



# GHG Verification

## Summary Report



**Created by: Point B, LLC**

**June 2023**



## **About Point B**

Point B has over 16 years of experience advising our clients on strategic sustainability practices to inspire and empower them to drive positive impact. We develop customized approaches to drive unique, value-driven solutions to solve your challenges, drive innovation, and create opportunities.

The Point B team has years of diverse experience in GHG accounting as an auditor and technical expert, providing GHG services in a wide variety of sectors that include information technology, commercial operations, industrial, chemical, manufacturing, and others.

Point B is a Certified B-Corporation and a CDP Accredited Provider.

## **Disclaimer**

Point B is independent of Zscaler. Point B has no conflicts of interest and are impartial reviewers of the company's GHG data. Zscaler has agreed to the content and the procedures used for this assessment.

## **Limited Level of Assurance**

This limited level assurance was conducted in accordance with ISO 14064-part 3, 2nd Edition, 2019-04. Specifically, this work was conducted under Annex A of this conformance standard. This Annex specifies the procedure for limited level of assurance verifications.

The goal of this work, as defined within ISO 14064-3, was to provide independent and impartial verification that identifies and assesses risks of material misstatement for GHGs as well for occurrence, completeness, accuracy, cut-off and classification of material types of emissions and removals.

The information evaluated included spreadsheet inputs and outputs from GHG management platform in which the Scope 2 and 3 GHG emissions calculations were performed; a PDF document for the Methodology; "raw" data samples of utility bills, KVA contracts, REC purchases, and renewable energy substantiation. Outside of the GHG management platform, calculations were made using industry recognized estimations. Discussions were held with Zscaler personnel to discuss any issues that were found during the review process.

## **Objective**

Point B was hired to provide independent third-party greenhouse gas (GHG) screening verification of Zscaler's calendar year 2022 GHG reported emissions. Point B was to conclude, by way of its verification activities, an assurance statement attesting to the accuracy of Zscaler's calendar year 2022 GHG emissions report.

## **Scope**

This contract covers verification of emissions from greenhouse gases included within the organization's boundary from January 1, 2022 – December 31, 2022 (calendar year 2022),

and meets the requirements of the GHG Protocol Corporate Accounting and Reporting Standard as well as the ISO 14064 standard.

- The organizational boundary: operational control approach
- Location/boundary of the activities: global operations including offices, data centers, and use of product
- Types of GHGs included: CO<sub>2</sub>, N<sub>2</sub>O, CH<sub>4</sub>

**GHG sources, sinks and/or reservoirs included:**

Scope 1 Emissions:

- Direct emissions associated with natural gas used to heat global offices

Scope 2 Emissions:

- Indirect emissions associated with purchased electricity in global offices and co-located data centers

Scope 3 Emissions:

- Purchased Goods and Services
- Business Travel
- Use of Product
- Employee commuting

**Exclusions (GHG Protocol Scope 3 Categories):**

- Fuel- and energy-related activities (not included in Scope 2)
- Upstream transportation and distribution
- Downstream transportation and distribution
- Waste generated in operations
- Processing of sold products
- End-of-life treatment of sold products

**Materiality:**

The materiality required for verification was below 5%, based on the needs of the intended user of the GHG Assertion. Activities that made up less than 5% of total emissions were screened and excluded from the inventory.

**Verification Personnel:**

*Xury Deputy*: Lead Verifier

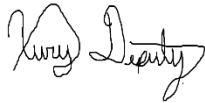
Ms. Deputy is an expert in ESG data analysis, GHG accounting, validation, verification, and reduction scenarios. Over the past years, she has helped clients across several sectors such as IT, retail, consumer goods, food and beverage and more to measure, validate, and improve their climate performance and develop their long-term climate strategies. Her background in environmental engineering is reflected in her passion for quantitative analysis.

## Emissions Reported

Emissions from calendar year 2022 are verified by Point B to a limited level of assurance. Given the purchase of Environmental Attribute Certificates (EACs) and Renewable Energy Credits (RECs) to cover all of Scope 2 emissions, Point B verifies a total of 9,492 metric tonnes CO<sub>2</sub>-equivalent (MT CO<sub>2</sub>e) market-based emissions prior to the application of EACs and RECs and 22,877 MT CO<sub>2</sub>e location-based emissions. Additionally, carbon credits were purchased to cover all of calendar year 2022 as well which includes both Scopes 1 and 3 as confirmed by supporting documentation shared with Point B. Verified emissions by scope are as follows:

Scope 1: 277 MT CO<sub>2</sub>e  
Scope 2: 22,877 MT CO<sub>2</sub>e (location based)  
Scope 2: 0 MT CO<sub>2</sub>e (market based, after applying purchased EAC/RECs)  
Scope 3: 12,035 MT CO<sub>2</sub>e  
    Purchased Goods and Services: 671 MT CO<sub>2</sub>e  
    Business Travel: 7,439 MT CO<sub>2</sub>e  
    Employee Commuting: 455 MT CO<sub>2</sub>e  
    Use of Sold Products: 3,470 MT CO<sub>2</sub>e

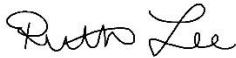
Based on the evidence examined and, on the process, and procedures conducted, there is no evidence that Zscaler's GHG statement is not materially correct, and therefore is a fair representation of GHG data and information. SBC concludes with limited assurance that there is no evidence that the Zscaler's Scope 1, 2 and 3 GHG report has not been prepared in accordance with the GHG Protocols on GHG quantification, monitoring and reporting, or to other relevant national standards and practices.



Xury Deputy, Lead Verifier

June 24, 2023

Date



Ruth Lee, Peer Reviewer

June 24, 2023

Date