

Smarter, Easier, Trusted Agreements

Q1 Fiscal 2024



Safe Harbor

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which statements involve substantial risk and uncertainties. All statements contained in this presentation other than statements of historical fact, including statements regarding our future operating results and financial position, our business strategy and plans, market growth and trends, objectives for future operations, and the impact of such assumptions on our financial condition and results of operations are forward-looking statements. Forward-looking statements in this presentation also include, among other things, statements on pages titled “FY2024 Guidance” and “Q2 FY2024 Guidance in this presentation and any other statements about expected financial metrics, such as revenue, billings, non-GAAP gross margin, non-GAAP diluted weighted-average shares outstanding, and non-financial metrics, such as customer growth, as well as statements related to our expectations regarding our growth. Forward-looking statements generally relate to future events or our future financial or operating performance. In some cases, you can identify forward-looking statements because they contain words such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential,” or “continue” or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans or intentions.

Forward-looking statements contained in this presentation include, but are not limited to, statements about: our expectations regarding global macro-economic conditions, including the effects of inflation, rising and fluctuating interest rates, instability in the global banking sector, and market volatility on the global economy; our ability to estimate the size and growth of our total addressable market; our ability to compete effectively in an evolving and competitive market; the impact of any data breaches, cyberattacks or other malicious activity on our technology systems; our ability to effectively sustain and manage our growth and future expenses and achieve and maintain future profitability; our ability to attract new customers and maintain and expand our existing customer base; our ability to effectively implement and execute our restructuring plans; our ability to scale and update our platform to respond to customers’ needs and rapid technological change; our ability to expand use cases within existing customers and vertical solutions; our ability to expand our operations and increase adoption of our platform internationally; our ability to strengthen and foster our relationships with developers; our ability to retain our direct sales force, customer success team and strategic partnerships around the world; our ability to identify targets for and execute potential acquisitions and to successfully integrate and realize the anticipated benefits of such acquisitions; our ability to maintain, protect and enhance our brand;

the sufficiency of our cash, cash equivalents and capital resources to satisfy our liquidity needs; limitations on us due to obligations we have under our credit facility or other indebtedness; our failure or the failure of our software to comply with applicable industry standards, laws and regulations; our ability to maintain, protect and enhance our intellectual property; our ability to successfully defend litigation against us; our ability to attract large organizations as users; our ability to maintain our corporate culture; our ability to offer high-quality customer support; our ability to hire, retain and motivate qualified personnel, including executive level management; our ability to successfully manage and integrate executive management transitions; uncertainties regarding the impact of general economic and market conditions, including as a result of regional and global conflicts; our ability to successfully implement and maintain new and existing information technology systems, including our ERP system; and our ability to maintain proper and effective internal controls.

Additional risks and uncertainties that could affect our financial results are included in the sections titled “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our annual report on Form 10-K for the fiscal year ended January 31, 2023 filed on March 27, 2023, our quarterly report on Form 10-Q for the quarter ended April 30, 2023, which we expect to file on June 8, 2023 with the Securities and Exchange Commission (the “SEC”), and other filings that we make from time to time with the SEC. The forward-looking statements made in this presentation relate only to events as of the date on which such statements are made. We undertake no obligation to update any forward-looking statements after the date of this presentation or to conform such statements to actual results or revised expectations, except as required by law.



Non-GAAP Financial Measures and Other Key Metrics

To supplement our consolidated financial statements, which are prepared and presented in accordance with GAAP, we use certain non-GAAP financial measures, as described below, to understand and evaluate our core operating performance. These non-GAAP financial measures, which may be different than similarly-titled measures used by other companies, are presented to enhance investors' overall understanding of our financial performance and should not be considered a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP.

We believe that these non-GAAP financial measures provide useful information about our financial performance, enhance the overall understanding of our past performance and future prospects, and allow for greater transparency with respect to important metrics used by our management for financial and operational decision-making. We present these non-GAAP measures to assist investors in seeing our financial performance using a management view, and because we believe that these measures provide an additional tool for investors to use in comparing our core financial performance over multiple periods with other companies in our industry. However, these non-GAAP measures are not intended to be considered in isolation from, a substitute for, or superior to our GAAP results.

Non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating expenses, non-GAAP income from operations, non-GAAP operating margin, non-GAAP net income and non-GAAP net income per share: We define these non-GAAP financial measures as the respective GAAP measures, excluding expenses related to stock-based compensation, employer payroll tax on employee stock transactions, amortization of acquisition-related intangibles, amortization of debt discount and issuance costs, fair value adjustments to strategic investments, lease-related impairment and lease-related charges, restructuring and other related charges, as these costs are not reflective of ongoing operations and, as applicable, other special items. The amount of employer payroll tax-related items on employee stock transactions is dependent on our stock price and other factors that are beyond our control and do not correlate to the operation of the business. When evaluating the performance of our business and making operating plans, we do not consider these items (for example, when considering the impact of equity award grants, we place a greater emphasis on overall stockholder dilution rather than the accounting charges associated with such grants). We believe it is useful to exclude these expenses in order to better understand the long-term performance of our core business and to facilitate comparison of our results to those of peer companies and over multiple periods. In addition to these exclusions, we subtract an assumed provision for income taxes to calculate non-GAAP net income. We utilize a fixed long-term projected tax rate in our computation of the non-GAAP income tax provision to provide better consistency across the reporting periods. For fiscal 2023 and fiscal 2024, we determined the projected non-GAAP tax rate to be 20% tax rate.

Free cash flow: We define free cash flow as net cash provided by operating activities less purchases of property and equipment. We believe free cash flow is an important liquidity measure of the cash that is available (if any), after purchases of property and equipment, for operational expenses, investment in our business, and to make acquisitions. Free cash flow is useful to investors as a liquidity measure because it measures our ability to generate or use cash in excess of our capital investments in property and equipment. Once our business needs and obligations are met, cash can be used to maintain a strong balance sheet and invest in future growth.

Billings: We define billings as total revenues plus the change in our contract liabilities and refund liability less contract assets and unbilled accounts receivable in a given period. Billings reflects sales to new customers plus subscription renewals and additional sales to existing customers. Only amounts invoiced to a customer in a given period are included in billings. We believe billings is a key metric to measure our periodic performance. Given that most of our customers pay in annual installments one year in advance, but we typically recognize a majority of the related revenue ratably over time, we use billings to measure and monitor our ability to provide our business with the working capital generated by upfront payments from our customers.

For a reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measure, please see "Reconciliation of GAAP to Non-GAAP Financial Measures" below.



