

2022

Dropbox Impact Fact Sheet



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A message from our CEO

Dear colleagues, customers, investors and partners,

At Dropbox, we're committed to building a sustainable business that creates long-term value. In 2022, we continued to make progress executing against our impact initiatives. Over the past year, we have reduced our carbon footprint and have continued to invest in our employee-focused programmes and initiatives.

2022 marked our second full year as a Virtual First company, and we're pleased with how it's progressing so far. Since our employees' work experience is primarily remote, we now measure work-from-home (WFH) emissions, and we're proud that we have achieved carbon neutrality for our Scope 1, Scope 2 and Scope 3 business travel emissions, as well as our WFH emissions, in 2022. We've also sourced 100% renewable electricity for our operations, including our co-located data centres, in 2022. And I'm especially proud that we have achieved these goals eight years ahead of our pledge to complete them by 2030.

We continue to work against our three multi-year commitments to promote diversity and inclusivity within our organisation: building a diverse and inclusive team, developing and advancing equitably, and helping employees engage in personal growth. We believe that diversity – in backgrounds, experiences and perspectives – makes us stronger as a company, and we always strive to be inclusive to all.

Finally, we've believed for many years in the potential for artificial intelligence (AI) to completely transform knowledge work. Our customers have told us how challenging it is to stay organised and find what they need to do their best work amidst an overwhelming amount of content, apps and tabs. We recently introduced a new generation of personalised AI-powered experiences – Dropbox Dash, our AI-powered universal search product, and Dropbox AI – in Dropbox to improve our customers' working lives and offer a more focused, efficient and productive working day.

At the same time, we recognise the deep responsibility that comes with applying new technology like this on behalf of our customers. To 'be worthy of trust' has long been at the centre of everything we do at Dropbox, and in this next era of AI, it's critical that we hold ourselves accountable in protecting our customers' privacy, championing fairness and acting transparently. We published a set of AI Principles to guide our teams as we develop AI products and features responsibly in the years to come.

As we expand our use of AI, we're also mindful of the significant energy consumption required to power this technology. To address this, we'll continue to focus on renewable energy sources for our data centres and will remain transparent about our progress.

We firmly believe that by prioritising sustainability and investing in responsible AI and renewable energy, we're building a stronger, more sustainable business that is well positioned to deliver long-term value for all our stakeholders.

Thank you for your continued support.

Drew Houston
CEO and Co-founder, Dropbox



“We firmly believe that by prioritising sustainability and investing in responsible AI and renewable energy, we’re building a stronger, more sustainable business that is well positioned to deliver long-term value for all our stakeholders.”

– Drew Houston

About this report

The 2022 Impact Fact Sheet summarises some of Dropbox's key environmental, social and governance (ESG) programmes and issues, with updates on our ESG progress and achievements from 2022. We plan to publish a full impact report every other year. For more information, please visit www.dropbox.com/esg.

Reporting frameworks

The contents of this fact sheet are informed by our ESG priority assessment, which was informed by leading sustainability reporting standards and frameworks including the Global Reporting Initiative. Our ESG reporting is aligned with the Sustainability Accounting Standards Board (SASB) standards. Dropbox is also a signatory of the UN Global Compact (UNGC), and this report also serves as our UNGC Communication on Progress.

Reporting period and boundary

Unless otherwise indicated, this fact sheet includes information from 1 January 2022 to 31 December 2022. Data in this fact sheet reflect the activities of Dropbox, Inc. and its wholly owned subsidiaries.

External assurance

Dropbox engaged Ernst & Young LLP (EY) to perform an independent review of select ESG metrics, including Scope 1, Scope 2 and Scope 3 Category 6 greenhouse gas (GHG) emissions and select diversity-related metrics. A copy of the Independent Accountants' Review Report, including a schedule of reviewed metrics, can be found in Appendix C.



Forward-looking statements and materiality disclaimer

Certain statements in this report constitute ‘forward-looking statements’, which are made pursuant to the safe harbour provisions of Section 21E of the US Securities Exchange Act of 1934 and other federal securities laws. These statements are based on management’s opinions, expectations, beliefs, plans, objectives, assumptions or projections regarding future events or results as of the date of this report, including, but not limited to: our ESG commitments, strategies, initiatives and goals, and the impact of those commitments, strategies, initiatives and goals on our business; our business plans and strategy; our business operations; our technology and services; our opportunities for growth; and our stakeholder engagement efforts. These forward-looking statements are only predictions, not historical facts, and involve certain risks and uncertainties, as well as assumptions. Actual results, levels of activity, performance, achievements and events could differ materially from those stated, anticipated or implied by such forward-looking statements. While Dropbox believes that its assumptions are reasonable, there are many risks and uncertainties that could cause actual results to differ materially from forward-looking statements, including the risks discussed under the heading ‘Risk Factors’ in our annual report on Form 10-K for the year ended 31 December 2022, filed with the US Securities and Exchange Commission (SEC) as well as other factors described in our filings with the SEC. Dropbox undertakes no obligation to update or revise any forward-looking statement contained in this report, except as otherwise required by law.

While Dropbox believes that our ESG goals and initiatives are important, we currently do not believe that our ESG goals, initiatives or risks are material to our financial results and results of operations, except to the extent referenced in our annual report on Form 10-K and subsequent 10-Q filings. This report also contains human capital measures or objectives that may be different from or are in addition to the human capital measures or objectives that Dropbox is required to disclose in its US SEC filings. For a discussion on human capital measures or objectives that Dropbox focuses on in managing its business, please see the ‘Human Capital’ section in our most recent annual report on Form 10-K.

Acknowledgements

Thank you to the external partners who helped Dropbox develop this Fact Sheet:

- [Orrick Herrington & Sutcliffe LLP](#)
- [Persefoni](#)
- [WSP](#)

ESG at Dropbox

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Environmental highlights

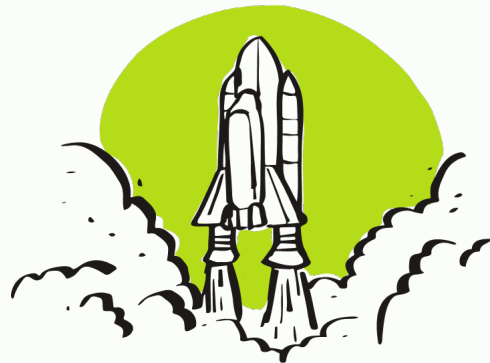
- Developed our Deep Sleep technology, which was critical in lowering our electricity usage by an estimated 5.1 million kilowatt hours in our data centres in 2022.¹
- Sourced 100% renewable energy for the second year in a row.^{2,3}
- Achieved carbon neutrality for Scope 1, Scope 2 (market-based) and Scope 3 business travel emissions and work-from-home (WFH) emissions.^{4,5}

Social highlights

- Expanded our fertility and family formation benefits internationally to support employees trying to grow their families.
- Launched a new mandatory leadership development program for all managers called 'High Impact Leadership' to help foster a culture focused on ownership and accountability for results.
- Saw an increase of 91.5% in employee volunteer hours from 2021.⁶

Governance highlights

- Published our inaugural ESG Impact Report in 2022.
- Expanded the Office of the Data Protection Officer.



¹ For more information on **Deep Sleep** technology, please see Appendix C.

² For more information on our **renewable energy goal**, see Appendix C.

³ For more information on our **data centre infrastructure**, see Appendix C.

⁴ For information on the methodology used to estimate **WFH emissions**, see Appendix C.

⁵ We purchased an equivalent quantity of carbon credits to neutralise Scope 1 and Scope 3 category 6 emissions.

⁶ This increase is attributed to an increase of in-person events following the COVID-19 pandemic, as well as a strategic focus to increase volunteer hours for climate-related non-profits.

Our ESG priorities

In 2021, Dropbox conducted an ESG priority topic assessment and identified 12 ESG priority topics (listed below). Based on these 12 priority topics, we established four key impact areas in 2022⁷: protecting our users, putting people first, acting with integrity and owning our impact. For detailed information about our approach to each of these topics, please read our [2021 ESG Impact Report](#).

Impact areas	Priority topics
Protecting our users	<ul style="list-style-type: none">• Privacy and data security• Product responsibility and data ethics
Putting people first	<ul style="list-style-type: none">• Talent attraction and engagement• Employee health, safety and well-being• Diversity, equity and inclusion• Equal pay and wage gap• Accessibility
Acting with integrity	<ul style="list-style-type: none">• Business ethics and integrity• Human and employment rights• Risk management
Owning our impact	<ul style="list-style-type: none">• IT infrastructure sustainability• Energy, emissions and climate

This fact sheet includes an update on our recent progress for certain ESG priorities. For detailed information about our approach to each of these topics, please read our [2021 ESG Impact Report](#).

