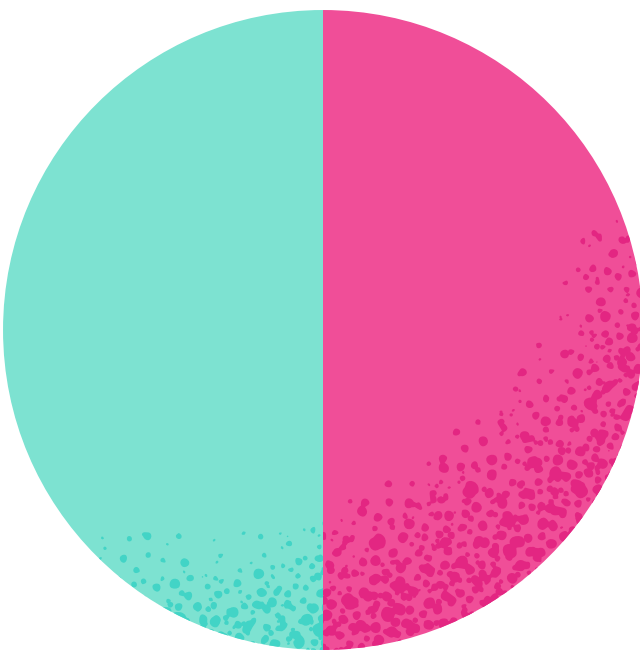


2021 US Racial/Ethnic Diversity



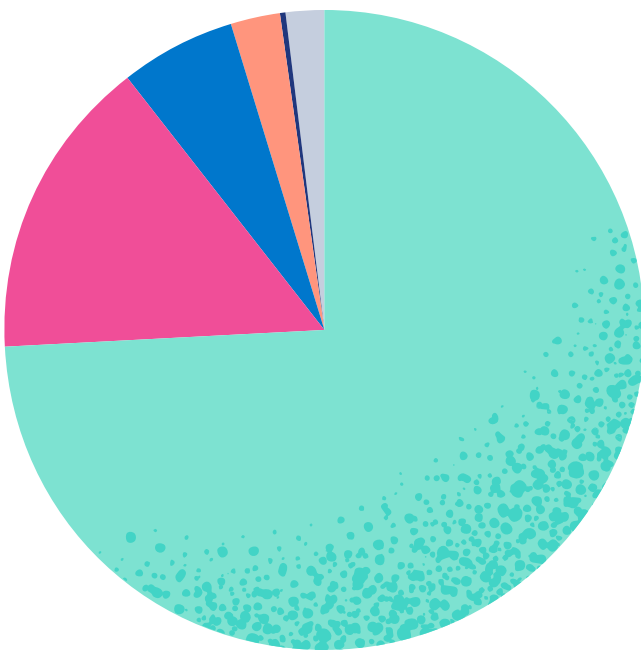
*Underrepresented Group (URG) refers to the cumulative group of non-white EEO-1 race/ethnicity categories as defined by the US Equal Employment Opportunity Commission (EEOC). URGs include: American Indian or Native Alaskan (not Hispanic or Latino), Asian (not Hispanic or Latino), Black or African American (not Hispanic or Latino), Hispanic or Latino, Native Hawaiian or Other Pacific Islander (not Hispanic or Latino), and two or more races (not Hispanic or Latino). These are the same categories used for ‘URGs’ in our Aspirational Corporate Diversity Hiring Rate Targets.

2021 US Racial/Ethnic Diversity (continued)



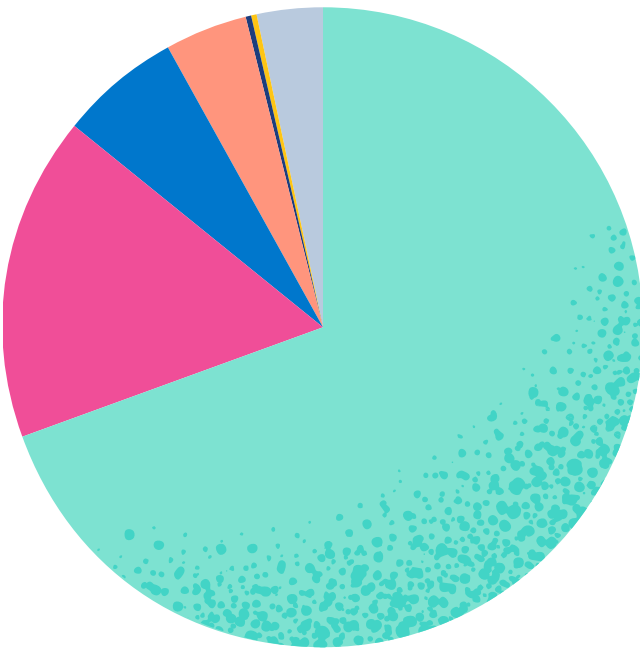
C-Suite

- 50.0% White
- 50.0% Asian
- 0% Hispanic or Latino
- 0% Black or African American
- 0% American Indian or Alaska Native
- 0% Native Hawaiian or Pacific Islander
- 0% Two or More Races