At a glance

Market leadership



World's #1 e-Signature solution

Customer base

1.40M¹

Across all industries, segments,
and geos

Large market opportunity²

~\$50B_{TAM}

Broader DocuSign
opportunity
(before and after signing)

Q1 FY24³ performance

\$661M

Revenue (25% Int'l)

12% Y/Y growth

\$675M

Billings

10% Y/Y growth

27%

Operating Margin

(Non-GAAP)

105%

Dollar Net Retention⁴

(1) As of April 30, 2023.

(2) DocuSign estimate combining commissioned third-party research with internal customer count, pricing and spending data.

(3) For the fiscal quarter ended April 30, 2023.

(4) Compares the annual recurring revenue, or ARR, for active subscription contracts from Direct customers at two period end dates. To calculate our dollar-based net retention rate at the end of the base year (e.g., April 30, 2023), we first identify customers that were customers at the end of the prior year (e.g., April 30, 2022) and then divide the ARR attributed to those customers at the end of the base year by the ARR attributed to those same customers at the end of the prior year. The quotient obtained from this calculation is the dollar-based net retention rate. For clarity, we do not include customers serviced via our Digital channel in this metric.

Agreements are the foundation of doing business

Sales

Sales Contracts
NDAs
SOWs

Service

Field Service
Change Orders
Work Agreements

Marketing

Vendor Agreements
Sponsor Agreements
Influencer Agreements

HR

Offer Letters
Background Checks
Company Policies

Procurement

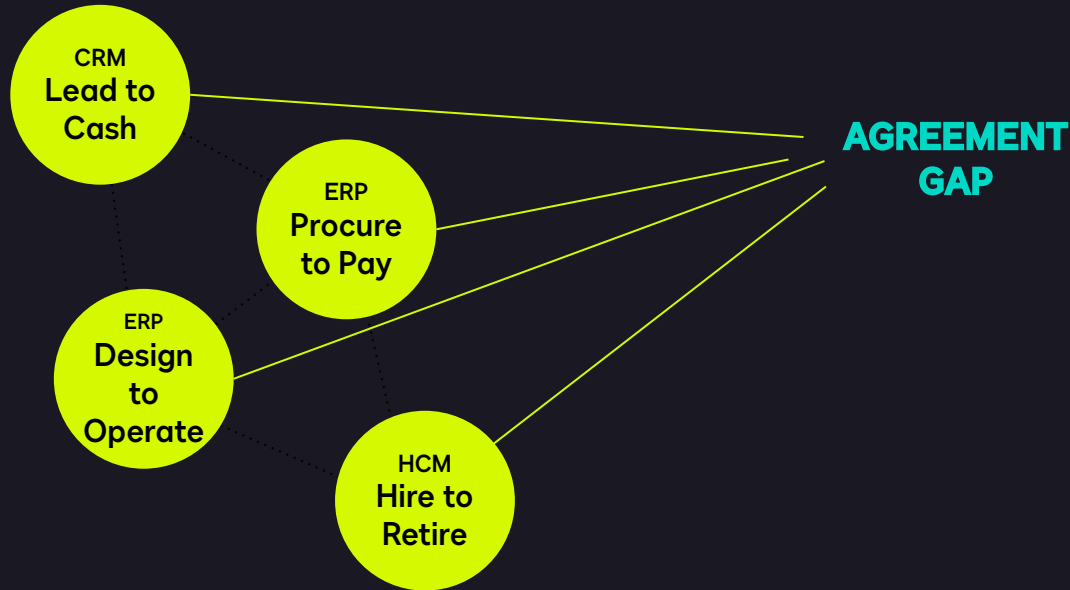
Vendor Contracts
Purchase Orders
Termination Letters

Legal

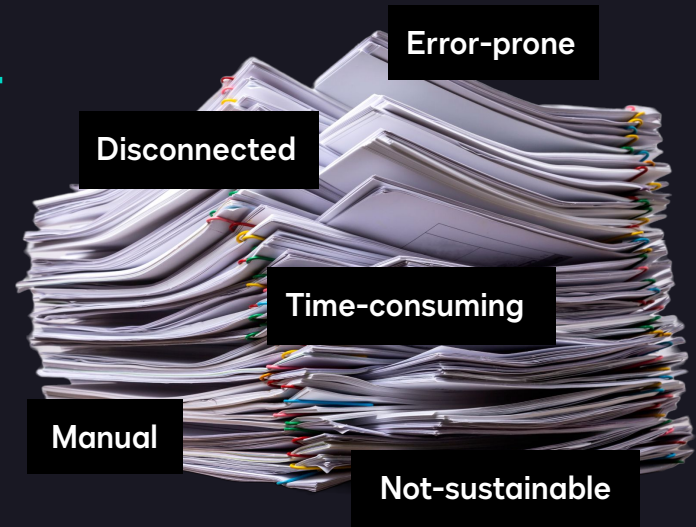
Amendments
Affidavits
SEC Filings

But agreement processes are manual & disconnected

Business Process



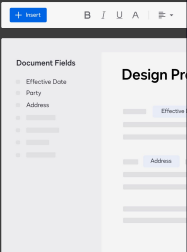
Agreement Process



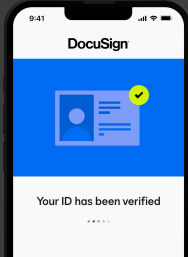
True transformation of your agreement process means going beyond the signature

AGREEMENT PROCESS

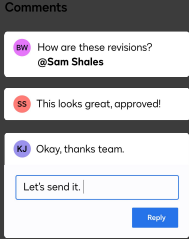
Agreement Generation



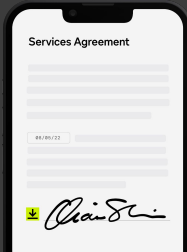
ID Verification



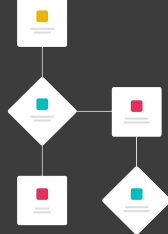
Review & Negotiation



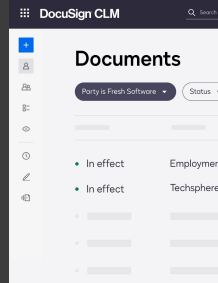
Signature



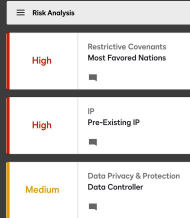
Automated Workflows



Secure Repository



Analytics



DocuSign
unlocks the
data that lives
in agreements



Redefining how the world comes together and agrees

Smarter



Personalized document generation
Dynamic agreement
Intelligent analytics and insights

Easier



Send and sign anytime, from practically anywhere
Faster time to value, efficiency
Extend with integrations and customization

Trusted



Highest level of assurance
Support full range of functional areas/industries
Superior security toolset, intelligent threat detection



Industry Leading Portfolio Lineup Across the Agreement Process

eSignature

The world's #1 way to sign electronically

Editions range from personal to enterprise use

eSignature add-ons

Enhanced options for any agreement scenario

Add-ons include support for identity verification, SMS delivery, notarization, dynamic forms and industry and country-specific capabilities