⁷ In 2022, we updated the titles and groupings of our ESG impact areas and priority topics to organise the information more clearly and concisely for ease of understanding. The content and topics we prioritise remain substantively the same.

ESG commitments

Sustainability goals

In 2020, we set the following sustainability goals to be completed by 2030. And we achieved each of them in 2022.

1. Achieved carbon neutrality for Scope 1 and Scope 2 (market-based) emissions, as well as Scope 3 business travel emissions and WFH emissions.
2. Sourced 100% renewable energy for operations, including data centres.
3. Supported organisations working for climate action, such as the Environmental Justice Foundation and Surfrider Foundation.⁸
4. Mobilised employees to use volunteer time off for environmental causes.



We regularly review our sustainability goals and our progress towards those goals, so we may update our sustainability goals in the future to reflect developments in our ESG programme and strategy.

We're happy to report that we achieved all four of our Sustainability Goals in 2022, eight years ahead of schedule!

⁸ We support the Environmental Justice Foundation and the Surfrider Foundation through our partner, the Dropbox Foundation, and employee gift matching.



Diversity, equity and inclusion goals

We continue to work towards our three multi-year commitments to promote diversity and inclusivity within our organisation:

1. Continue building a diverse and inclusive team.
2. Develop and advance equitably.
3. Engage in personal growth.

You can read about our progress towards these commitments in our [2022 Diversity Report](#).

Expanding our carbon neutrality goal

Dropbox became a Virtual First⁹ company in 2021, a move that positioned us as early adopters of remote work. Just as we've iterated on Virtual First over the years to ensure we're continuing to set our employees up for success, we also want to make sure our operating model aligns with our ESG priorities. In 2022, we expanded our carbon neutrality goal to cover GHG emissions associated with virtual work. We're proud to announce that we neutralised all our estimated WFH emissions using carbon offsets and removals in 2022.

⁹ At Dropbox, 'Virtual First' means that remote work is the primary experience for Dropbox employees. This does not mean Dropbox has no office: we have Dropbox Studios, which are flexible spaces that can be used for occasional in-person collaboration, meetings and events, and on-demand workspaces through third parties.

Protecting our users

Data privacy, security and reliability 15

Data privacy, security and reliability

Our number one value at Dropbox is 'Be worthy of trust', and we don't take that lightly. We believe it's vital that data, teams and devices are protected wherever they are. At the core of all our products is our comprehensive security, compliance and privacy programme: the [Dropbox Trust Programme](#). Our programme is constantly evolving to respond to market changes and new challenges. Up-to-date resources regarding compliance with security, data storage and privacy standards and regulations are available on our [website](#).

Our [Privacy Policy](#) describes the handling and protection of user information, including how we collect, use and store your personal data when you use Dropbox services.

More information about our approach to data privacy, security and reliability is also available in our [2021 ESG Impact Report](#), [Privacy and Data Protection White Paper](#), [Dropbox Business Security White Paper](#), [Acceptable Use Policy \(AUP\)](#), biannual [Transparency at Dropbox report](#) and [Guiding Principles](#) for responding to government data requests.

Evolving our approach

We're continuously improving our approach to compliance, security, privacy and data protection. A few of our achievements from 2022 are included below.

- Achieved adherence to the [EU Cloud Code of Conduct](#) for Dropbox Business.
- Created a new Privacy Engineering team dedicated to developing privacy-related technical controls and capabilities.
- Implemented a global right to opt out of sharing personal information for targeted advertising purposes.
- Made ransomware detection available to customers on Dropbox Advanced, Dropbox Enterprise and Dropbox Standard with Dropbox Security add-on, which helps prevent malicious ransomware attacks from spreading by detecting suspicious activity early.

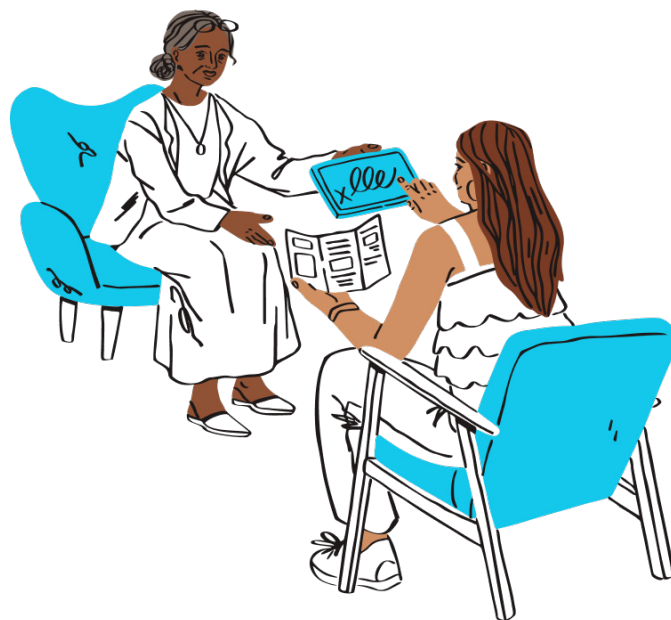


Putting people first

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Talent attraction and engagement

We want all employees to grow, develop and thrive in their careers at Dropbox. More information about our talent attraction and engagement is available below and on our [employee perks web page](#).



Measuring employee engagement at Dropbox

Twice a year, we conduct an employee engagement survey called 'Soapbox' which provides employees and company leaders with a formal channel for submitting feedback on what's going well and where we need to improve. In 2022, 91% of employees responded to the Soapbox survey. We also reached record-high positive scores on our employee engagement survey, with employees citing that Virtual First has contributed to better engagement, productivity, effectiveness and well-being.

Designing an impactful workforce

In 2022, we:

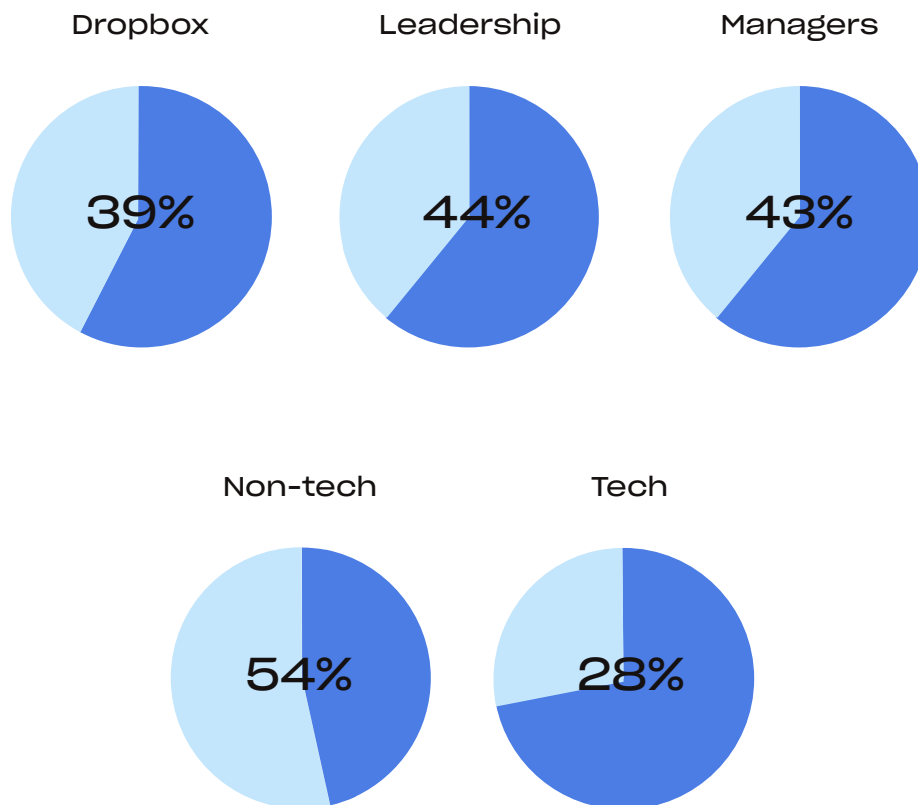
- developed a new hiring philosophy - [The Dropbox Way](#) - composed of six hiring principles to drive a culture of hiring high-impact talent, which are: work with the best, hire equitably, assess with purpose, invest in success, treat candidates like customers, and Dropbox delivers.
- launched a 'High-Impact Leadership' programme to help foster a culture with a laser focus on ownership and accountability for results and driving the right outcomes for our business.

Diversity, equity and inclusion

We strive to cultivate a community that is authentic, inclusive and connected. More information about our approach to diversity, equity and inclusion is available in our [2021 ESG Impact Report](#), [Diversity at Dropbox web page](#) and [2022 Diversity Report](#).



