Okta's FY2024 Greenhouse Gas Inventory Results

Overview of FY24 GHG emissions

Okta's greenhouse gas ("GHG") inventory is foundational to our environmental strategy. The data enables us to increase our understanding of Okta's current emissions, track our progress year over year, and identify opportunities to reduce our carbon footprint.

Okta's FY24 (February 1, 2023-January 31, 2024) GHG emissions increased 27% compared to FY23 (February 1, 2022 to January 31, 2023). This was primarily due to an increase in scope 3 (value chain) emissions of purchased goods and services and an increase in business travel (see graphic 2) driven by Okta's growth and global dispersion.

In FY24, Okta continued to achieve 100% renewable electricity for our global real estate footprint, remote workforce, and third-party cloud services by purchasing renewable energy certificates ("RECs") to match our electricity consumption. Okta deepened its focus on foundational programs for our science based targets ("SBTs"); for example, launching sustainable travel resources for employees, and embedding sustainability into our vendor lifecycle management.

Table 1: Total Emissions

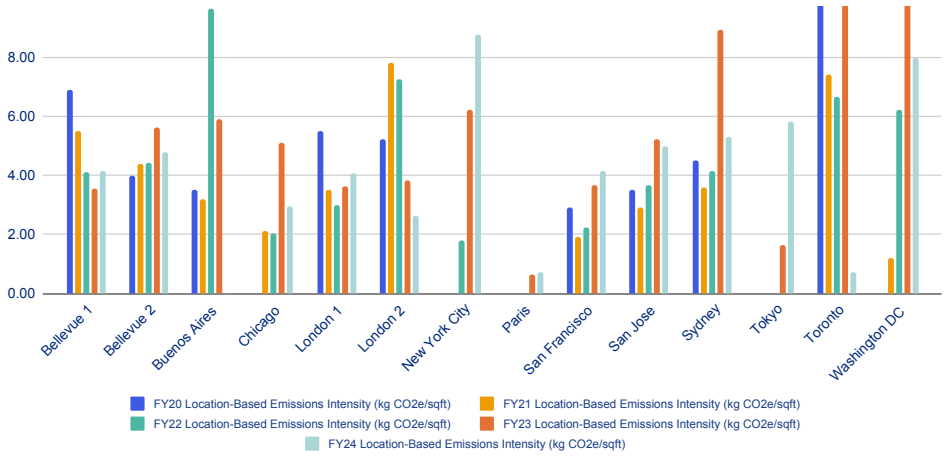
Emissions	FY20		FY21		FY22		FY23		FY24		Change from FY23 to FY24
	tCO2e	% of total	tCO2e	% of total	tCO2e	% of total	tCO2e	% of total	tCO2e	% of total	
Scope 1	0	0%	0	0%	0	0%	0	0%	0	0%	0%
Scope 2 Location Based[1]	1,309		1,461		1,513		1,776		1,909		7%
Scope 2 Market Based[1]	1,352	3%	732	2%	298	0.5%	324	0.4%	350	0.4%	8%
Scope 3[2]	48,537	97%	36,484	98%	60,789	>99%	74,727	>99%	94,718	>99%	27%
Total Market Based[3]	49,889		37,216		61,087		75,051		95,068		27%

A closer look at Okta's GHG emissions

Scope 1 and 2 global leased offices

Okta leases its office spaces therefore, onsite heating and cooling is included within scope 2 following greenhouse gas protocol ("GHGP") guidance, resulting in zero scope 1 emissions.[4] Okta's total scope 1 and 2 emissions have maintained a meaningful (74%) decrease relative to our FY20 baseline. This is due in large part to our continued achievement of 100% renewable electricity, and prioritization of green buildings. In FY24 we opened the 13th floor of our San Francisco Headquarters, which achieved LEED Gold certification; relocated our Toronto office to a more energy efficient and walkable site; and selected a new, LEED Gold location for our Dublin office, opening in FY25. Emissions associated with Okta's natural gas usage have decreased 29% since our FY20 baseline.