CLM

Top Rated Contract Lifecycle Management, for workflows before & after the signature

Gen, CLM Essentials, CLM and CLM+

Ecosystem

ISVs / Systems Integrators / Resellers / Developers

Platform

Repository / Search / Object Model / AI / API / Monitor / Admin Tools



Market leader with large untapped opportunity

TAM¹

\$50B

eSign Addons
+ CLM

\$25B

Sign

\$25B

(1) DocuSign estimate combining commissioned third-party research with internal customer count, pricing and spending data

Across all verticals

The world's leading brands trust DocuSign



Why DocuSign continues to win

/ Comprehensive

Most Applications

15+ applications span the entire agreement process

Most Integrations

400+ prebuilt integrations with the systems where work gets done

Award-Winning API

1,000+ customer-built integrations

/ Innovative

Category Leader

e-signature pioneer, with 750+ product innovations delivered

Scaled Solutions

Designing, delivering, and supporting technologies across agreement workflows

Leading Platform Tech⁴

Architected to power industry leading to over 99.9% uptime

/ Trusted

1.40M Customers

and more than a billion users¹.
Global leader in e-signature across 180+ countries

Security & Privacy

FedRamp, GDPR, BCR, ISO27001

Purpose-Built Security

Proactive Threat Detection;
24/7 Activity Tracking;
Enhanced ID Verification

/ Simple

Faster

43% completed in < 15 minutes;
78% in < 1 day²

Net Promoter Score 67³

Delighting our customers

High Value

Delivers immediate ROI

(1) As of April 30, 2023

(2) In FY 2023, 78% of all Successful Transactions on our platform were completed in less than 24 hours and 43% within 15 minutes—compared to the days or weeks common to traditional methods.

(3) In-Product Net Promoter Score for FY2023, which is measured by DocuSign for customers and users of the eSignature product(s). The NPS is an index ranging from -100 to 100 that measures the willingness to recommend a company's products or services to others.

(4) For the fiscal year ending January 31, 2023



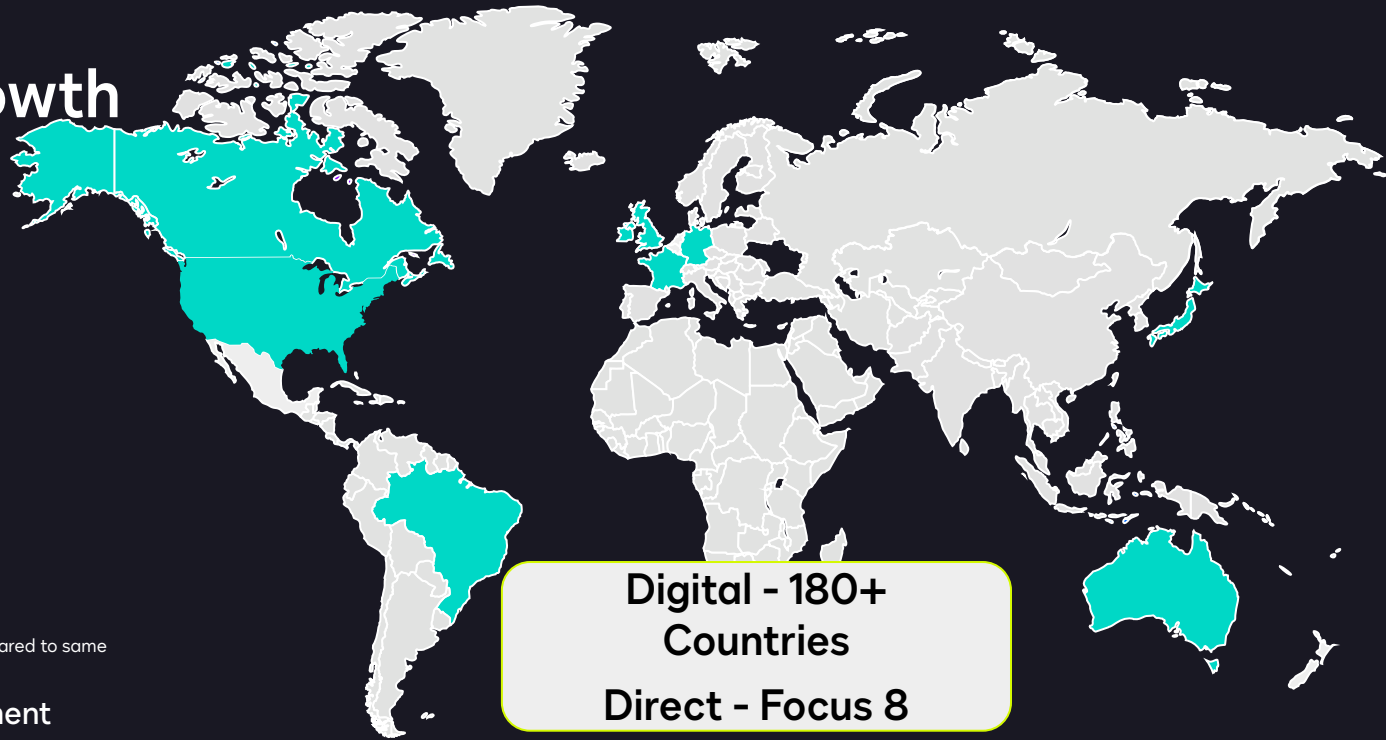
Investing in international growth

17% y/y Int'l Revenue Growth (Q1 FY24)¹

25% of Total Revenue (Q1 FY24)¹

(1) For the fiscal quarter ended April 30, 2023 compared to same period a year ago.

Market Prioritization & Investment



Tier 1: Market Leader

Primary market focus for Direct GTM investment
Fully localized digital experience
Targeted investment in Resell partners

Tier 2: Seed and Grow

High potential investment countries
Seed with targeted direct investments, localized sales & support through partner and digital

Tier 3: Digital & Emerging

Digital First strategy
Indirect selling via key resellers

Omni-channel experience throughout the customer journey



Across all GTM teams

- Accelerate value realization
- Drive ROI
- Fuel future growth
- Increase net retention

DocuSign partner ecosystem

Comprehensive network of cloud, service, and reseller partners

ISVs

(and 350+ more)