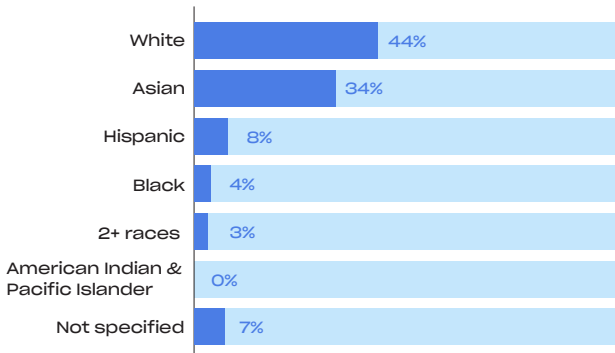
Representation of women at Dropbox¹⁰



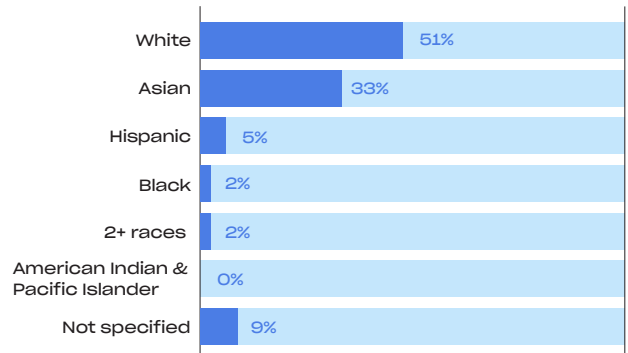
¹⁰ For more information about how Dropbox defines certain **Diversity terminology**, please see Appendix C.

US ethnicity at Dropbox¹¹

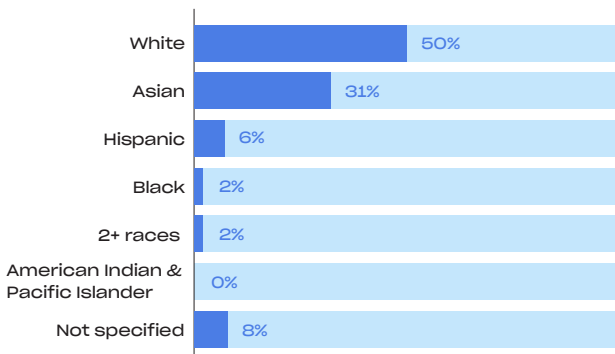
Dropbox



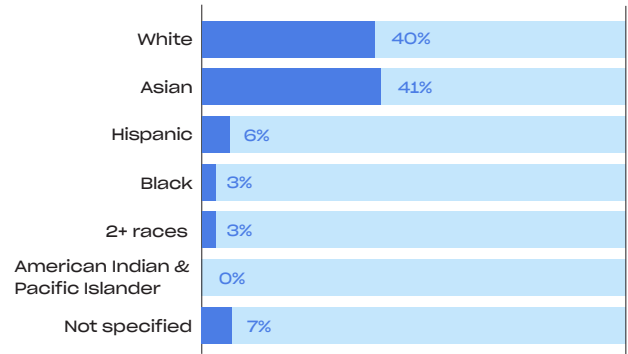
Leadership



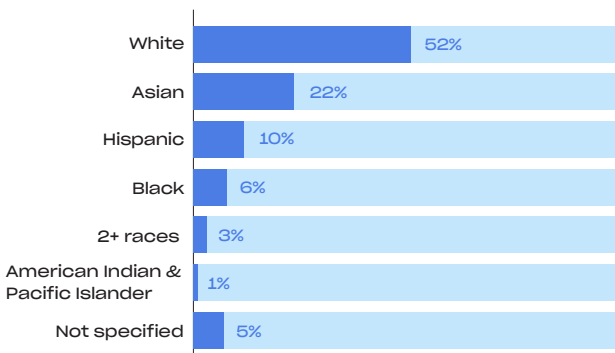
Managers



Tech



Non-tech



¹¹ For more information about how Dropbox defines certain Diversity terminology, please see Appendix C.

Health, safety and well-being

In April 2021, we transitioned to a Virtual First operating model in which remote work is the primary experience for employees. As part of this, we committed to maintaining a learning mindset and sharing our findings as we go.

In that spirit, we conducted our first ever Life in Virtual First survey in summer 2022, where we asked Dropbox employees about their experience in Virtual First and what tools they needed to be successful. Through this, we found that 93% of respondents to the survey agreed that they can work effectively from home. The full results, which gave us valuable, encouraging insights about our pivot to Virtual First, are shared in this [blog post](#). It's our hope that the insights gathered may provide additional guidance to individuals and companies looking to continue to optimise their hybrid or remote work experience.

More information about our approach to health, safety and well-being is available in our [2021 ESG Impact Report](#).



Holistic wellness

Our [benefits](#) include medical, dental and vision plans, retirement planning and 401k programs, life and disability coverage, and coaching and therapy options offered through Modern Health.¹²

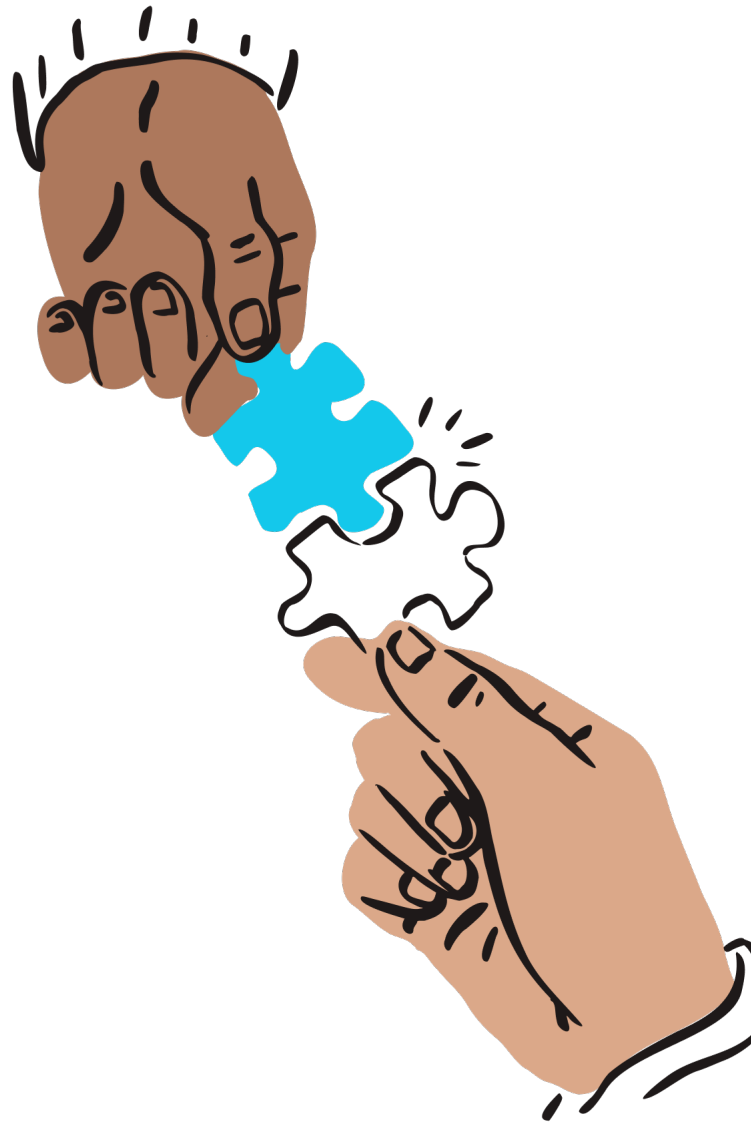
¹² These are US benefits. Across the globe, we provide financial and wellness benefits in the context of what is relevant and beneficial locally.

Social impact

At Dropbox, we're committed to leveraging our people, products and resources for good, which we believe positively contributes to our work culture and helps us recruit and retain talented employees.

2022 highlights

- **Increased employee volunteer hours** by 91.5%.
- **Began our third apprenticeship programme** in partnership with [Next Chapter](#), an organisation creating a more equitable workplace for formerly incarcerated individuals.¹³
- **Hosted three global [Impact Days](#)** – dedicated time to empower employees to give back to their communities.



¹³ Our third cohort of Next Chapter apprentices completed the programme in July 2023.

Dropbox for Good

Dropbox for Good is an employee-led group that encourages people to use their skills and time to serve their communities. We provide 32 hours of volunteer time off per year to all full-time employees, allow all full-time employees to donate our products to non-profits annually, and offer charitable gift matching of employee donations up to \$2,000 per year per full-time employee.

At a glance – Dropbox for Good

	2021	2022
Hours of employee volunteer time	1,910	3,657
Employee donations and corporate gift matching ¹⁴ (USD)	\$1.7M	\$1.6M

Dropbox Foundation

We partner with the [Dropbox Foundation](#), which provides unrestricted grants for up to three years and empowers Dropbox employees to give back through skills-based volunteering. As of 31 December 2022, the Dropbox Foundation had donated over \$5 million to human rights organisations since 2018.