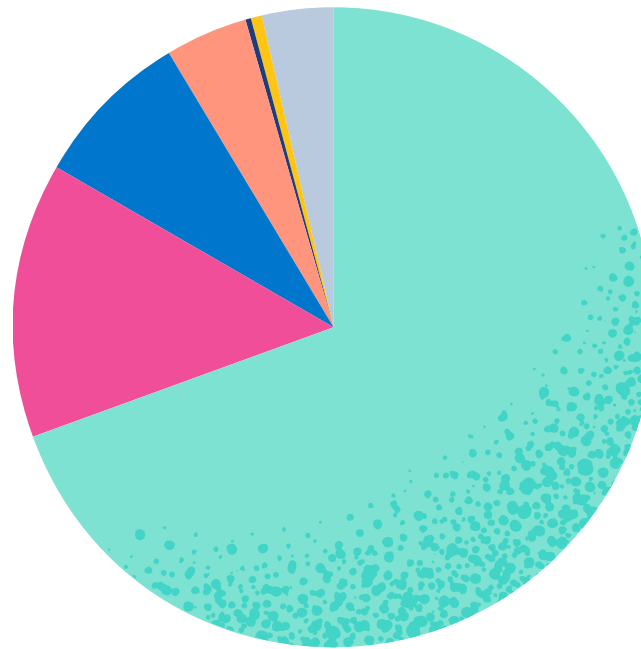
Senior Management

- 74.5% White
- 15.1% Asian
- 5.8% Hispanic or Latino
- 2.5% Black or African American
- 0.4% American Indian or Alaska Native
- 0% Native Hawaiian or Pacific Islander
- 1.8% Two or More Races



Technical

- 69.7% White
- 16.3% Asian
- 6.2% Hispanic or Latino
- 4.1% Black or African American
- 0.2% American Indian or Alaska Native
- 0.3% Native Hawaiian or Pacific Islander
- 3.2% Two or More Races



Overall

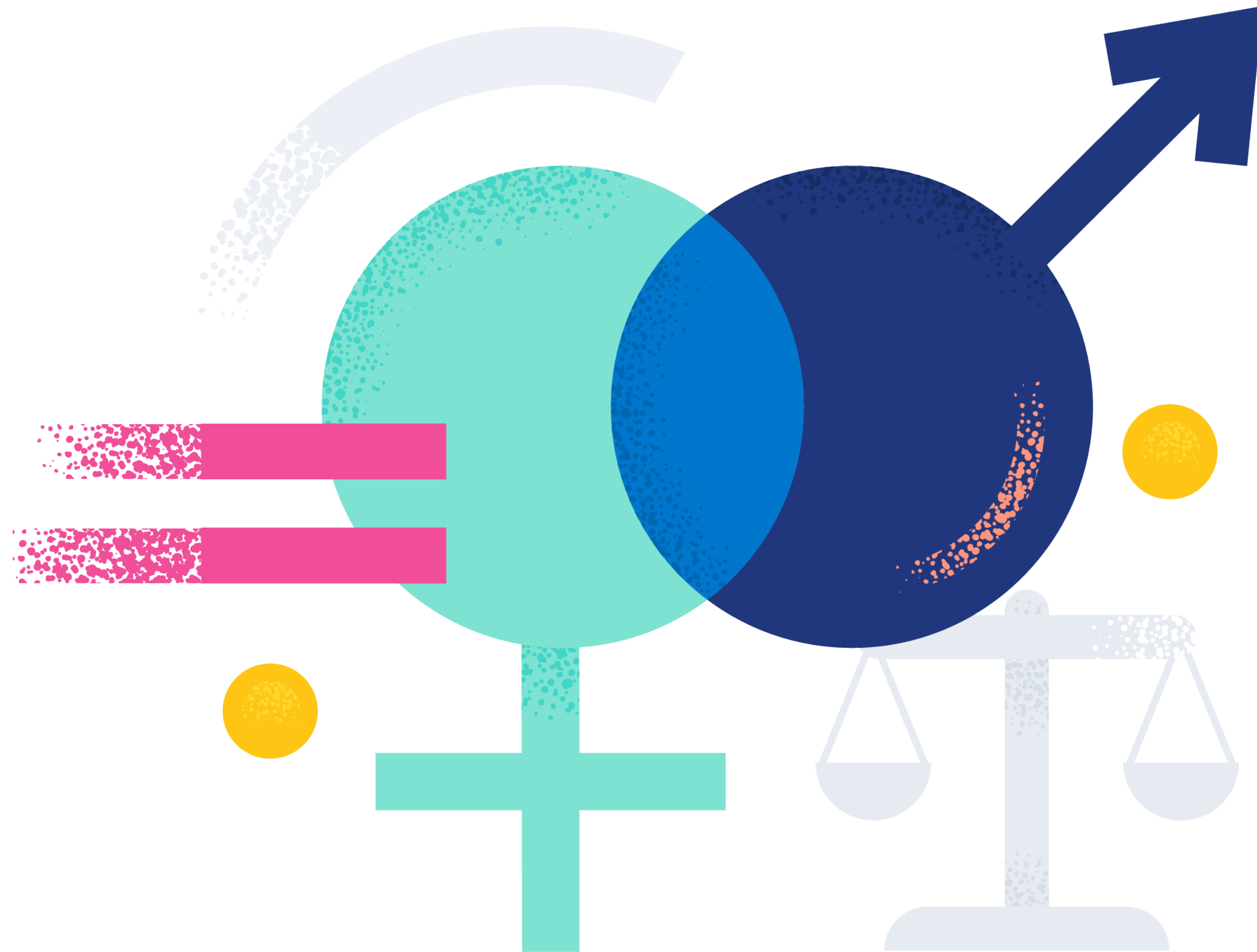
- 69.4% White
- 13.9% Asian
- 8.0% Hispanic or Latino
- 4.2% Black or African American
- 0.5% American Indian or Alaska Native
- 0.3% Native Hawaiian or Pacific Islander
- 3.6% Two or More Races

Gender Pay Equity

An external consultant conducts fair pay analysis with established job groupings and control factors to ensure appropriate comparisons.

For the past several years, we've conducted pre- and post-compensational cycle fair pay analyses for both cash and equity. We look at gender globally and race/ethnicity in the US (EEO). We've had [exceptional fair pay results](#).