Systems Integrators

500+ certified professionals across 10+ global & regional SIs



Resellers

140+ resellers extend our reach, helping customers agree in 40+ countries



Financial Review

How customers buy from us

Prepaid Model

Product Functionality

Pricing by Functionality

Multiple levels of product functionality

eSignature

Single-user

Multi-user

Business Pro

Enterprise Pro

Platform

Capacity-Based Subscription Model

Volume Capacity

Pre-Set # of Envelopes Provisioned

Envelopes



Dollar Weighted Average Contract Length¹

36%
>12 months



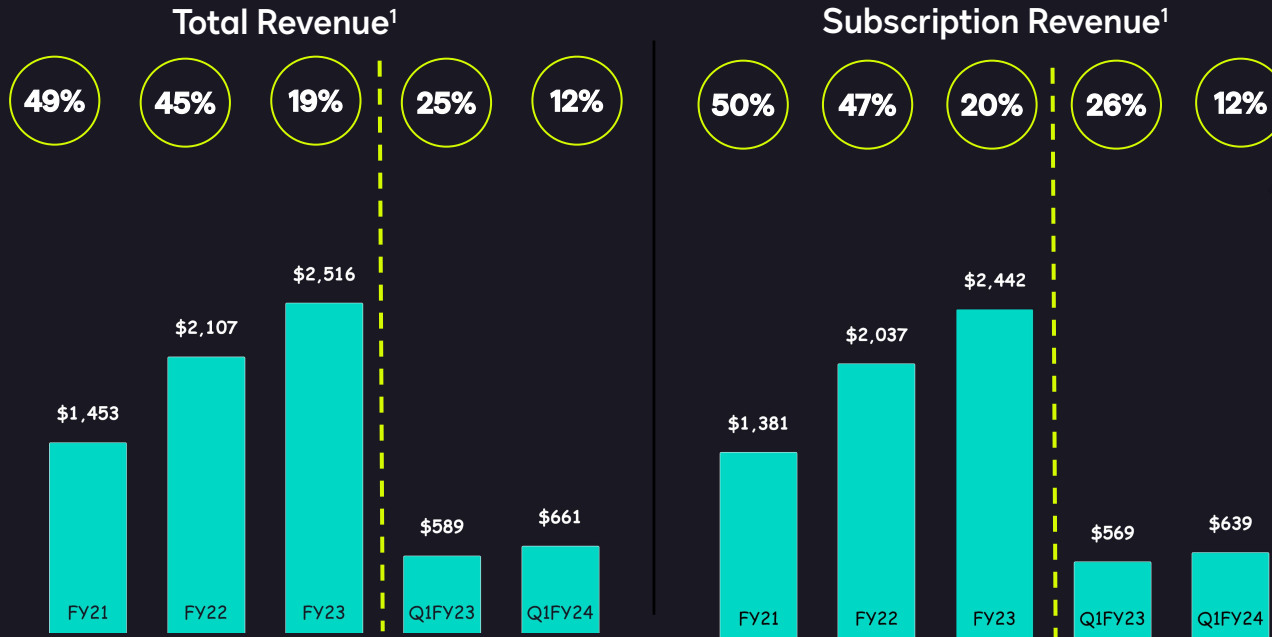
18
months

64%
≤12 months

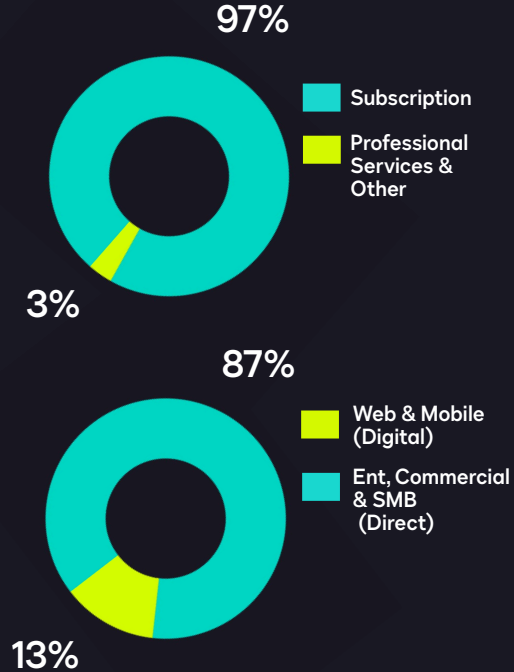
(1) Rolling 4-quarter average through fiscal quarter ended April 30, 2023.



Revenue growth as we scale



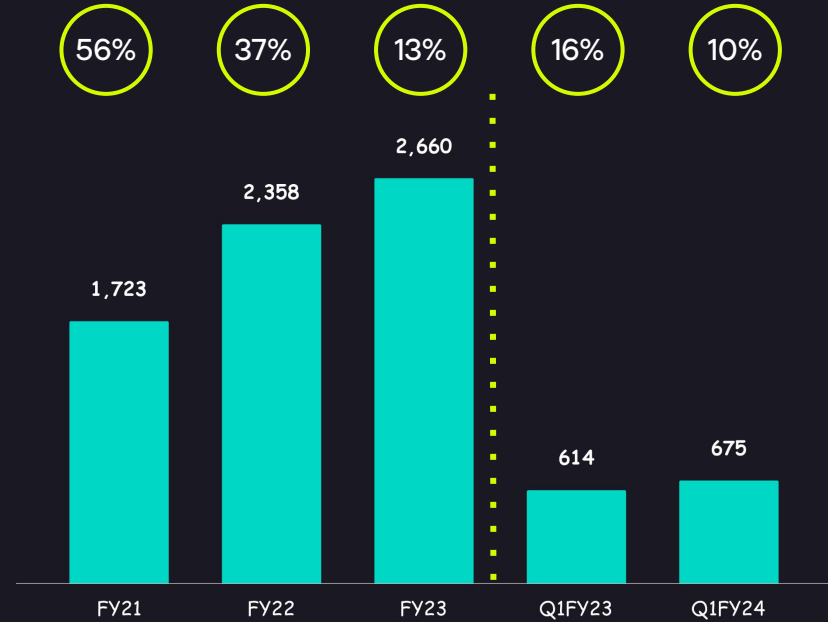
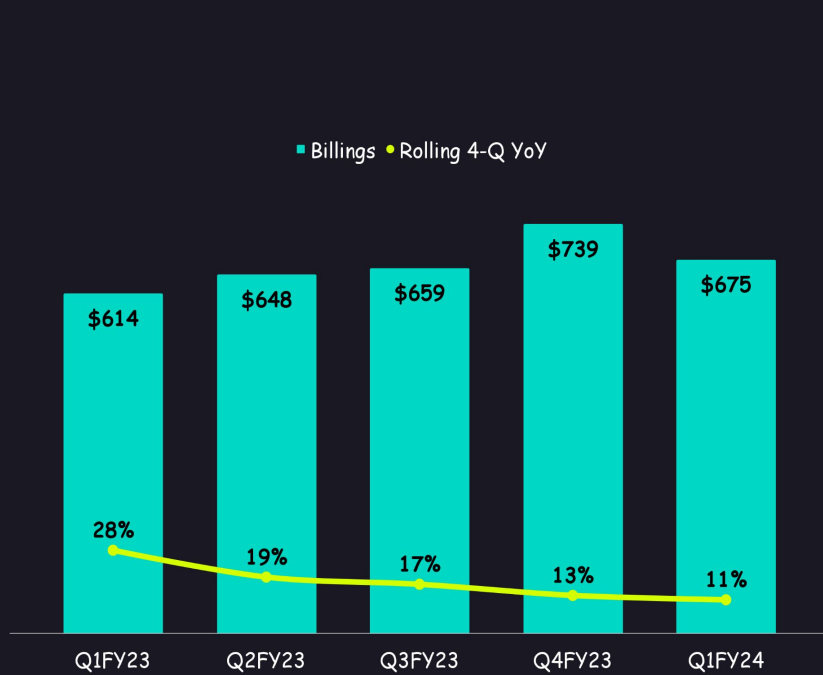
Revenue Contribution²



Y/Y Growth

(1) Fiscal years ended January 31 and fiscal quarters ended April 30. \$ in millions.
 (2) Fiscal quarter ended April 30, 2023.