You can read about some of the skills-based volunteering projects our employees worked on during our 2022 Hack Week in [this blog post](#).



¹⁴ These amounts are rounded to the nearest hundred thousand dollars.

Acting with integrity

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Corporate governance	25

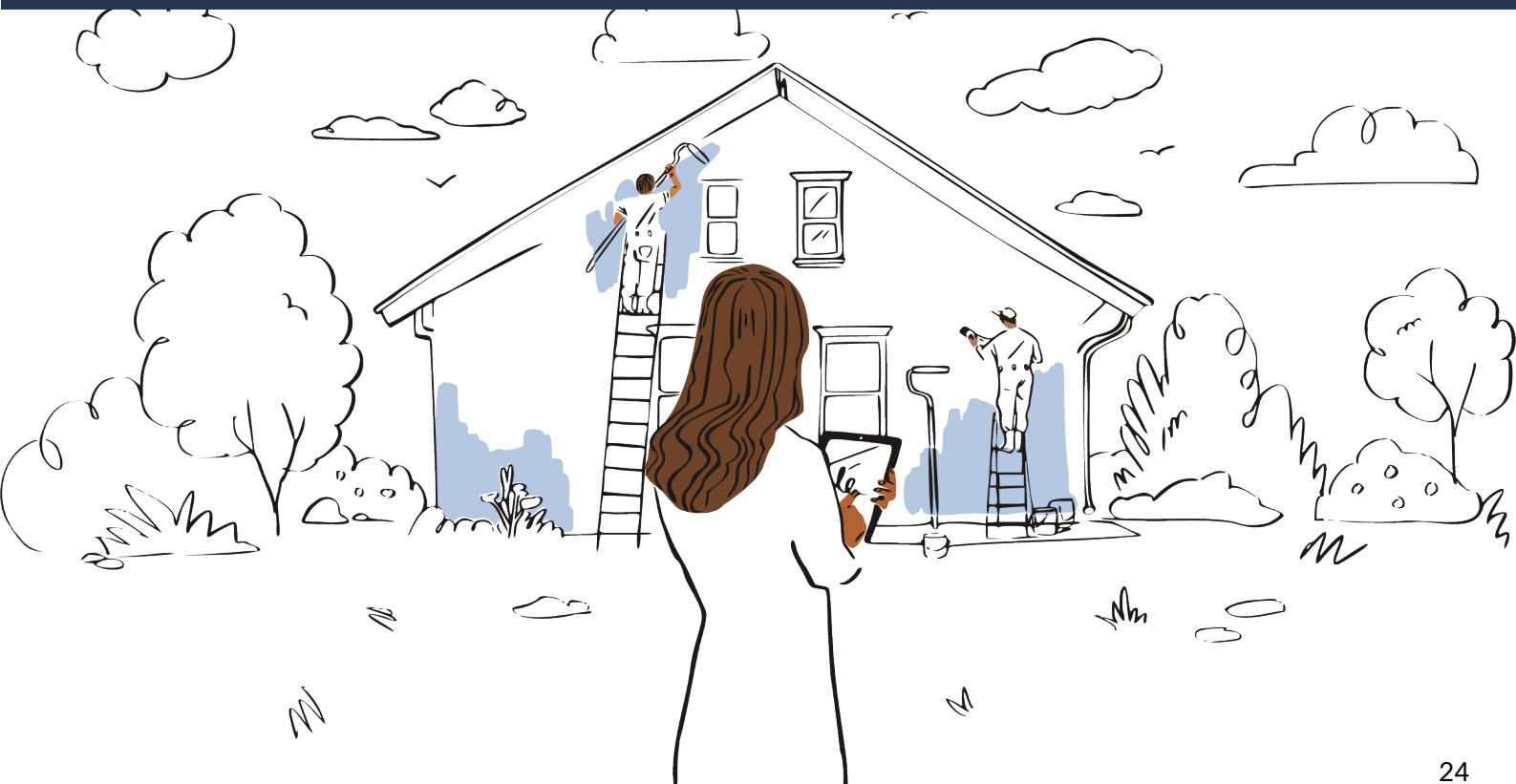
Business ethics and integrity

We're not just changing the way people work, we're designing a more enlightened way of working – and that starts from within.

Our [Worldwide Code of Business Conduct and Ethics](#) (Code of Conduct) is designed to deter wrongdoing and promote integrity, honesty, compliance with laws, rules and regulations, fiscal responsibility and accountability. Our Code of Conduct, which has been adopted by our board, applies to all our employees, officers, contingent workers and directors and is reviewed annually and updated as necessary. Our Audit Committee is responsible for reviewing and monitoring compliance with the Code of Conduct.

Our employees are required to complete an annual code of conduct training session as well as annual information security and privacy training. In 2022, 99% of full-time employees completed these training sessions. Employees are also required to comply with our information security and privacy policies, which are reviewed and updated annually.

More information about our approach to business ethics and integrity is also available in our [2021 ESG Impact Report](#), [FCPA and Anti-Bribery Policy](#) and [Supplier Code of Conduct](#).



Corporate governance

At Dropbox, we're committed to strong corporate governance to support our mission of designing a more enlightened way of working. More information about our approach to corporate governance is available in our [2021 ESG Impact Report](#), [2022 Proxy Statement](#) and [Corporate Governance web page](#).

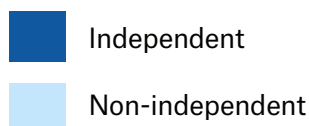
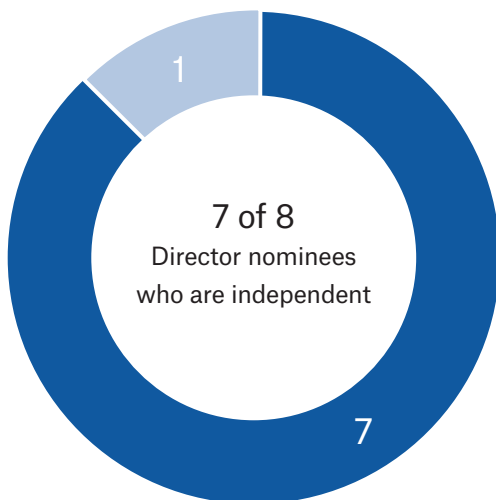
ESG governance and oversight

In May 2022, our company's board of directors delegated oversight of Dropbox's ESG activities, programmes and disclosures to its [Nominating and Corporate Governance committee](#). The board also delegated oversight of Dropbox's human capital management activities to its [Talent and Compensation committee](#). Additionally, the [Audit Committee](#) oversees initiatives related to our operational infrastructure, particularly reliability,

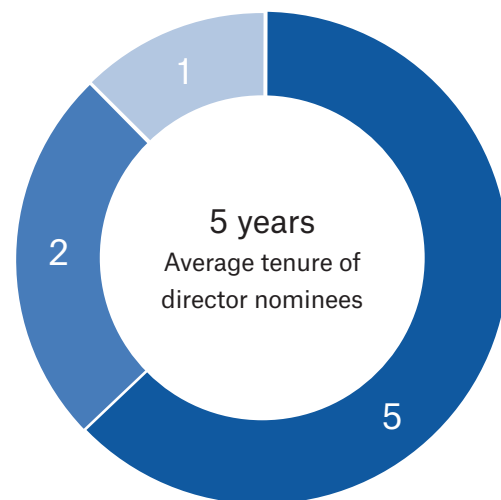
business continuity, cybersecurity and data privacy, as well as our enterprise risk management programme, which is described in more detail in the 'Role of Board in Risk Oversight Process' section of our [2021 ESG Impact Report](#).

More information about our approach to ESG governance and oversight is also available in our [2021 ESG Impact Report](#).

Director independence



Director tenure



Board diversity matrix (as of 23 March 2023) ⁽¹⁵⁾				
Directors	8			
	Female	Male	Non-binary	Did not disclose gender
Gender identity				
Directors	3	5		
Number of Directors who identify in any of the categories below				
African American or Black		1		
Alaskan Native or Native American				
Asian	1	1		
Hispanic or Latinx				
Native Hawaiian or Pacific Islander				
White	2	3		
Two or more races or ethnicities				
LGBTQ+				
Did not disclose demographic background				

¹⁵ The board diversity matrix above presents our board's diversity statistics in the format prescribed by the Nasdaq rules.