In our most recent cycle, we saw that Elastic had no systemic differences in pay globally, and we pay our employees equitably. In Engineering globally, often a function where pay differentials can be amplified, female employees are paid comparably to other employees in similar roles at similar levels.



Elastic Cares

Elastic Cares is Elastic’s philanthropic goodness program. This program is available to all permanent employees and consultants. Its foundations are our donation matching, volunteer time-off (VTO), and non-profit organization (NPO) grants.



Donation matching

We match Elasticians’ donations to organizations of their choice up to a maximum of \$1,500 per fiscal year. Every annual Giving Tuesday, we match donations 2:1 to all available charities and causes on an inclusive global time-zone basis.

Periodically, Elastic responds to acute humanitarian crises, social justice movements, or disaster recovery events with special 2:1 matching campaigns.

All contractors, part-time, and full-time Elasticians can donate and use full Elastic Cares benefits. Elasticians can nominate a cause of their choice to be registered with Benevity, our company-wide giving platform. All approved causes are eligible for the corporate match, provided they meet our Source Code and basic non-discrimination and equalities commitments.



Volunteer time-off (VTO)

We provide five days (40 hours) of VTO per year to Elasticians to help charitable organizations and/or causes of their choice. The Elastic Cares team and other employee groups offer team VTO activities to volunteer together.



Non-profit grant (NPO)

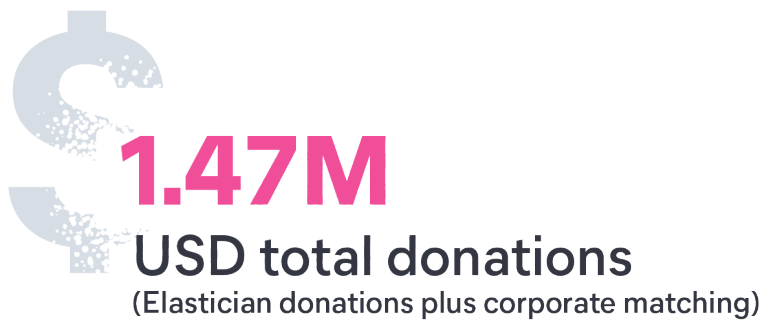
We provide up to 16GB standard Elastic Cloud clusters for free to non-profit organizations on a yearly basis. Charities can renew every year.

The goal is to ensure that Elastic teams and individuals can donate, volunteer, and give products on a global and local level to charitable organizations that matter the most to them. In doing so, Elastic leaves the freedom of choice on where to volunteer, donate, and give products in the hands of Elasticians.

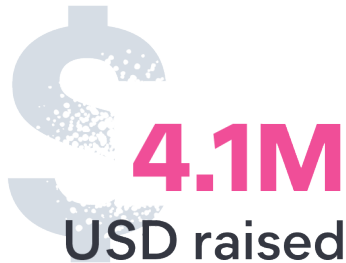
In 2021, the Elastic Cares program worked with teams across Elastic to support philanthropic causes, including:

- A donation campaign at ElasticON Global to support Girlstart and World Central Kitchen.
- Employee engagement campaigns for Black History Month, Asian Heritage Month/AAPI Month, and other recognition days to raise awareness around important societal issues.
- Global goodness events to drive impact and increase community engagement in growing regions.