Billings growth

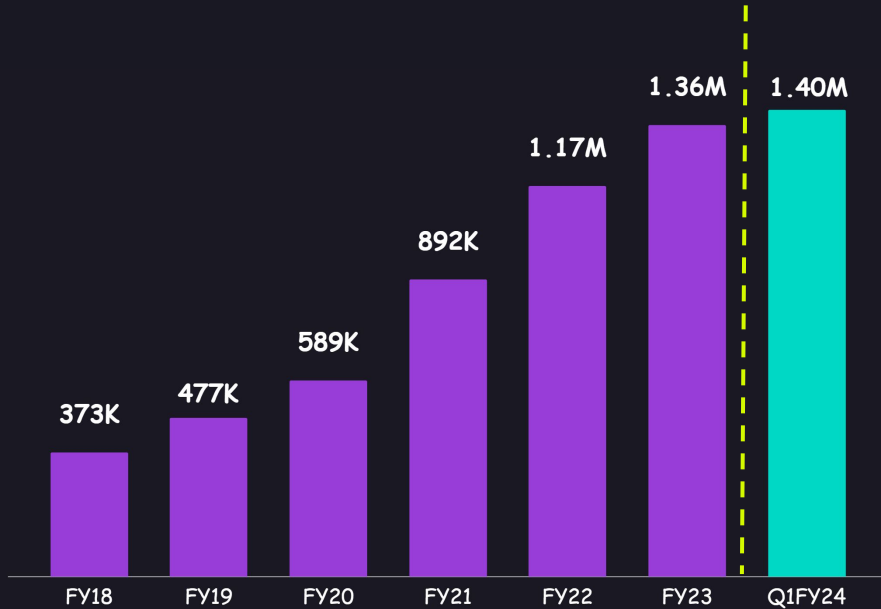


(1) For the fiscal quarter ended April 30, 2023, and the four fiscal quarters prior. \$ in millions.

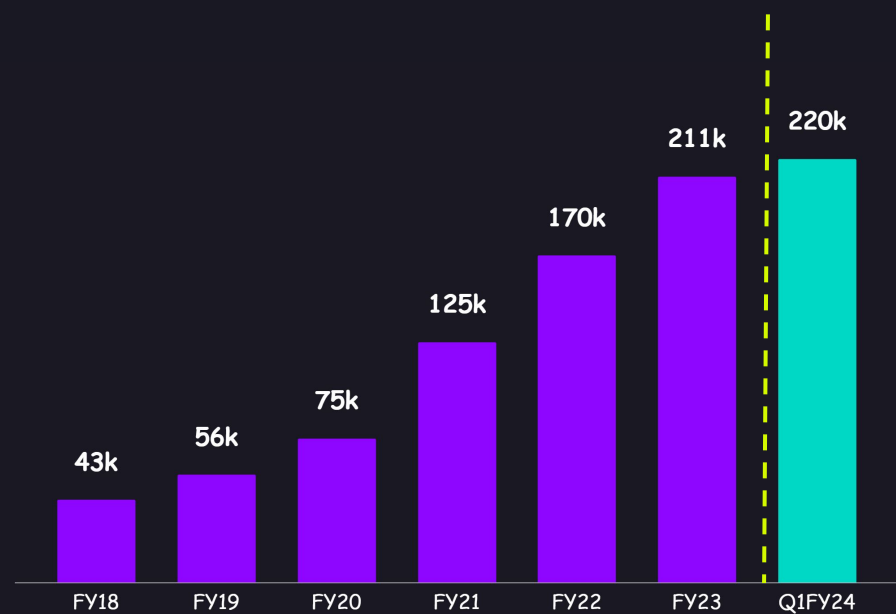
(2) Billings = total revenues plus the change in contract liabilities and refund liability less contract assets and unbilled accounts receivable in a given period. Please see Appendix for non-GAAP reconciliation.