Owning our impact

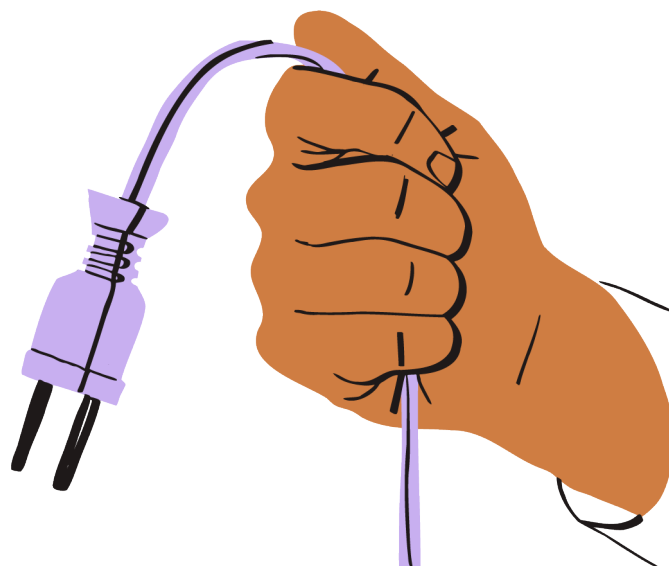
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Energy

Dropbox relies on data centres to run our business, and electricity use is one of the largest causes of our GHG emissions.

Proper energy management is an important component of operating our business in a sustainable and responsible manner.

More information about our approach to managing our energy use is available in the Environmental section of our [2021 ESG Impact Report](#).

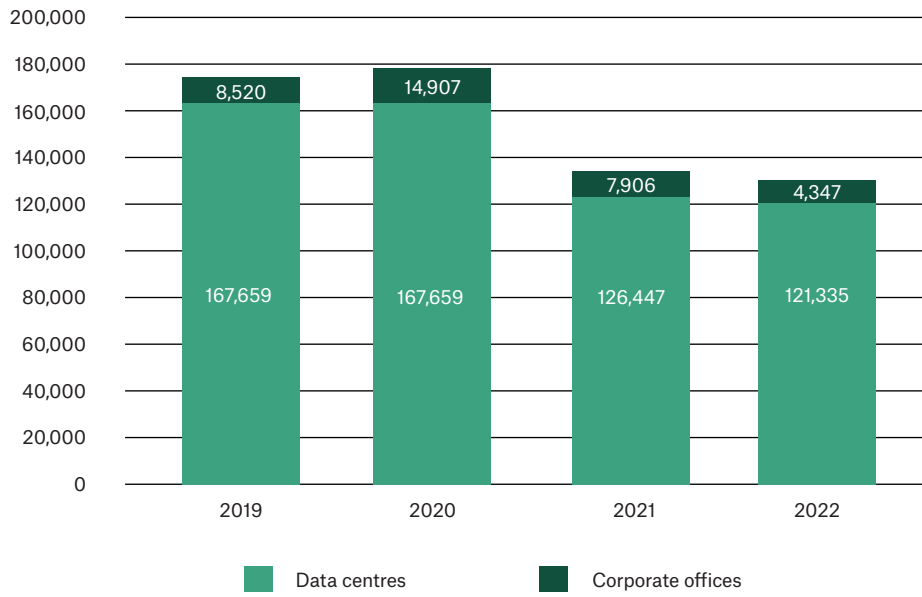


Electricity conservation through our Deep Sleep technology

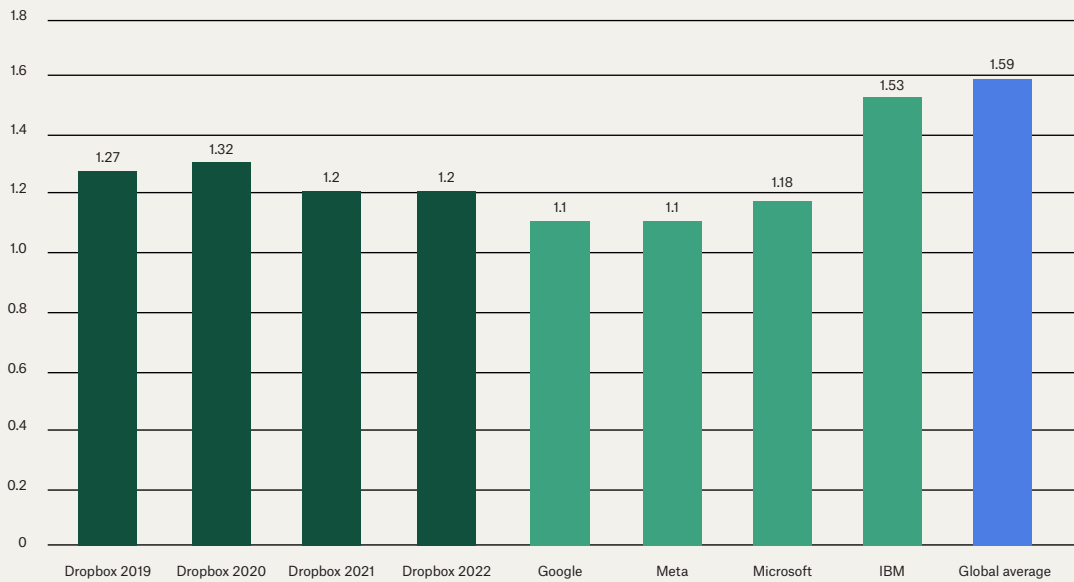
Our innovative and automated Deep Sleep technology played a critical role in lowering energy usage by an estimated 5.1 million kilowatt hours in our data centres in 2022.

Deep Sleep technology optimises server usage by allowing idle servers to automatically enter a low-power mode, reducing energy consumption without affecting performance. As a result, data centres using this automated technology significantly decrease their energy footprint and utility costs.

Electricity use (MWh)



Data centre power usage effectiveness (PUE) benchmark



Emissions

Dropbox measures direct and indirect GHG emissions from energy consumption in our facilities and our data centres, and fugitive emissions from refrigerants (Scope 1 and Scope 2 GHG emissions). We also measure Scope 3 GHG emissions from business travel and WFH emissions. More information about our approach to managing our GHG emissions is available in our [2021 ESG Impact Report](#).

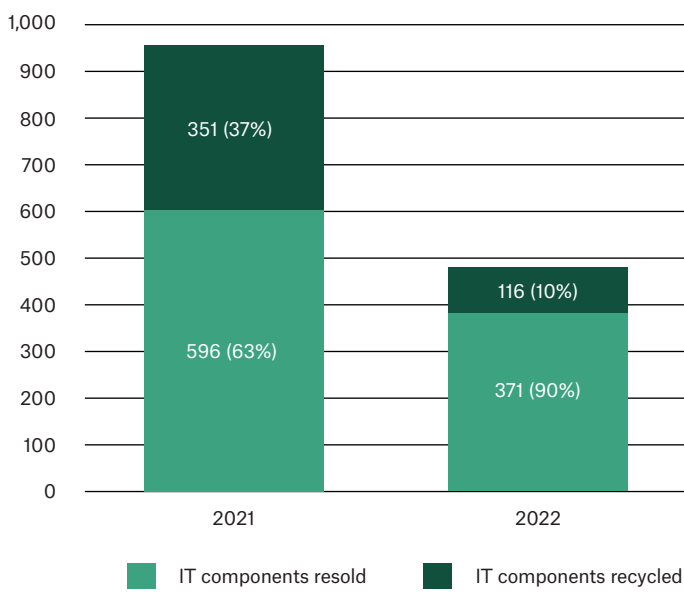
GHG emissions

	2019 mtCO ₂ e	2020 mtCO ₂ e	2021 mtCO ₂ e	2022 mtCO ₂ e
Scope 1	773	1,623	1,053	768
Scope 2 (market-based)	54,729	53,533	0	0
Scope 3 business travel	5,113	419 ¹⁶	41 ¹⁷	1,687

Electronic waste

Maintaining resource efficiency and reliability in our data centres requires periodic upgrades to IT hardware. We take our responsibility seriously to do our best to dispose of decommissioned hardware responsibly. We also do our best to resell IT hardware when possible because it extends the lifespan of the equipment, promotes resource conservation and allows for economic value recovery. More information about our approach to managing e-waste is available in our [2021 ESG Impact Report](#).

E-waste generated: resold vs. recycled servers (short tons)



¹⁶ Our Scope 3 business travel emissions decreased significantly between 2019 and 2021 due in large part to a reduction in business travel due to the COVID-19 pandemic.

¹⁷ Our Scope 3 business travel emissions remained low in 2021 due in large part to a reduction in business travel due to the COVID-19 pandemic.