FY22 impact



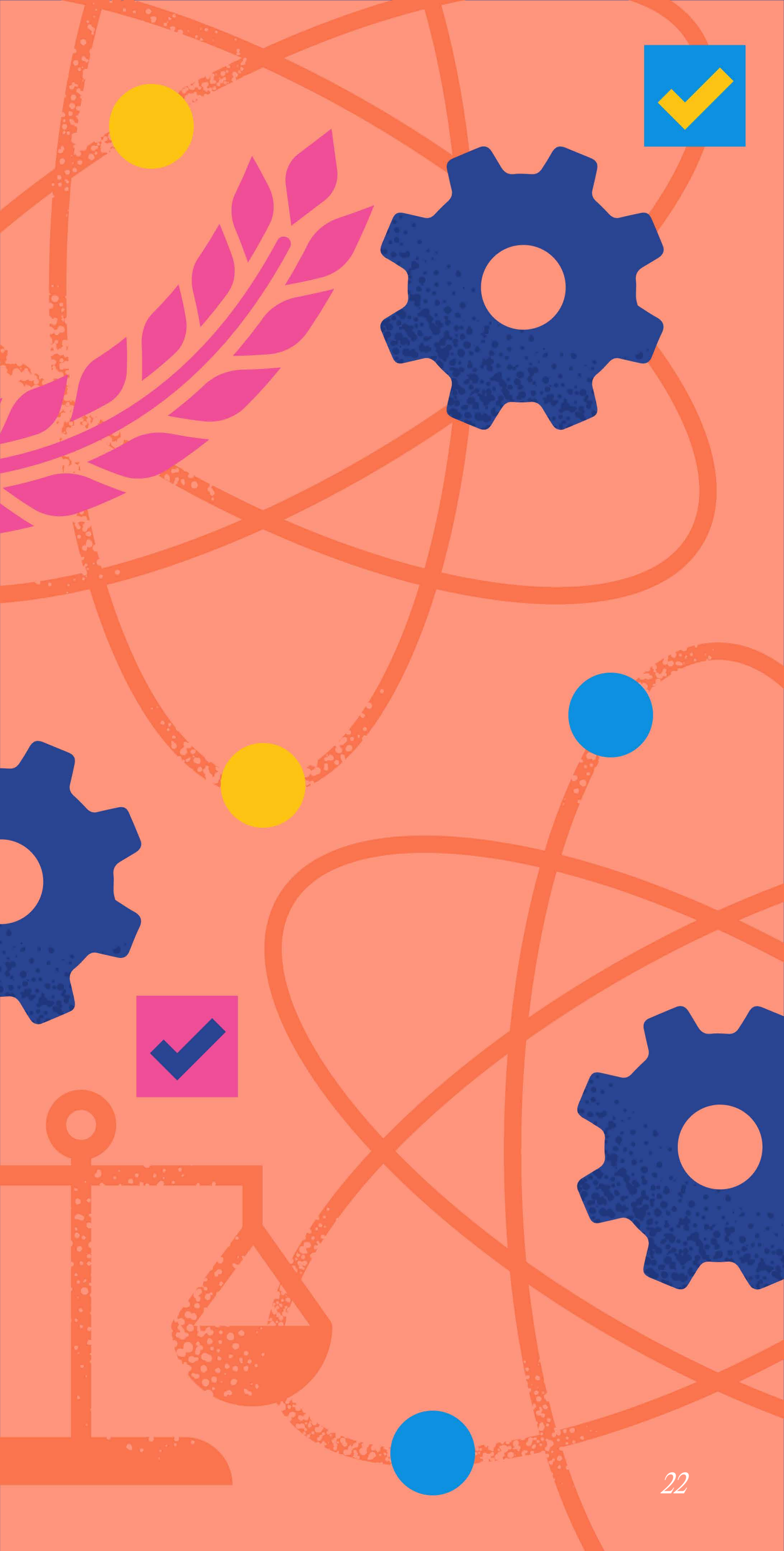
Impact since 2017



Governance

We are committed to the highest ethical standards and dedicated to complying with all applicable laws and safeguarding all data entrusted to us.

In the pursuit of good governance and ethical business conduct, our efforts support the objectives of UN SDG 16, which promotes anti-corruption and transparent institutions.



ESG Oversight

Board-level oversight

The Nominating and Corporate Governance Committee of the Board oversees our environmental, social, and governance activities, programs, and public disclosure. This committee was also [chartered](#) to receive feedback from company shareholders.

Management-level oversight

We established an ESG Steering Committee consisting of our Chief Financial Officer and Chief Operating Officer; Chief Marketing Officer; Chief Legal Officer; and Senior Vice President, Global Human Resources. Their responsibility is to provide applicable approvals and strategic direction to our cross-functional ESG Working Group, which implements ESG initiatives throughout Elastic and contributes to developing ESG disclosures. The ESG Steering Committee also provides updates to the Board.



Business Ethics

Code of conduct

All of our employees must adhere to a [Code of Business Conduct and Ethics](#) (Code of Conduct) that sets standards for appropriate behavior. Employees are required to complete annual training on the Code of Conduct, as well as additional training to help prevent, identify, and report any type of discrimination and harassment.

Business ethics program

Every Elastician shares a commitment to integrity. Winning and maintaining the trust of our global user community, customers, partners, and shareholders is important to us — and we achieve that by demonstrating honesty, professionalism, and empathy every day. Regardless of position, tenure, or geographic location, all Elasticians embrace a culture that operates in accordance with the highest ethical standards and complies with all applicable laws and regulations.

To further promote better governance and a higher standard of ethical and professional conduct across the entire company, we have mandatory Code of Conduct training for employees that sets standards for appropriate behavior and other significant compliance policies, all of which are publicly available on our [Trust site](#).



We also maintain an ethics hotline where employees and third parties can confidentially report any concerns about possible violations of our Code of Conduct and company policies. We thoroughly look into reports we receive through the hotline or other reporting channels and take appropriate remedial action when warranted.

Please see our policies and other documents on our [Trust site](#) for a more detailed picture of our approach to ethics and compliance.

Political involvement

Our Code of Conduct prohibits any use of Elastic's assets for any political activities anywhere and political involvement by our employees on behalf of Elastic. All Elasticians are required to complete our annual Code of Conduct e-learning course, which includes an interactive segment on political activities that makes it very clear that personal political activities must be kept personal, and that no company assets can be used to support political activities of an employee.

Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations

SASB: TC-SI-520a.1

Elastic only needs to disclose material legal proceedings in our Security Exchange Commission (SEC) reports. None of the litigation rises to the level of "material" for disclosure purposes, and there are no such monetary losses.

Vendor code of conduct

Elastic's [Global Vendor Code of Conduct](#) (GVCC) applies to all suppliers of products or services to Elastic. It requires our suppliers to operate with honesty and integrity and comply with all applicable laws and regulations. In particular, they must comply with labor, wage, benefits, and health and safety laws and regulations. They are also expected to protect their workers' human rights, honor their freedom of association, not discriminate in hiring and employment practices, and treat their employees with respect and dignity. Finally, we also expect our vendors to comply with environmental laws and operate in a way that protects the environment. Since we believe that these business conduct principles are truly universal, we expect our vendors to require all third-party suppliers that provide products and services to them to also comply with the standards in our GVCC.

Supply chain sustainability

To support our commitment to sustainability and understand the impact of our supply chain, we added a subset of ESG-related questions within our request for proposal (RFP) template documents in 2021, and moving forward, we are looking to broaden these questions to encompass a comprehensive range of ESG topics.

We are also in the process of adding ESG information requests from vendors as a component of our vendor onboarding framework to aid us in understanding the footprint of our supply chain.