Large and expanding customer base¹

Total customers



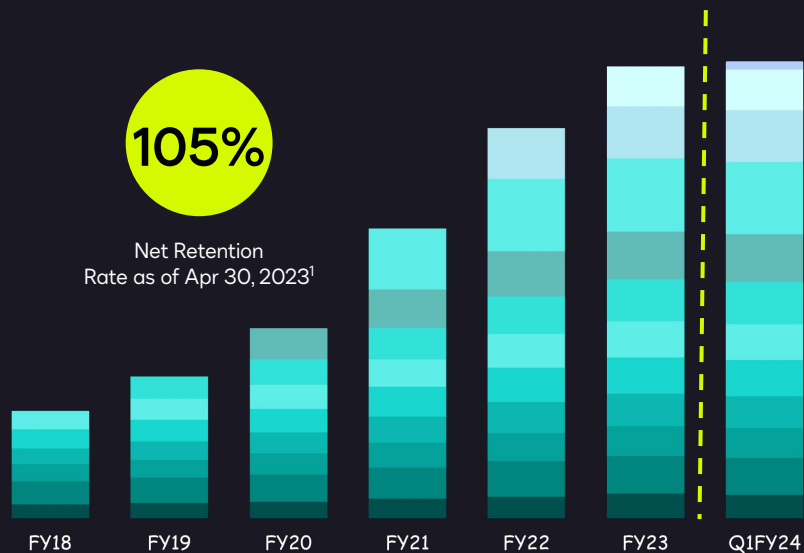
Enterprise & Commercial customers²



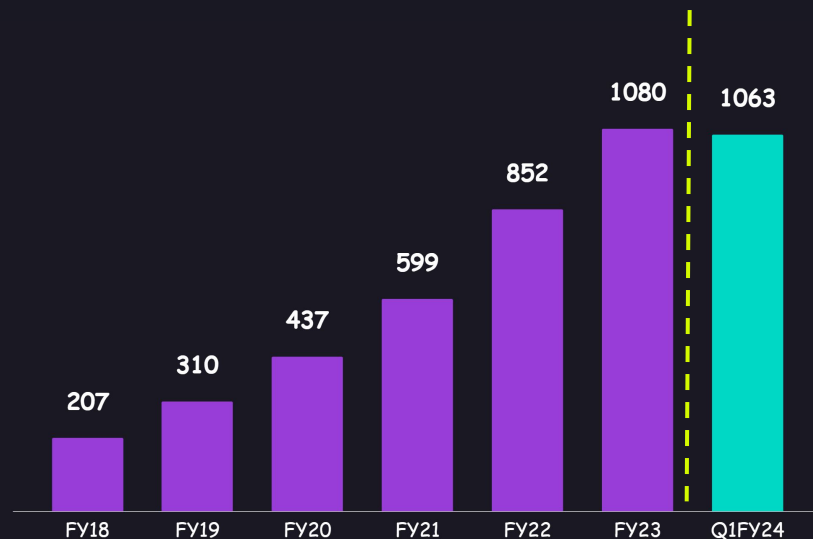
(1) For the fiscal years ended January 31 and fiscal quarter ended April 30, 2023.
(2) Comprised of customers who were not acquired through our self-service channel.

Cohort and large customer

Cohort analysis



Customers with >\$300K in ACV²

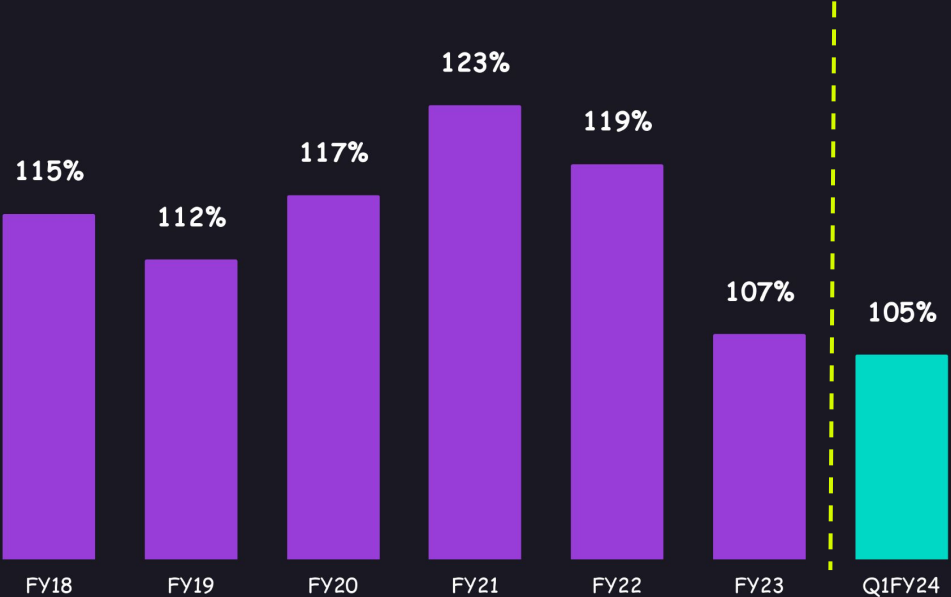


(1) Compares the annual recurring revenue, or ARR, for active subscription contracts from Direct customers at two period end dates. To calculate our dollar-based net retention rate at the end of the base year (e.g., April 30, 2023), we first identify customers that were customers at the end of the prior year (e.g., April 30, 2022) and then divide the ARR attributed to those customers at the end of the base year by the ARR attributed to those same customers at the end of the prior year. For the full year periods, we use January 31 as the base year and compare the customer set to customers at the end of the prior year. The quotient obtained from this calculation is the dollar-based net retention rate. For clarity, we do not include customers serviced via our Digital channel in this metric.

(2) ACV = Annualized Contract Value



Expansion rates are moderating at scale



105%
Dollar Net
Retention¹

(1) Compares the annual recurring revenue, or ARR, for active subscription contracts from Direct customers at two period end dates. To calculate our dollar-based net retention rate at the end of the base year (e.g., April 30, 2023), we first identify customers that were customers at the end of the prior year (e.g., April 30, 2022) and then divide the ARR attributed to those customers at the end of the base year by the ARR attributed to those same customers at the end of the prior year. For the full year periods, we use January 31 as the base year and compare the customer set to customers at the end of the prior year. The quotient obtained from this calculation is the dollar-based net retention rate. For clarity, we do not include customers serviced via our Digital channel in this metric.



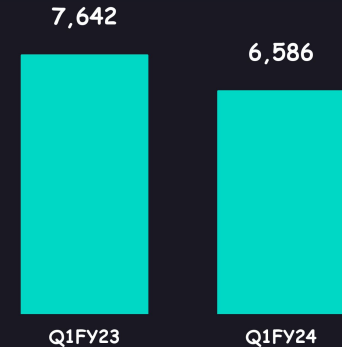
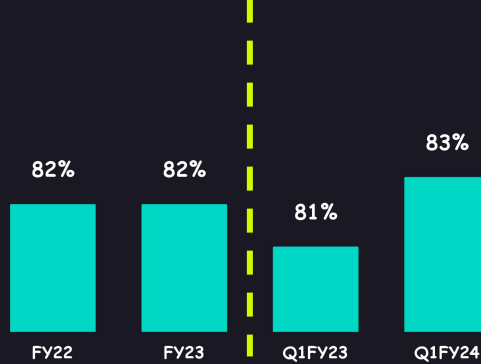
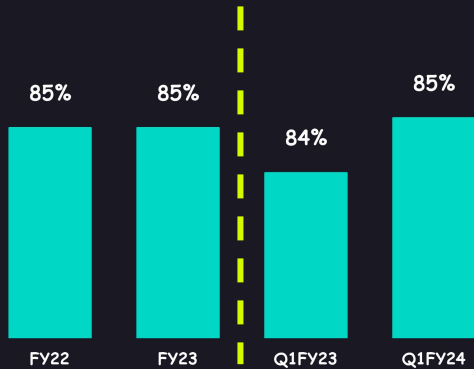
Maintaining leverage while investing in growth

Non-GAAP Gross Margin¹

Headcount²

Subscription Gross Margin

Total Gross Margin



(1) For the fiscal years ended January 31, 2022 and 2023 and the fiscal quarters ended April 30, 2022 and 2023. Margins are as % of revenue.