Appendices

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Appendix A

SASB index

SASB Software and IT Services Standard 2018		
Code	Accounting metric	Response
Environmental footprint of hardware infrastructure		
TC-SI-130a.1	(1) Total energy consumed, (2) percentage grid electricity, (3) percentage renewable	<p>In 2022, our data centres consumed 436,806 gigajoules (GJ) of electricity. 100% was grid electricity, and 100% of co-located data centre direct IT load was renewable through purchase of RECs.</p> <p>See the 'Environmental' section of our 2021 ESG Impact Report or the 'Owning our impact' section of this Impact Fact Sheet for more information.</p>
TC-SI-130a.2	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with high or extremely high baseline water stress	<p>In 2022, our data centres withdrew 76,515 cubic meters of water. The water was used for cooling in a closed-loop process, so no water was consumed. 3.07% of these withdrawals occurred in areas identified by the World Resources Institute as having high or extremely high baseline water stress.</p>
TC-SI-130a.3	Discussion of the integration of environmental considerations into strategic planning for data centre needs	<p>Dropbox is focused on reducing energy consumption at its data centres by maintaining excellent PUE, optimising overall power consumption and sourcing 100% renewable electricity for its direct data-centre IT load. See the 'Environmental' section of our 2021 ESG Impact Report or the 'Owning our impact' section of this Impact Fact Sheet for more information.</p>

Data privacy and freedom of expression		
TC-SI-220a.1	Description of policies and practices relating to behavioural advertising and user privacy	See the 'Data privacy, security and reliability' section of our 2021 ESG Impact Report and the Privacy Policy .
TC-SI-220a.2	Number of users whose information is used for secondary purposes	Dropbox does not sell user data and does not make money from advertising. See the 'What & Why' section of our Privacy Policy for more information.
TC-SI-220a.3	Total amount of monetary losses as a result of legal proceedings associated with user privacy	In 2022, we did not have any material monetary losses as a result of legal proceedings associated with user privacy. When public disclosure criteria are met, monetary losses as a result of legal proceedings are included in our Form 10-K .
TC-SI-220a.4	(1) Number of law enforcement requests for user information, (2) number of users whose information was requested, (3) percentage resulting in disclosure	See our Transparency at Dropbox reports for information about how we handle requests from law enforcement.
TC-SI-220a.5	List of countries where core products or services are subject to government-required monitoring, blocking, content filtering or censoring	Dropbox believes that government data requests should be limited in the information they seek and narrowly tailored to specific people and legitimate investigations. In accordance with our Privacy Policy , Dropbox may disclose user information to third parties only if we determine that such disclosure is reasonably necessary. We abide by specific guiding principles when receiving, scrutinising and responding to government (including national security) requests for user data.

Data security		
TC-SI-230a.1	(1) Number of data breaches, (2) percentage involving personally identifiable information, (3) number of users affected	We did not experience any material data breaches in 2022. When public disclosure criteria are met, material data breaches are included in our securities filings.
TC-SI-230a.2	Description of approach to identifying and addressing data security risks, including use of third-party cybersecurity standards	See the 'Data privacy, security and reliability' section of our 2021 ESG Impact Report and the Privacy Policy .
Recruiting and managing a global, diverse and skilled workforce		
TC-SI-330a.1	Percentage of employees that are (1) foreign nationals and (2) located offshore	(1) Not reported, (2) 14% of employees are located offshore.
TC-SI-330a.2	Employee engagement as a percentage	In 2022, 91% of Dropbox employees responded to our engagement surveys. Known internally as 'Soapbox', the exercise is designed to provide employees and company leaders with a formal channel for submitting feedback on what's going well and where we need to improve.
TC-SI-330a.3	Percentage of gender and racial/ethnic group representation for (1) management, (2) technical staff and (3) all other employees	See the 'Putting people first' section of this Impact Fact Sheet and the 'Diversity, equity and inclusion' section of our 2021 ESG Impact Report .

Intellectual property protection and competitive behaviour		
TC-SI-520a.1	Total amount of monetary losses as a result of legal proceedings associated with anticompetitive behaviour regulations	In 2022, we did not have any material monetary losses as a result of legal proceedings associated with anticompetitive behaviour regulations. When public disclosure criteria are met, monetary losses as a result of legal proceedings are included in our Form 10-K .
Managing systemic risks from technology disruptions		
TC-SI-550a.1	Number of (1) performance issues and (2) service disruptions; (3) total customer downtime	In 2022, Dropbox experienced three performance issues and zero service disruptions, for a total of 64 minutes of customer downtime.
TC-SI-550a.2	Description of business continuity risks related to disruptions of operations	See the 'Data privacy, security and reliability' section of our 2021 ESG Impact Report , page 19 of our 2022 Form 10-K and our SOC 3 report .

Appendix B

Performance data tables

Due to rounding, numbers presented throughout the tables below may not add up precisely to the totals provided, and percentages may not precisely reflect the absolute figures.

Greenhouse gas (GHG) emissions¹

Total GHG emissions (mtCO ₂ e)	2019	2020	2021	2022
Scope 1	773	1,623	1,053	768
Scope 2 (location-based)	54,602	53,414	37,106	36,948
Scope 2 (market-based)	54,729	53,533	0	0
Scope 3 (business travel)	5,113	419	41	1,687
Total reported emissions (location-based)	60,489	55,456	38,200	39,403
Total reported emissions (market-based)	60,616	55,575	1,094	2,455
Carbon offsets/renewables	0	0	1,094	2,456
Scope 1 and 2 emissions by location (mtCO₂e) (studios/offices and data centres)	2019	2020	2021	2022
United States (location-based)	54,720	54,392	38,094	37,676
United States (market-based)	54,720	54,392	1,013	743
Australia (location-based)	108	112	N/A	N/A
Australia (market-based)	108	112	N/A	N/A
Ireland (location-based)	311	321	64	40
Ireland (market-based)	438	440	39	25
Israel (location-based)	236	212	N/A	N/A
Israel (market-based)	236	212	N/A	N/A
Scope 1 and 2 emissions by source (mtCO₂e)	2019	2020	2021	2022
Studios/offices (location-based)	2,688	3,771	1,827	1,847
Studios/offices (market-based)	2,815	3,890	1,053	768
Data centres (location-based)	52,687	51,266	36,332	35,870
Data centres (market-based)	52,687	51,266	0	0
GHG emissions intensity (mtCO₂e/employee)	2019	2020	2021	2022
GHG emissions intensity (market-based)	21.64	20.14	0.41	0.32

¹ See Appendix C for GHG emissions calculation methodology.

Energy use

Energy use	2019	2020	2021	2022
Total energy use (MWh)	176,177	182,486	134,354	129,062
Electricity	173,848	175,308	129,645	129,062
Studios/offices	6,191	7,729	3,198	4,347
Data centres	167,657	167,579	126,447	121,335
Renewable electricity	0	0	129,645	125,682
Renewable electricity (%)	0	0	100	100
Other fuels	2,328	7,178	4,708	3,380
Data centre power usage effectiveness (PUE)	1.27	1.32	1.20	1.24

Waste generated

Total waste	2019 ²	2020 ²	2021	2022
Total waste (short tons)	—	—	1,413	776
Data centre	—	—	197	612
Recycled IT waste	—	—	351	116
Remarketed IT waste	—	—	592	371
Data centre	—	—	38	164
Composted waste	—	—	6	97
Waste sent to landfill	—	—	193	65
Recycled waste	—	—	36	0.86

² Waste data is unavailable.

Appendix C

Diversity terminology. Dropbox, Inc. categorises its workforce into various categories, as defined below.

- The Leadership category includes employees at a Director level or above, based on level designations in Dropbox's HR system.
- The Manager category includes individuals with people management responsibilities (including those at the Director level and above), based on level designations in Dropbox's HR system.
- The Tech Worker category includes full-time employees (including individuals within the Manager category or above) working in Dropbox's Engineering, Product and Design functions.
- The Non-Tech Worker category includes all other full-time employees (including individuals within the Manager category or above) working in any function outside of Dropbox's Engineering, Product and Design functions.
- Gender and race/ethnicity designation is self-reported by employees within the Dropbox HR system.
- Individuals that elect to not specify their gender or race/ethnicity within the Dropbox HR system are represented in the 'Not available' or 'Not specified' categories.

Renewable energy goal. Our renewable energy goal reflects electricity use in corporate offices and data centre direct IT load, and excludes direct combustion fuels (e.g. natural gas, diesel) and data centre heating and cooling (outside of Dropbox control boundary). This includes the use of renewable energy credits (RECs) to cover our energy consumption. We achieved our goal to source 100% renewable electricity in 2021 and 2022 by reducing our energy needs as described in the [2021 ESG Impact Report](#) and purchasing enough RECs to cover our remaining corporate office and data centre direct IT electricity consumption.

Data centre infrastructure. More than 90% of our users' data is stored on our own infrastructure in our data centre co-location facilities. We utilise Amazon Web Services (AWS) for the remainder of our users' storage needs and purchase RECs to cover energy used by AWS on behalf of Dropbox.