Data Security and Privacy

Description of policies and practices relating to behavioral advertising and user privacy

SASB: TC-SI-220a.1

We have several privacy policies, including our [Global Privacy Statement](#). Elastic's [Cookie Policy](#) addresses our practices and data subject rights relating to behavioral advertising. Our behavioral advertising practices include the use of cookies, web beacons, and other similar technologies when you visit, interact with, or use our websites, social media pages, marketing communications, and online advertisements. The policy describes the types of cookies and automation technologies we use and the options for users to control Elastic's use of cookies and tools. We carefully manage data protection compliance throughout all of our behavioral advertising practices, including using third-party compliance tools and maintaining cookie banners where required.

Number of users whose information is used for secondary purpose

SASB: TC-SI-220a.2

Our policy is that personal data cannot be used for anything other than lawful purposes.

Total amount of monetary losses as a result of legal proceedings associated with user privacy

SASB: TC-SI-220a.3

Elastic discloses all material legal proceedings in our SEC reports.

(1) Number of law enforcement requests for user information, (2) number of users whose information was requested, (3) percentage resulting in disclosure

SASB: TC-SI-220a.4

Please see Elastic's 10-K and 10-Q filings with the SEC for a description of any materials, if any, requested from law enforcement.

List of countries where core products or services are subject to government-required monitoring, blocking, content filtering, or censoring

SASB: TC-SI-220a.5

Our products and services are subject to applicable export controls and trade sanctions, including those of the United States. Beyond these export controls and trade sanctions, we are not aware of any countries that require monitoring, blocking, content filtering, or censoring of our core products or services.

(1) Number of data breaches, (2) percentage involving personally identifiable information (PII), (3) number of account holders affected

SASB: TC-SI-230a.1

Elastic discloses all material information on data breaches in our SEC reports.

Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards

SASB: TC-SI-230a.2

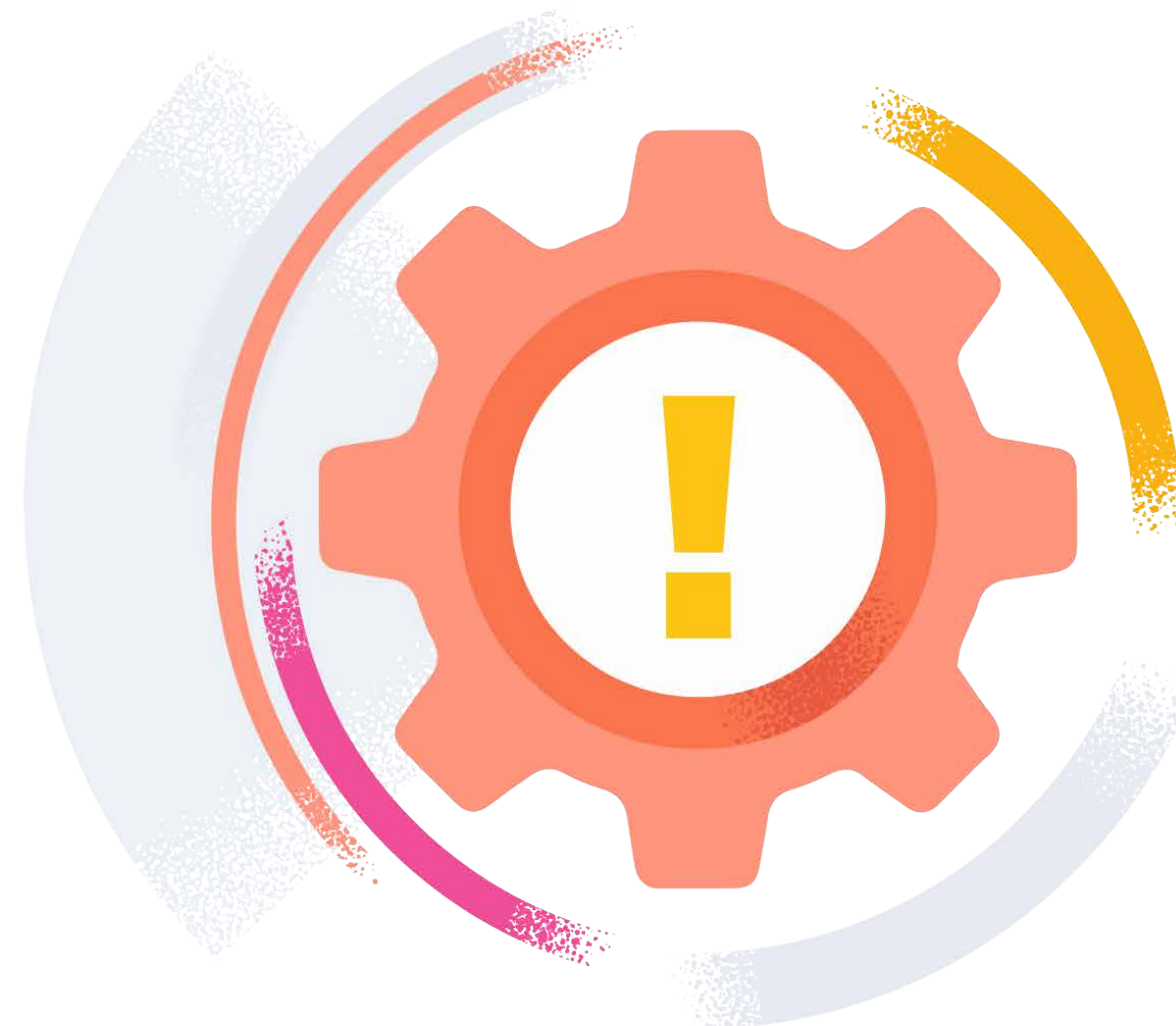
Our experienced team of security practitioners works across disciplines such as security engineering, security assurance, and risk and compliance. They work with our entire organization to ensure robust security for our technology and company.