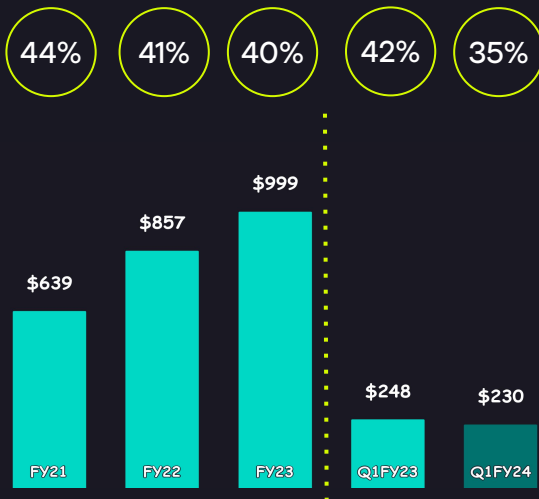
Please see Appendix for GAAP to non-GAAP reconciliation.

(2) As of April 30, 2022 and 2023.

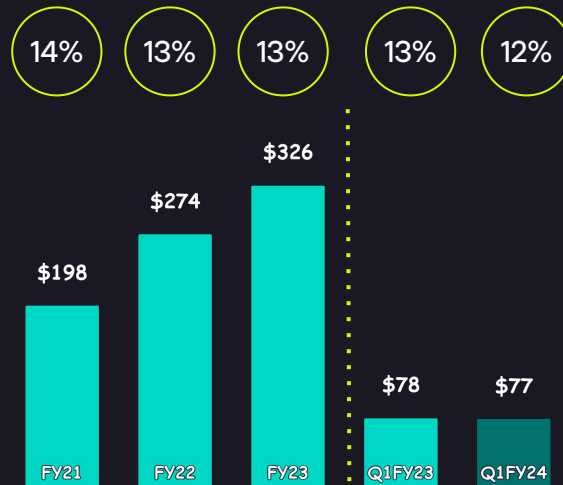


Operating leverage

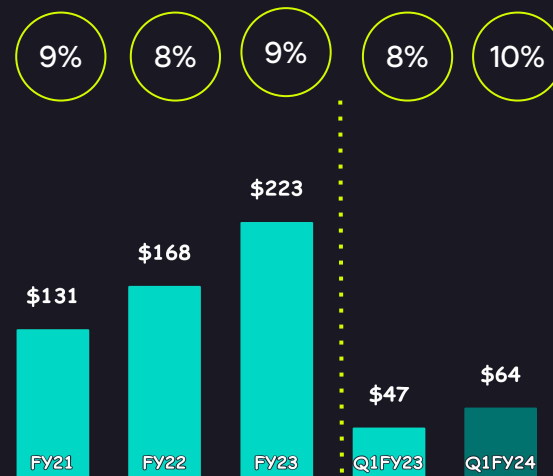
Non-GAAP S&M¹



Non-GAAP R&D¹



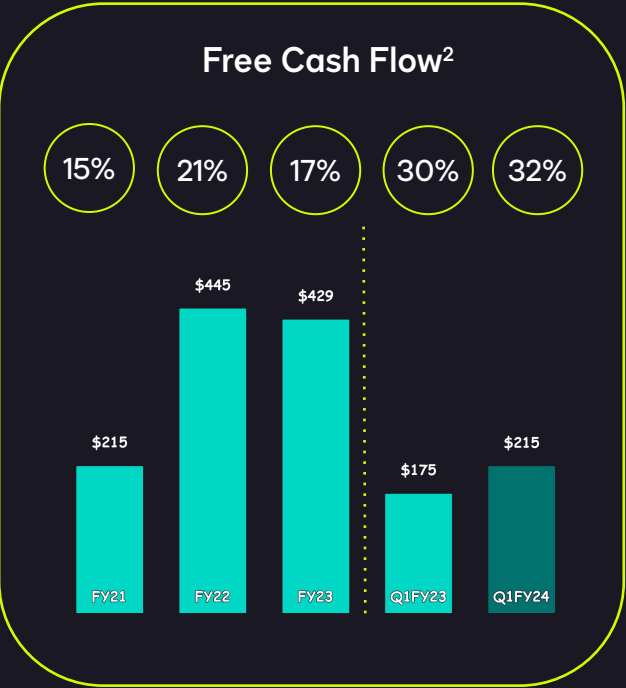
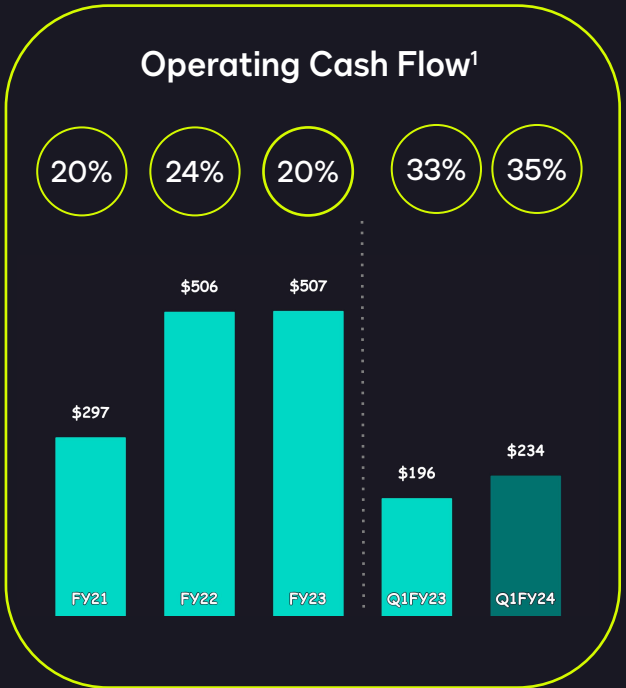
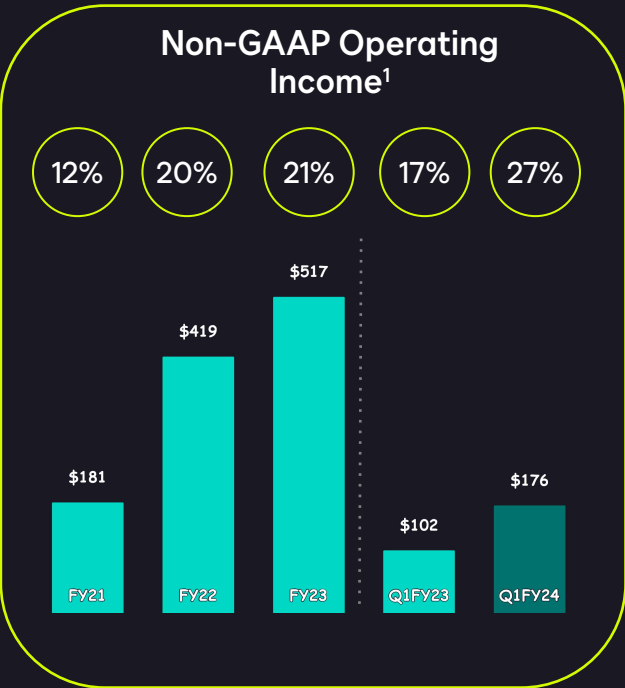
Non-GAAP G&A¹



○ Margin as % of total revenue

(1) For the fiscal years ended January 31, 2021, 2022, and 2023 and the fiscal quarters ended April 30, 2022, and 2023. \$ in millions. Margins are as % of revenue. Please see Appendix slides for non-GAAP reconciliation.