WFH emissions. In accordance with the [GHG Protocol](#), WFH emissions fall under Scope 3, Category 7: employee commuting emissions. Our WFH calculation is based on employee full-time equivalent (FTE) by country and incorporates the average WFH energy usage estimates, including plug loads, based on an average usage of laptop, monitor and lighting for each employee, fuel usage for office heating and cooling, adjusted by climate region and reflective of the employee count by country. It was assumed that 10% of the home was used for work attributed to office energy use rather than that of the employee's entire residence. Additionally, an adjustment was made for percentage of time an employee works (using [OECD](#) hours worked/worker) and an additional adjustment was made for percentage of time working from home (90%).

Deep Sleep technology. The Dropbox Data Infrastructure team created this to optimise server usage by allowing idle servers to automatically enter a low-power mode, reducing energy consumption without affecting performance. As a result, data centres using this automated technology significantly decrease their energy footprint and utility costs.

GHG protocol definitions. GHG Protocol provides the following definitions for Scope 1, 2 and 3 emissions:

- Scope 1 emissions: direct greenhouse gas emissions that occur from sources that are controlled or owned by an organisation.
- Scope 2 emissions: indirect emissions associated with the purchase of electricity, steam, heat or cooling.
- Scope 3 emissions: emissions resulting from activities from assets not owned or controlled by the reporting organisation, but that the organisation indirectly affects in its value chain. Scope 3 emissions include all sources not within an organisation's Scope 1 and 2 boundary.
- Business travel emissions: this category includes emissions from the transportation of employees for business-related activities in vehicles owned or operated by third parties, such as aircraft, trains, buses and passenger cars.
- Market-based emissions: a market-based method calculates emissions based on the electricity that organisations have chosen to purchase, often spelled out in contracts or instruments like RECs.
- Location-based emissions: a location-based method reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data).

GHG emissions calculation methodology. Calculations are consistent with the GHG Protocol Corporate Accounting and Reporting Standard, made available by the World Business Council for Sustainable Development and the World Resources Institute, and the Climate Registry's General Reporting Protocol. All facilities over which Dropbox has operational control are included in the Scope 1 and Scope 2 GHG inventory, including all leased facilities. Where actual energy bills were not available, emissions were estimated using the Commercial Buildings Energy Consumption Survey database. Reported GHG emissions include CO₂, CH₄ and N₂O emissions from electricity, natural gas and fuel consumption, and HFC emissions from refrigerant use in buildings and data centres. Dropbox has no emissions resulting from use of PFCs, SF₆ or NF₃. To convert energy consumption, fuel combustion and business travel data into GHG emissions, we used factors from the US Environmental Protection Agency (EPA) Emissions & Generation Resource Integrated Database, International Energy Agency, Environment Canada National Inventory Report, US EPA Emission Factors Hub, US EPA Office of Research and Development Supply Chain Greenhouse Gas Emission Factors for US Industries and Commodities, and the UK Department for Environment, Food and Rural Affairs. Global warming potentials used for converting emissions into CO₂e are sourced from the Intergovernmental Panel on Climate Change Fourth Assessment Report.

- Scope 1 direct emissions include stationary combustion and refrigerant leakage. Direct sources of emissions for Dropbox include natural gas for building heat, stationary diesel use for emergency generators, and refrigerant leakages in owned and operated facilities.
- Scope 2 indirect emissions include emissions from purchased electricity. For leased co-location data centres, we've taken an operational-control consolidation approach and are accounting for upstream emissions of leased co-location data centres in the Scope 2 reporting.
- Location-based emissions are calculated using a location-based electricity grid emissions intensity factor, which defines the amount of GHG emissions generated per unit of electricity consumed in a certain geography.
- Market-based emissions are calculated using a residual factor for grid emissions intensity, after accounting for the use of renewable energy in a certain geography.
- For 2019, 2020, 2021 and 2022, Dropbox is reporting only Scope 3 emissions associated with business travel, which includes emissions generated from flights, hotel rooms, rental cars and rail transport.
- In accordance with the GHG Protocol, WFH emissions fall under Scope 3 Category 7: employee commuting emissions. Our WFH calculation is based on employee FTE by country and incorporates the average WFH energy usage estimates, including plug loads, based on an average usage of laptop, monitor and lighting for each employee, fuel usage for office heating and cooling, adjusted by climate region and reflective of the employee count by country. It was assumed that 10% of the home was used for work attributed to office energy use rather than that of the employee's entire residence. Additionally, an adjustment was made for percentage of time an employee works (using OECD hours worked/worker) and an additional adjustment was made for percentage of time working from home (90%).

Performance data tables, Scope 3 (business travel). Our Scope 3 emissions decreased significantly between 2019 and 2021 due in large part to a reduction in business travel due to the COVID-19 pandemic.

Performance data tables, Australia and Israel. In April 2021, we transitioned to a Virtual First working model in which remote work is the primary mode of working for employees. Dropbox leases all our studio space and shifting from full-time office space to studios has decreased the amount of physical space needed for our operations. Additionally, the move to Virtual First means that emissions associated with our studios and offices in certain locations that are owned and managed by third parties fall under Scope 3 of the GHG Protocol Corporate Accounting and Reporting Standard. We currently only report emissions from our studios, offices and data centre locations that fall under Scope 1 and Scope 2. We do not currently report emissions from studios, offices and data centre locations that are owned and managed by third parties, as these fall under Scope 3.





Independent Accountants' Review Report

To the Board of Directors and Management of Dropbox, Inc.

We have reviewed Dropbox, Inc.'s ("Dropbox") Schedule of Select Environmental, Social, and Governance Metrics (the "Subject Matter") included in Exhibit A for the year ended December 31, 2022, in accordance with the criteria, also set forth in Exhibit A (the "Criteria"). Dropbox's management is responsible for the Subject Matter in accordance with the Criteria. Our responsibility is to express a conclusion on the Subject Matter based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA) AT-C section 105, *Concepts Common to All Attestation Engagements*, and AT-C section 210, *Review Engagements*. Those standards require that we plan and perform our review to obtain limited assurance about whether any material modifications should be made to the Subject Matter in order for it to be in accordance with the Criteria. The procedures performed in a review vary in nature and timing from and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance about whether the Subject Matter is in accordance with the Criteria, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. As such, a review does not provide assurance that we became aware of all significant matters that would be disclosed in an examination. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

We are required to be independent of Dropbox and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review engagement. Additionally, we have complied with the other ethical requirements set forth in the Code of Professional Conduct and applied the Statements on Quality Control Standards established by the AICPA.

The procedures we performed were based on our professional judgment. Our review consisted principally of applying analytical procedures, making inquiries of persons responsible for the Subject Matter, obtaining an understanding of the data management systems and processes used to generate, aggregate and report the Subject Matter and performing such other procedures as we considered necessary in the circumstances.

As described in the footnotes to the Schedule of Select Environmental, Social, and Governance Metrics, the Subject Matter is subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary. Furthermore, Scope 3 emissions are calculated based on a significant number of estimations and management assumptions due to the inherent nature of the Greenhouse Gas Protocol Corporate Accounting and Reporting Standard and the Technical Guidance for Calculating Scope 3 Emissions criteria.

The information included in Dropbox's 2022 ESG Fact Sheet, other than the Subject Matter, has not been subjected to the procedures applied in our review and, accordingly, we express no conclusion on it.

Based on our review, we are not aware of any material modifications that should be made to Schedule of Select Environmental, Social, and Governance Metrics for the year ended December 31, 2022 in order for it to be in accordance with the Criteria.

Ernst + Young LLP

San Francisco, California
August 31, 2023

Exhibit A:

**Schedule of Select Environmental, Social, and Governance Metrics
For the year ended December 31, 2022**

Indicator Name	Unit	2022 Value	Criteria
Scope 1 Greenhouse Gas (GHG) Emissions ^{1, 2, 6, 7}	Metric tons carbon dioxide equivalent (mtCO _{2e})	768	The World Resources Institute ("WRI") / World Business Council for Sustainable Development's ("WBCSD") Greenhouse Gas ("GHG") Protocol: A Corporate Accounting and Reporting Standard, as amended by the WRI/WBCSD GHG Protocol Scope 2 Guidance
Scope 2 GHG Emissions, location-based-method (LBM) ^{1, 3, 6, 7}	mtCO _{2e}	36,948	WRI/WBCSD's GHG Protocol Scope 2 Guidance, an amendment to the WRI/WBCSD GHG Protocol: A Corporate Accounting and Reporting Standard
Scope 2 GHG Emissions, market-based-method (MBM) ^{1, 3, 4, 6, 7}	mtCO _{2e}	0	
Scope 3 Category 6 GHG Emissions ^{5, 6, 7}	mtCO _{2e}	1,687	WRI/WBCSD's GHG Protocol: A Corporate Accounting and Reporting Standard, as amended by the WRI/WBCSD GHG Protocol Scope 2 Guidance, WRI/WBCSD's The GHG Protocol Technical Guidance for Calculating Scope 3 Emissions
Percentage of gender representation by employee category ^{8, 9, 10, 11}	Percentage (%)	Leadership Male: 55% Female: 44% Not available: 1% Manager Male: 56% Female: 43% Not available: 1% Tech Worker Male: 70% Female: 28% Not available: 2% Non-Tech Worker Male: 45% Female: 54% Not available: 1%	Percentage of global, full-time employees per employee category by gender, as of December 31, 2022
Percentage of racial/ethnic representation by employee category ^{8, 9, 10, 11}	%	Leadership White: 51% Asian: 33% Hispanic: 5% Black: 2% 2+ races: 2% American Indian & Pacific Islander: 0% Not specified: 9% Manager White: 50% Asian: 31% Hispanic: 6% Black: 2% 2+ races: 2% American Indian & Pacific Islander: 0% Not specified: 8% Tech Worker White: 40% Asian: 41% Hispanic: 6% Black: 3% 2+ races: 3% American Indian & Pacific Islander: 0% Not specified: 7% Non-Tech Worker White: 52% Asian: 22% Hispanic: 10% Black: 6% 2+ races: 3% American Indian & Pacific Islander: 1% Not specified: 5%	Percentage of U.S.-based, full-time employees per employee category by race/ethnicity, as of December 31, 2022

Note 1: Non-financial information is subject to measurement uncertainties resulting from limitations inherent in the nature and the methods used for determining such data. The selection of different but acceptable measurement techniques can result in materially different measurements. The precision of different measurement techniques may also vary.

¹ Dropbox, Inc. (Dropbox) management applies the operational control approach in calculating Scope 1 and 2 GHG emissions. Dropbox considers facilities in which Dropbox has the authority to introduce and implement its operating policies as within its operational control. Specifically, this includes Dropbox's leased offices and data centers and excludes sub-leased offices and shared working spaces where Dropbox does not have operational control. Furthermore, as it relates to data centers, Dropbox deems emissions from computing and storage operations as within its operational control and emissions from cooling as outside its operational control.

² Dropbox works to capture actual data to calculate its Scope 1 GHG emissions. Where actual data is not available or cannot be obtained in a timely manner, Dropbox estimates GHG emissions using other available inputs such as facility square footage and commercial building energy consumption survey (CBECS) data. Approximately 98% of Dropbox's Scope 1 GHG emissions is estimated using the calculation methodologies described below. Dropbox's Scope 1 GHG emissions represent direct emissions resulting from the combustion of natural gas and diesel and use of refrigerants at facilities within Dropbox's operational control. Dropbox does not have operational control of a transportation fleet, therefore mobile combustion related emissions are not included in Scope 1 GHG emissions.

Scope 1 GHG Emission Estimation Methodologies:

Consumption of natural gas is estimated using office square footage and the U.S. Energy Information Administration (EIA) CBECS 2018 energy intensities by census region. Natural gas consumption is applied against emission factors, as detailed in Note 6, to calculate GHG emissions. Consumption of refrigerants is estimated using office square footage and estimated annual loss rates calculated by a third-party consultant, based on 2016 reporting from the United States Environmental Protection Agency (U.S. EPA) and the Intergovernmental Panel on Climate Change Guidelines for National Greenhouse Gas Inventories (2006), Volume 3: Industrial Processes and Product Use.

³ Dropbox works to capture actual data to calculate its Scope 2 GHG emissions. Where actual data is not available or cannot be obtained in a timely manner, Dropbox estimates GHG emissions using other available inputs such as facility square footage and prior year data. Dropbox's Scope 2 GHG emissions represent indirect emissions resulting from the electricity consumption from offices and data centers within Dropbox's operational control.

⁴ Dropbox procures energy attribute certificates (e.g., renewable energy certificates (RECs)) through a third party to reduce its energy consumption when calculating Scope 2 MBM emissions. Energy attribute certificates procured are in accordance with the GHG Protocol Scope 2 MBM Emission Factor Hierarchy and Scope 2 Quality Criteria.

⁵ Scope 3 Category 6 emissions represent employee business travel as reported from Navan, the travel and expense system that Dropbox uses to manage and book business travel for air, car rental, rail, and hotel travel. Note that this category's emissions are calculated within the minimum boundaries as defined in the GHG Protocol Technical Guidance for Calculating Scope 3 Emissions, and also includes optional emissions from hotel travel. DBX calculates emissions based on the travel booking date. See Note 6 for emission factors and GWPs applied.

- Air travel uses the distance-based method. The estimation takes into account the type of aircraft (short, medium, and long-haul flights), cabin class, and distance traveled for each ticket booking in Navan.
- Car rental and rail travel utilize the spend-based method to calculate emissions based on spend as reported in Navan.
- Hotel stays are calculated based on the number of nights in a hotel with custom emission factors developed for varying classes of hotels including electricity and natural gas components. Estimations for electricity and natural gas consumption per night were sourced from the EPA Indirect Emissions from Events and Conferences guidance, last published in December 2018. Emissions are calculated by applying natural gas and electricity emission factors to consumption per night and number of hotel nights booked through Navan for each class of hotel.

⁶ Where possible, based on DBX's reporting timeline and public availability of recent emission factor sets, DBX uses the most up-to-date emission factors available. Below is a summary of the emission factors and global warming potentials (GWPs) applied in Dropbox's GHG calculations:

Indicator Name	Emission Factors	Global Warming Potential
Scope 1 Greenhouse Gas (GHG) Emissions	<ul style="list-style-type: none"> • U.S. EPA Emissions & Generation Resource Integrated Database (eGRID) Year 2021 (01/30/2023) 	2007 IPCC Fourth Assessment Report (AR4)
Scope 2 GHG Emissions, location-based-method (LBM)	<ul style="list-style-type: none"> • U.S. EPA Emissions & Generation Resource Integrated Database (eGRID) Year 2021 (01/30/2023) • IEA (2013) CO2 emissions from fuel combustion - 2011 emission factors • EIA (2007) Appendix F. Electricity Emission Factors – CH4 and N2O emission factors 	2007 IPCC Fourth Assessment Report (AR4)
Scope 2 GHG Emissions, market-based-method (MBM)	Not applicable - Dropbox reports 0 mtCO2e Scope 2 GHG Emissions, market-based-method.	Not applicable - Dropbox reports 0 mtCO2e Scope 2 GHG Emissions, market-based-method.
Scope 3 Category 6 GHG Emissions	<p>Air travel:</p> <ul style="list-style-type: none"> • 2022 Department for Environment, Food and Rural Affairs ("DEFRA") <p>Car rental and rail travel:</p> <ul style="list-style-type: none"> • Environmentally extended input-output ("EEIO") 2016 industry emission factors and approach published by the U.S. Environmental Protection Agency ("EPA") Office of Research and Development ("ORD") in 2022. <p>Hotel stays:</p> <ul style="list-style-type: none"> • EPA Indirect Emissions from Events and Conferences, most recently published in December 2018. • Natural gas emission factors are sourced from the 2023 EPA Emission Factors for Greenhouse Gas Inventories. • Electricity emission factors are sourced for the U.S. from the 2021 eGRID emission factors (published January 2023) and for non-U.S. from IEA (2013). 	2007 IPCC Fourth Assessment Report (AR4)

⁷ Dropbox includes CO₂, CH₄, and N₂O greenhouse gases in its Scope 1, Scope 2, and Scope 3 Category 6 GHG emissions calculations. Other GHGs are not included in the Dropbox's inventory as they do not generate material emissions as part of the Company's operations. Dropbox does not present GHG emissions by greenhouse gas separately, instead Dropbox converts all emissions to carbon dioxide equivalents (mtCO₂e) for reporting. CO₂ represents approximately 98% of total emissions reported by Dropbox.

⁸ Dropbox, Inc. categorizes its workforce into various categories, as defined below.

- The Leadership category includes employees at a Director level or above; based on level designations in Dropbox's HR system.
- The Manager category includes individuals with people management responsibilities (including those at the Director level and above); based on level designations in Dropbox's HR system.
- The Tech Worker category includes full-time employees (including individuals within the Manager category or above) working in Dropbox's Engineering, Product and Design functions.
- The Non-Tech Worker category includes all other full-time employees (including individuals within the Manager category or above) working in any function outside of Dropbox's Engineering, Product and Design functions.

⁹ Gender and race/ethnicity designation is self-reported by employees within the Dropbox HR system.

¹⁰ Individuals that elect to not specify their gender or race/ethnicity within the Dropbox HR system are represented in the "Not available" or "Not specified" categories.

¹¹ Percentages presented herein are rounded to the nearest whole number and may not add up to 100%.



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If you have any questions about this report, please contact esgreport@dropbox.com