Graphic 1: FY24 GHG Emissions Intensity by Office Location[5]

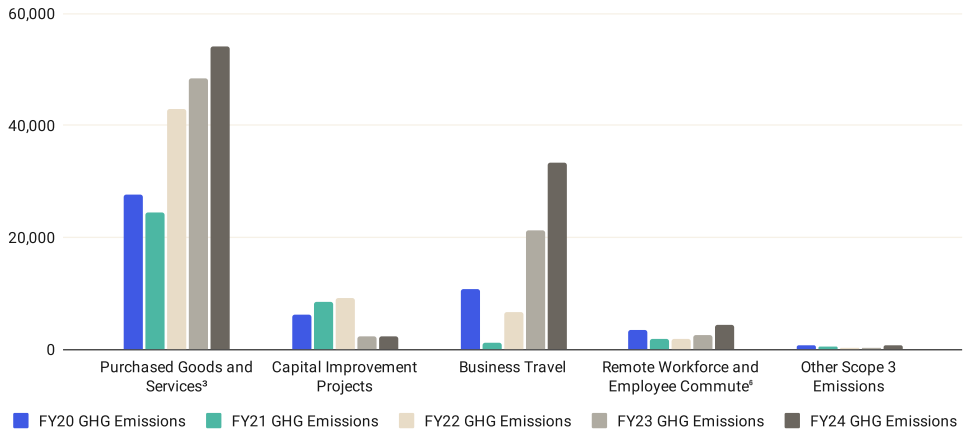


Scope 3 value chain emissions

In FY24, our scope 3 emissions increased in both purchased goods and services (12% compared to FY23) and business travel (56% compared to FY23) categories. The growth in business travel is tied to our growing and globally dispersed workforce, as well as a return to post-COVID office and travel norms. The increase in purchased goods and services was positively correlated with Okta's business growth. Additionally, we made a methodology update in FY24 that also partially contributed to the increased emissions from purchased goods and services. In FY23, our third-party cloud service providers only provided scope 1 and 2 emissions data and

excluded scope 3 emissions data. In FY24, to ensure completeness, we combined third-party cloud service provider data for scope 1 & 2 with spend data for scope 3 emissions.

Graphic 2: FY24 Scope 3 Emissions by Category



Update on Okta's SBTs

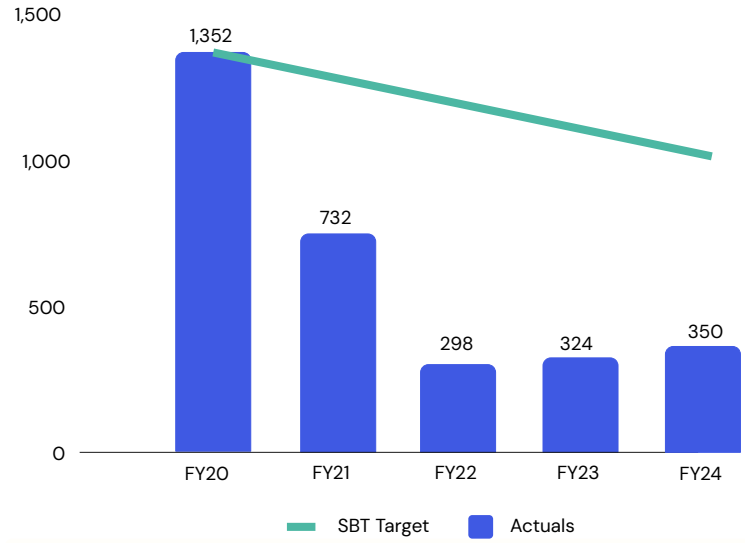
Emissions reduction efforts: SBTs update

Okta announced its science-based targets (“SBTs”), which were validated by the Science Based Target initiative in September 2022. Okta’s validated SBTs for absolute emissions reductions are aligned with a 1.5°C global warming trajectory. In FY2024, Okta focused on strengthening programs, including those described below, to help achieve these science-based targets.

Target 1: Reduce absolute scope 1 and 2 GHG emissions 67% by FY30 against an FY20 base year.

Commentary: Since FY2020, Okta has made strides toward reducing its scope 1 & 2 emissions, primarily through renewable energy procurement and purposeful portfolio management. During FY2024 we continued to right size our portfolio and select new sites in highly efficient and electric buildings. We partnered with our real estate team to prioritize sustainability during site selection as well as continued to build out energy efficient spaces.