Operating leverage and cash flow



○ Margin as % of total revenue

(1) For the fiscal years ended January 31, 2021, 2022, and 2023 and the fiscal quarters ended April 30, 2022, and 2023. \$ in millions. Margins are as % of revenue.
 (2) FCF calculated as Operating Cash Flow CapEx. Please see Appendix for calculation. Please see Appendix slides for non-GAAP reconciliation.

Q2 FY2024 Guidance

(in millions, except percentages)

Q2 Fiscal 2024

Total revenue	\$675	-	\$679
Subscription revenue	\$658	-	\$662
Billings	\$646	-	\$656
Non-GAAP gross margin	81%	-	82%
Non-GAAP operating margin	24%	-	25%
Non-GAAP diluted weighted-average shares o/s	207	-	212



FY2024 Guidance

(in millions, except percentages)

Fiscal 2024

Total revenue	\$2,713	-	\$2,725
Subscription revenue	\$2,640	-	\$2,652
Billings	\$2,737	-	\$2,757
Non-GAAP gross margin	81%	-	82%
Non-GAAP operating margin	22%	-	24%
Non-GAAP diluted weighted-average shares o/s	207	-	212



Appendix

GAAP to Non-GAAP Gross Profit Reconciliation

Gross Profit (in thousands)

	Quarter Ended April 30,	
	2023	2022
GAAP Gross Profit	524,901	456,276
Add: Stock-based Compensation in Cost of Revenue	18,087	15,695
Add: Amortization of Acquisition-related Intangibles in Cost of Revenue	2,403	2,403
Add: Employer Payroll Tax on Employee Stock Transactions in Cost of Revenue	675	791
Add: Lease-related Impairment and Lease Related Charges	429	—
• Non-GAAP Gross Profit	546,495	475,165
GAAP Gross Margin	79%	78%
Non-GAAP Gross Margin	83%	81%

Subscription Gross Profit (in thousands)

	Quarter Ended April 30,	
	2023	2022
GAAP Subscription Revenue	639,307	569,251
Less: GAAP Subscription Cost of Revenue	108,942	105,159
• GAAP Subscription Gross Profit	530,365	464,092
Add: Stock-based Compensation in Subscription Cost of Revenue	11,357	10,613
Add: Amortization of Acquisition-related Intangibles in Subscription Cost of Revenue	2,403	2,403
Add: Employer Payroll Tax on Employee Stock Transactions in Subscription Cost of Revenue	466	508
Add: Lease-related Impairment and Lease Related Charges	299	—
• Non-GAAP Subscription Gross Profit	544,890	477,616
GAAP Subscription Gross Margin	83%	82%
Non-GAAP Subscription Gross Margin	85%	84%



GAAP to Non-GAAP Operating Gain / (Loss) and Free Cash Flow Reconciliation

Adjusted Operating Gain / (Loss) (in thousands)

	Quarter Ended April 30,	
	2023	2022
GAAP Operating Income (Loss)	(4,651)	(19,226)
Add: Stock-based compensation	139,752	110,723
Add: Amortization of acquisition-related intangibles	5,032	5,608
Add: Employer payroll tax on employee stock transactions	4,184	5,099
Add: Restructuring and other related charges	28,772	—
Add: Lease-related impairment and lease-related charges	2,676	—
• Non-GAAP Operating Income	175,765	102,204
Operating Margin (GAAP)	(1%)	(3%)
Operating Margin (Non-GAAP)	27%	17%

Free Cash Flow (in thousands)

	Quarter Ended April 30,	
	2023	2022
Net Cash Provided by Operating Activities	233,635	196,286
Less: Purchases of Property, Plant, and Equipment	(19,057)	(21,709)
• Non-GAAP Free Cash Flow	214,578	174,577
Free Cash Flow Margin	32%	30%
Net Cash Provided by (Used in) Investing Activities	7,812	(62,514)
Net Cash Provided by (Used in) Financing Activities	(20,904)	1,350



GAAP to Non-GAAP Operating Expenses Reconciliation

Sales & Marketing (in thousands)

	Quarter Ended April 30,	
	2023	2022
GAAP Sales & Marketing	280,605	300,697
Less: Stock-based Compensation in Sales & Marketing	(45,326)	(47,431)
Less: Amortization of Acquisition-related Intangibles in Sales & Marketing	(2,629)	(3,205)
Less: Employer Payroll Tax on Employee Stock Transactions in Sales & Marketing	(1,670)	(2,290)
Less: Lease-related Impairment and Lease Related Charges	(1,356)	—
• Non-GAAP Sales & Marketing	229,624	247,771
Sales & Marketing as % of Revenue (GAAP)	42%	51%
Sales & Marketing as % of Revenue (Non-GAAP)	35%	42%

Research & Development (in thousands)

	Quarter Ended April 30,	
	2023	2022
GAAP Research & Development	115,364	112,227
Less: Stock-based Compensation in Research & Development	(35,997)	(32,205)
Less: Employer Payroll Tax on Employee Stock Transactions in Research & Development	(1,408)	(1,533)
Less: Lease-related Impairment and Lease Related Charges	(492)	—
• Non-GAAP Research & Development	77,467	78,489
Research & Development as % of Revenue (GAAP)	17%	19%
Research & Development as % of Revenue (Non-GAAP)	12%	13%

General & Administrative (in thousands)

	Quarter Ended April 30,	
	2023	2022
GAAP General & Administrative	104,811	62,578
Less: Stock-based Compensation in General & Administrative	(40,342)	(15,392)
Less: Employer Payroll Tax on Employee Stock Transactions in General & Administrative	(431)	(485)
Less: Lease-related Impairment and Lease Related Charges	(399)	—
• Non-GAAP General & Administrative	63,639	46,701
General & Administrative as % of Revenue (GAAP)	16%	11%
General & Administrative as % of Revenue (Non-GAAP)	10%	8%



Computation of Billings

Computation of Billings (in thousands)

	Quarter Ended April 30,	
	2023	2022
Revenue	661,388	588,692
Add: Contract Liabilities and Refund Liability, End of Period	1,210,965	1,074,460
Less: Contract Liabilities and Refund Liability, Beginning of Period	(1,191,269)	(1,049,106)
Add: Contract Assets and Unbilled Accounts Receivable, Beginning of Period	16,615	18,273
Less: Contract Assets and Unbilled Accounts Receivable, End of Period	(22,936)	(18,756)
Billings	674,763	613,563