Elastic operates in compliance with key information security standards and regulations. Our services are independently audited and confirmed to meet privacy and compliance standards for data security and privacy via our certifications and attestations, including:

- SOC 2 and 3
- ISO/IEC 27001, 27017, and 27018
- FedRAMP
- ISAE 3000
- PCI-DSS

We're committed to rapidly addressing security vulnerabilities affecting our customers and providing clear guidance on impact, severity, and mitigation. Working with members of the security community and customers, our teams ensure that security vulnerabilities affecting our products are documented and that solutions are released in a responsible manner.

We publicly provide a general program overview on our [Security and Compliance](#) page and a more specific overview of our Elastic [Cloud security](#) offerings.



Systemic Risk Management

Number of (1) performance issues and (2) service disruptions; (3) total customer downtime

SASB: TC-SI-550a.1

Elastic has a [status page](#) and [Twitter account](#) for communicating service issues. Availability is heavily dependent on how a customer configures their environment, which is discussed in our [Docs](#).

Description of business continuity risks related to disruptions of operations

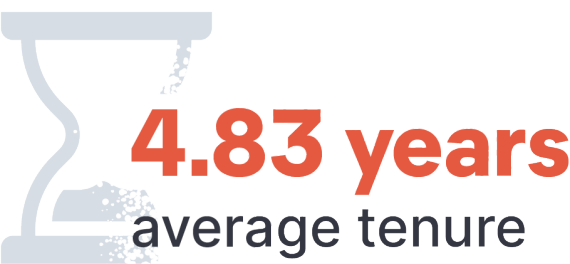
SASB: TC-SI-550a.2

See our [program overview](#) and more specifics for [Elastic Cloud](#).

Corporate Governance

The following information describes Board composition and corporate governance practices as of April 30, 2022:

Board composition



Board independence



Corporate governance best practices

- Ongoing education for directors
- Board oversight of ESG by Nominating and Corporate Governance Committee
- Formal shareholder engagement program

Board accountability and shareholder rights

- Annual Board and Committee self-evaluation
- Annual evaluation of the executive directors by independent directors
- Cash and equity clawback policy, pursuant to Dutch remuneration policy
- Shareholder right to call special meetings and to submit proposals for consideration at the Annual General Meeting
- One-share, one-vote

Environment

We are guided by our commitment to sustainable practices. Elastic's sustainable operations include an open reporting culture and an agile response to environmental impacts as they arise. We collaborate with specialists in the field to provide gap analyses on where we stand among international environmental sustainability standards, and to help us outline and implement our strategy.

Since the founding of our company, we have been dedicated to flexible working, with a high percentage of distributed employees. New construction and leases are developed in line with our minimum standard of design and construction sustainability.

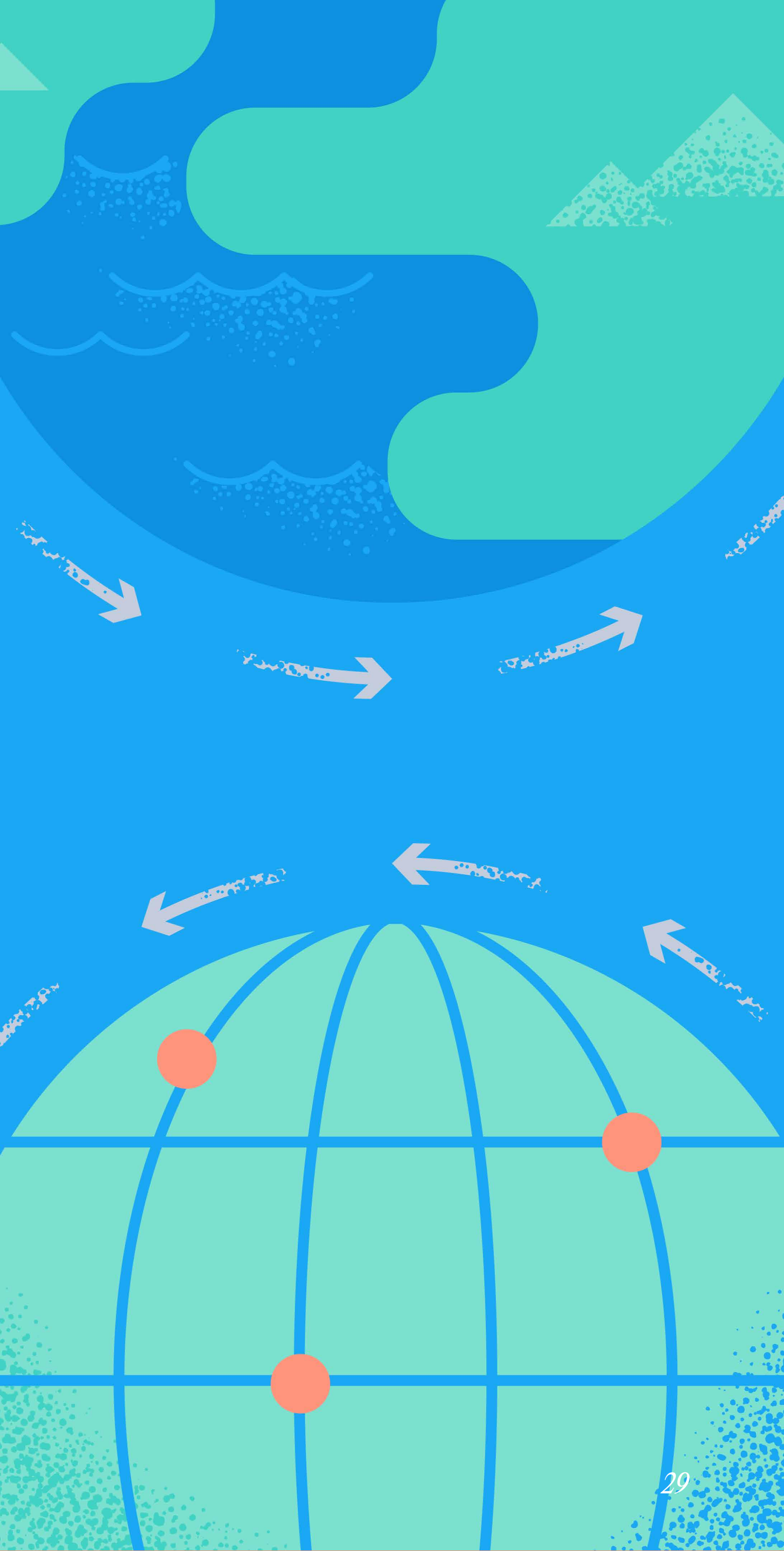
We are working to lessen our environmental impact through initiatives that include not powering office space unnecessarily, using recycled consumables, eliminating plastic bottles, and implementing recycling and composting programs.