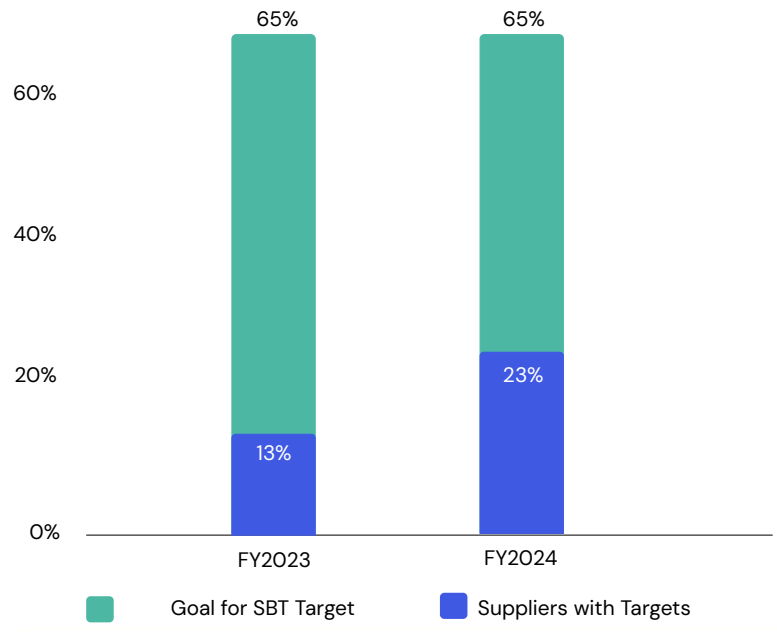
Target 1: Scope 1 and 2 Progress



Target 2: Our goal is that 65% of Okta's suppliers (by spend) for purchased goods and services and capital goods have SBTs by FY27. As of FY2024, 23% of our suppliers have set validated SBTs.

Commentary: Supporting our vendors in setting their own SBTs affects change through our supply chain and beyond. In FY2024, we requested that Okta's strategic vendors set SBTs. We provided resources to help vendors conduct GHG inventory, set targets, and reduce emissions, and conducted follow-up calls so they understood Okta's expectations. We are partnering with our Strategic Sourcing and Procurement team to increasingly embed sustainability considerations across the lifecycle of vendor interactions with Okta.

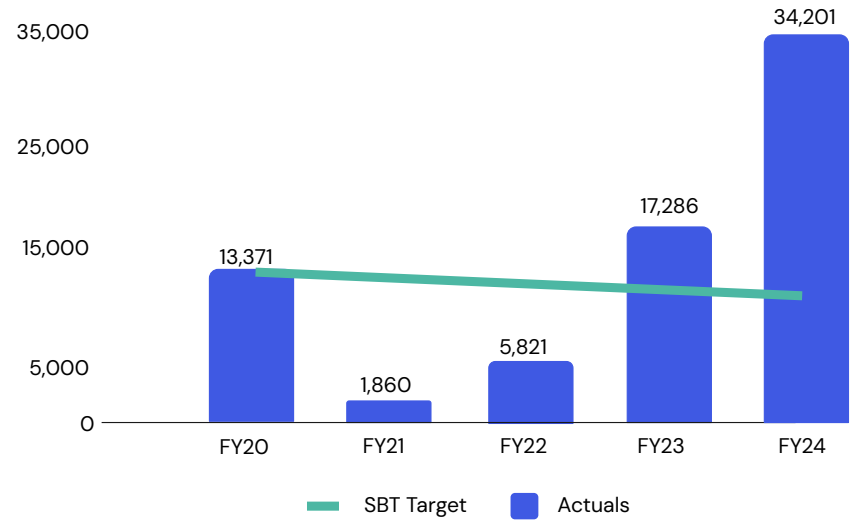
Target 2: Scope 3 Vendor Engagement Progress



Target 3: Reduce absolute scope 3 GHG emissions from business travel and employee commuting transportation 42% by FY30 against an FY20 base year.

Commentary: In FY2024, we launched a comprehensive Sustainable Travel Guidebook to educate employees, paired with a Smart Sustainable Travel Game to incentivize them to rethink their travel decision-making process. We partnered closely with the travel team to incorporate sustainability language into Okta's travel policy and with Finance and Data Analytics so we continuously share additional data around our travel progress with leadership. We made a small purchase of sustainable aviation fuel (SAF) certificates, as we want to be part of the market signal of the importance of reducing aviation emissions. We are focusing on reducing unnecessary air travel by offering virtual options for meetings and events, and bundling trips to reduce total trips. Okta continues contributing to innovation in the ecosystem by supporting organizations like the Sustainable Aviation Buyers Alliance (SABA). Despite our efforts, our Scope 3 emissions increased in FY2024 as our travel and operations have grown post the COVID-19 pandemic. We will continue to monitor our Scope 3 emissions and evaluate ways to address this trend.

Target 3: Scope 3 Business Travel and Employee Commute Progress



Sope and Methodology

For FY24, we used a cloud-based enterprise climate platform to conduct the analysis in accordance with applicable standards from the GHG Protocol. An independent third party assured our FY24 inventory in accordance with the WRI/WBCSD Standards. Find our FY24 GHG inventory assurance letter below.

Our GHG inventory includes our scope 1, scope 2, and scope 3 emissions, including employee remote work emissions (aligned with our Dynamic Work strategy) and hotel-based emissions. Although remote work GHG emissions is an optional category for inclusion under the GHG Protocol, with Okta's focus on Dynamic (hybrid) Work, we believe it is an essential piece of our footprint. To calculate most other scope 3 emissions, we use spend as a proxy, except for when we receive actual emissions data from vendors. Our business travel emissions are calculated based on travel distances and country hotel emissions factors. While hotel stays are also optional under the GHG protocol, we have chosen to include it in our overall footprint calculations to be consistent with Okta's core value of transparency.

Our FY20-FY24 inventories were calculated using the Watershed methodology.[4] In FY23, our third party cloud service providers only provided scope 1 and 2 emissions data and excluded scope 3 emissions data. In FY24, to ensure completeness, we combine the data on instance hours of various types, which are converted to electricity consumption, with spend data that represents the remaining scope 3 emissions sources associated with cloud services.

[1] The GHG Protocol requires that companies use two methods for scope 2 reporting. The location-based method reflects the average emissions intensity of grids on which energy consumption occurs (mostly grid-average emission factor data). The market-based method reflects emissions from the electricity that companies have purposefully chosen (or their lack of choice). Location-based emissions are not shown as a percentage of Okta's total emissions as the total is market-based.

[2] Market-based emissions

[3] Total emissions include scope 1, scope 2 – market-based, and scope 3.

[4] The GHG Protocol defines scope 1 emissions as those that occur from sources owned or controlled by the company, for example, emissions from combustion in owned or controlled boilers, furnaces, etc. As Okta does not own any boilers, furnaces, etc, we do not currently have Scope 1 emissions (see p34 here). Scope 2 accounts for GHG emissions from the generation of purchased electricity, heating, and cooling consumed by the company. For Okta, this includes our natural gas consumption.

[5] Graphic 1: FY24 Emissions Intensity by Office Location visualizes emissions over the period within that fiscal year the office is open/active.

[6] Watershed collects employee count by location and, using office-specific work-from-home policies, determines the total number of days per month where employees commuted or worked from home. Work-from-home electricity usage is calculated by applying incremental energy usage assumptions to home office spaces. Learn more about the Watershed methodology with their online calculator. Watershed is an enterprise sustainability platform, which helps companies manage climate and ESG data, produce audit-ready reports, and drive decarbonization. Learn more at https://watershed.com/platform/measure.

VERIFICATION OPINION DECLARATION
GREENHOUSE GAS EMISSIONS

To: The Stakeholders of Okta,

Apex Companies LLC, (Apex) was engaged to conduct an independent verification of the greenhouse gas (GHG) emissions reported by Okta for the period stated below. This verification opinion applies to the related information included within the scope of work described below.

The determination of the GHG emissions is the sole responsibility of Okta. Okta is responsible for the preparation and fair presentation of the GHG emissions statement in accordance with the criteria. Apex's sole responsibility was to provide independent verification on the accuracy of the GHG emissions reported, and on the underlying systems and processes used to collect, analyze, and review the information. Apex is responsible for expressing an opinion on the GHG emissions statement based on the verification. Verification activities applied in a limited level of assurance verification are less extensive in nature, timing, and extent than in a reasonable level of assurance verification.

Boundaries of the reporting company GHG emissions covered by the verification:

- Operational Control
- Worldwide

Types of GHGs: CO_2, N_2O, CH_4, HFCs

GHG Emissions Statement:

- Percentage Renewable Electricity: 100%
- Total Purchased Renewable Electricity Credits: 16,335 MWh
- Total Renewable Electricity (Includes Clean Power from Suppliers): 24,448 MWh
- Net Total Electricity (Grid) (Total Purchased Electricity – Total Renewable Electricity): 0 MWh
- Scope 1: 0 metric tons of CO_2 equivalent
- Scope 2 (Location-Based): 1,909 metric tons of CO_2 equivalent
- Scope 2 (Market-Based): 350 metric tons of CO_2 equivalent
- Scope 3

  Category 1 – Purchased Goods & Services (Location-based): 60,453 metric tons of CO_2 equivalent

  Category 1 – Purchased Goods & Services (Market-based): 54,158 metric tons of CO_2 equivalent

  Category 2 – Capital Goods: 2,268 metric tons of CO_2 equivalent

  Category 3 – Fuel and Energy-Related Activities (Location-based): 752 metric tons of CO_2 equivalent

  Category 3 – Fuel and Energy-Related Activities (Market-based)[1]: 336 metric tons of CO_2 equivalent

  Category 5 – Waste Generated in Operations: 256 metric tons of CO_2 equivalent

  Category 6 – Business Travel: 33,219 metric tons of CO_2 equivalent

  Category 7 – Employee Commuting (Location-based): 6,017 metric tons of CO_2 equivalent

  Category 7 – Employee Commuting (Market-based): 4,416 metric tons of CO_2 equivalent

  Category 8 – Upstream Leased Assets (Location-based): 149 metric tons of CO_2 equivalent

[1] Category 3 – Fuel and Energy-Related Activities include upstream emissions from renewable energy sources.