With the right approach to environmental welfare, we know we can have a tangible impact on our people, our company, and our planet.

We are striving for WELL building accreditation for our future offices, which requires that we use products that meet health and sustainability criteria. We also vet our supply chain to make sure that we are partnering with like-minded companies who prioritize these important aspects.

With the right approach to environmental welfare, we know we can have a tangible impact on our people, our company, and our planet. Everything from improving Elastician well-being, to reducing our carbon footprint, to lowering operating costs is touched by thoughtful sustainability practices.



Utilities

SASB: TC-SI-130a.1

SASB: TC-SI-130a.2

As a company that's distributed by design, Elastic yields a relatively low office energy use footprint compared to other companies. Our in-office people-to-desk ratio is 3:1, reducing employee commuting and minimizing office complex energy usage.

Elastic has a limited view on utility usage due to lease arrangements with our building operators and landlords. We are working to identify solutions that will give us an active monitoring capacity on our enterprise-wide environmental impact and enable us to disclose progress year-over-year. Here are the current actions we are taking to reduce the impact of energy consumption:

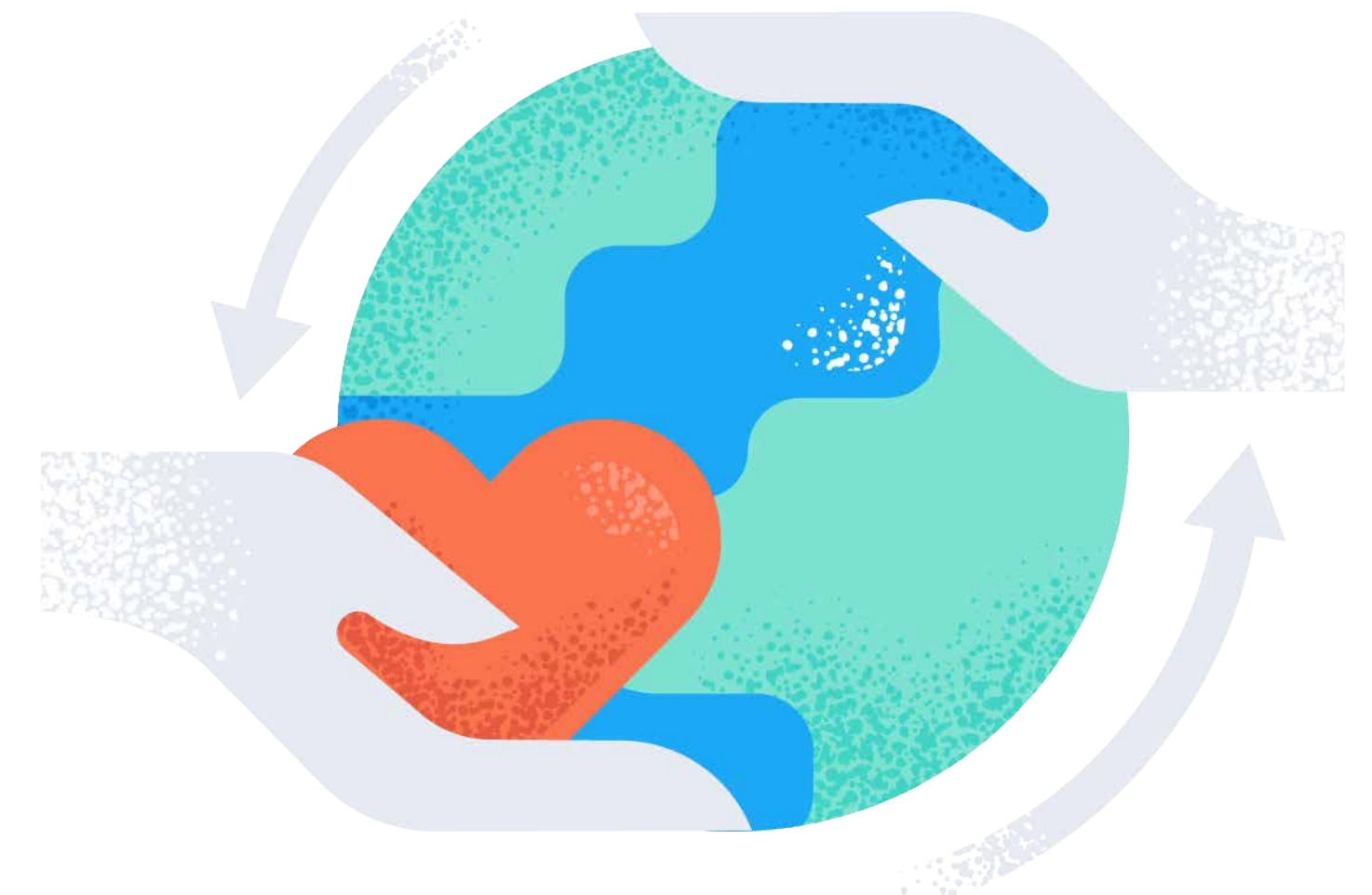
- Where possible, we specify the use of passive infrared sensors for the activation and automatic extinction of lights when office spaces are not in use. These specifications are documented in guidelines, which also cover the use of LED lights and energy-efficient audio visual and video conference hardware.
- Our search and selection process for finding new office space now includes an environment and sustainability element, and we prioritize buildings with a relevant local accreditation like BREEAM, LEED, WELL, and others.