Category 8 – Upstream Leased Assets (Market-based): 33 metric tons of CO_2 equivalent

Category 13 – Downstream Leased Assets (Location-based): 302 metric tons of CO_2 equivalent

Category 13 – Downstream Leased Assets (Market-based): 32 metric tons of CO_2 equivalent

Data and information supporting the Scope 1, Scope 2 and Scope 3 GHG emissions assertion were in most cases estimated rather than historical in nature.

Global Warming Potential (GWP) and emission factor data sets:

- IPCC GWP: AR-6
- USEPA Emission Factor Hub, released 2023
- USEPA eGRID, released 2023
- US EEIO v.2.0.1, released 2022
- UK Government GHG Conversion Factors for Company Reporting (DEFRA), released 2023
- DEFRA, released 2021 (WTT and T&D emission calculations)
- IEA, released 2022
- Australia National GHG Emission Factors, released 2023
- Canada NIR, released 2023
- Green-e Residual Mix, released 2022
- Watershed Original Methodology emission factors

Period covered by GHG emissions:

- Fiscal Year 2024 - February 1, 2023 to January 31, 2024

Criteria against which verification conducted:

- World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard (Scope 1 and 2)
- WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (Scope 3)

Reference Standard:

- ISO 14064-3 (2019-04) Second Edition: Greenhouse gases -- Part 3: Specification with guidance for the verification and validation of greenhouse gas statements

Level of Assurance and Qualifications:

- Limited
- This verification used a materiality threshold of 5% for aggregate errors in sampled data for each of the above indicators
- The total renewable electricity consumption may vary by more than +/- 5% due to limited visibility into AWS's applied renewable energy percentage.
- Scope 3 Category 1: Purchased Goods and Services market-based emissions may vary by more than +/- 5% due to limited visibility into AWS's applied renewable energy percentage.

GHG and Energy Verification Methodology:

Evidence gathering procedures included but were not limited to:

- Interviews with relevant personnel of Okta and their consultant;
- Review of documentary evidence produced by Okta and their consultant;
- Review of Okta data and information systems and methodology for collection, aggregation, analysis, and review of information used to determine GHG emissions; and
- Audit of sample of data used by Okta to determine GHG emissions.

Verification Opinion:

Based on the process and procedures conducted, there is no evidence that the GHG emissions statement shown above:

- is not materially correct and is not a fair representation of the GHG emissions data and information; and
- has not been prepared in accordance with the WRI/WBCSD GHG Protocol Corporate Accounting and Reporting Standard (Scope 1 and 2), and WRI/WBCSD Greenhouse Gas Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard (Scope 3).

It is our opinion that Okta has established appropriate systems for the collection, aggregation, and analysis of quantitative data for determination of energy consumption and GHG emissions for the stated period and boundaries.

Statement of independence, impartiality, and competence

Apex is an independent professional services company that specializes in Health, Safety, Social and Environmental management services including assurance with over 30 years history in providing these services.

No member of the verification team has a business relationship with Okta, its Directors or Managers beyond that required of this assignment. We conducted this verification independently and to our knowledge there has been no conflict of interest.

Apex has implemented a Code of Ethics across the business to maintain high ethical standards among staff in their day-to-day business activities.

The verification team has extensive experience in conducting assurance over environmental, social, ethical and health and safety information, systems and processes, has over 20 years combined experience in this field and an excellent understanding of Apex's standard methodology for the verification of greenhouse gas emissions data.

Attestation:

Jessica Jacobs, Lead Verifier
ESG Senior Project Manager
Apex Companies, LLC.
Cincinnati, Ohio

Scott Johnston, Technical Reviewer
ESG Principal Consultant
Apex Companies, LLC
Doral, Florida

August 1, 2024

This verification opinion declaration, including the opinion expressed herein, is provided to Okta and is solely for the benefit of Okta in accordance with the terms of our agreement. We consent to the release of this declaration by you to the public or other organizations but without accepting or assuming any responsibility or liability on our part to any other party who may have access to this declaration.