Infrastructure

SASB: TC-SI-130a.3

Elastic does not have its own data centers. A large portion of our total vendor spend is with three large cloud service providers: AWS, Google Cloud, and Microsoft Azure. As Elastic scales, we will continue to consolidate our total vendor spend with these cloud service providers.

These three providers have sustainability-related commitments for each of their platforms, which enable users like us to operate with increased carbon efficiency. For example, AWS's public statements disclose that they have a target to power their data centers using 100% renewable energy by 2025, which, in turn, will reduce their carbon footprint by 88% compared to using consumed electricity. Azure and Google Cloud have very similar initiatives in place, which not only incorporate renewable energy and greenhouse gas emissions reduction targets but also include objectives related to water, waste, and preventing deforestation.



Environmental Efforts

Our workplace team runs several initiatives to positively impact our environmental efforts on a daily basis:

Waste management in offices



Plastic water bottle removal

We provide staff and visitors with glasses, bottles, or recycled/ biodegradable cups and offer filtered and sparkling water taps.



Packaging reduction

We request that all vendors reduce packaging used and collect and return packaging that can't be recycled.



In-office recycling

We provide split recycling or recycling through waste handling services at the majority of our offices.



Bio-waste reduction

Our free lunch services are based on individual orders placed no more than 24 hours in advance, ensuring that food waste is kept to a minimum.

Water management in offices



Most restroom facilities are equipped with dual-volume flush systems to reduce waste water consumption.



The majority of our restrooms are equipped with sensor-activated taps, limiting the total amount of water consumed and preventing water waste.

Product Societal Impact

Elastic is committed to building products that create a positive societal impact. The Elastic Search Platform is built on the Elastic Stack, a powerful set of software products that ingest data from any source, in any format, and perform search, analysis, and visualization of that data.

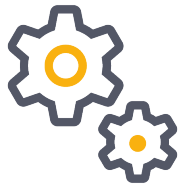
The company's open source roots allow Elastic to provide its solutions to a large community of users for free. This encourages innovation and efficiency to operate at scale for both non-profit organizations and for-profit customers.





Enabling human security and combating trafficking

[IST Research](#) uses Elastic to make a positive impact by countering human trafficking and violent extremism, monitoring and evaluating development programs and civil affairs, and promoting humanitarian efforts.



Manufacturing

[Mayr-Melnhof](#) uses Elastic to help reduce their carbon footprint, achieving real-time cost savings by lowering the consumption of high-cost raw materials by more than 20% while maintaining the same output.



Power and grid management

[Opower](#) uses Elastic to help utility companies around the world manage intelligent power grids and provide energy resilience while giving consumers energy-saving advice.



Telecommunications

[BAI Canada](#) uses Elastic to analyze trends in Wi-Fi usage to manage resources optimally while reducing power consumption and increasing performance on 500,000 Wi-Fi sessions a day.



Financial services

[KeyBank](#) uses Elastic to reduce their monitoring tools into a single pane of glass, collapsing 25+ point solutions into a single observability platform to decrease compute, storage, and energy costs.

Financial services customer [Rabobank](#) uses Elastic to enable customers to search through years of transactional data at once while maintaining regional regulatory compliance and saving millions of Euros on transaction costs per year.



Public sector

[Oak Ridge National Laboratory](#) uses Elastic to keep their complex supercomputer system running efficiently, saving the laboratory \$2 million USD in annual cooling infrastructure costs.

As We Look Ahead

This ESG Overview is our first ESG-specific report, but it reflects how ESG has long been in the fabric of our business at Elastic. This report is the foundation for our ESG strategy for future initiatives and disclosures. As we look ahead, we are committed to deepening the integration of ESG into our corporate strategy, as the values and goals outlined here guide us in building a better future for our people, customers, and company.

Moving forward, we are investigating our environmental footprint to begin tracking and regularly disclosing our key environmental impacts, as well as to garner a deeper understanding of the climate-related risks and opportunities associated with our business.

We are also committed to establishing aspirational goals related to key human capital and diversity, equity, and inclusion objectives to drive our performance over time and link deeper to corporate strategy.

We will continue to pursue best-in-class ethical business conduct and the strong governance of our environmental and social strategies and initiatives.



Forward-Looking Statements

This document may include predictions, estimates, or other information that might be considered forward-looking statements within the safe harbor provisions of the U.S. federal securities laws. While these forward-looking statements represent our current judgment on what the future holds, they are subject to risks and uncertainties that could cause actual results to differ materially. These risks and uncertainties include those described in our filings with the SEC, including our Forms 10-K, 10-Q, and 8-K, and other filings we make with the SEC from time to time. You are cautioned not to place undue reliance on these forward-looking statements, which reflect our opinions only as of the date of publication of this document. Please keep in mind that we are not obligating ourselves to revise or publicly release the results of any revision to these forward-looking statements in light of new information or future events, unless required by law.

