



2021 ESG REPORT
**TECHNOLOGY &
SUSTAINABILITY**

A Letter From Our CEO

I am delighted to publish our inaugural ESG report. Those who have worked at or with Pure Storage for any length of time will recognize these benchmarks and commitments as they are drawn directly from the way we have always operated and the values we live by, each and every day. This report is meant to bring visibility to our accomplishments and results, as well as our additional commitments to everyone and not solely to our customers, partners and employees.

With our materiality assessment of our Technology, our Operations and our People, one conclusion clearly stood out: Pure is making a significant and immediate impact in reducing data center carbon emissions worldwide through our environmental sustainability efforts. Pure's products today positively impact our customers' environmental footprint by requiring substantially less power, space, and cooling and by producing less waste than existing solutions and competitive systems.

Pure's vision is to empower innovators to build a better world with data. Our long-standing strategy for achieving that vision is through delivering a simple, evergreen data platform that enables everyone to turn data into intelligence and advantage. We are excited to help our customers use the information presented here to decrease their carbon footprint at the same time that they advance their organization's digital transformation. I am very proud of the impact that Pure has in the global effort to fight climate change, reduce pollution, create a more equitable world and help organizations of all sizes realize their potential through the better use of data.

While I am proud of where we are as a company, we are committed to continuously improving to make an even larger impact. We believe that we will sustain our competitive advantage through steady, focused progress on each of our key ESG initiatives, creating value with minimal harm, and leaving a legacy that's as truly "green" as Pure's signature orange.

I look forward to continuing to work with all our stakeholders to improve in all that we do.

Thank you,



Charles Giancarlo, Chairman & CEO

Here are a few facts from the report that bring clarity and focus to our commitments:

Our Technology

Up to 80% reduction in direct carbon usage versus competitive all-flash systems

Continuing to enhance Pure's built-for-flash software, our proprietary DirectFlash® technology and our Evergreen™ and Pure-as-a-Service™ subscriptions will deliver more reliable products with longer service lifetimes and lower power requirements, improving both financial and environmental sustainability for our customers. In addition, Pure is committing to a 3x reduction in direct carbon usage per petabyte by FY30.

Our Operations

Commitment to 50% intensity reduction in market-based Scope 1 and 2 GHG emissions per employee from FY20 to FY30, and achieve net zero market-based Scope 1 and 2 emissions by FY40.

Our People

95 out of 100 score in Pure's first Human Rights Campaign's 2022 Best Places to Work Corporate Equality Index.

Pure Storage is a diverse and inclusive work environment. Our leadership will measure progress and share best practices using an Inclusive Leadership Index to be launched this year.



About Pure Storage

Pure Storage is a **global leader in data storage and management** with a mission to redefine the storage experience by simplifying how people consume and interact with data, all while focusing on doing the right things to positively impact customers, partners and employees. Through Pure's product portfolio and services, we enable customers to modernize their infrastructure, operations, and applications as they make digital transformation a reality for their organizations.

Pure and its workforce of over **4,000 employees** across **39 countries** strive every day to embody the company's five core values: Customer First, Persistence, Creativity, Teamwork, and Ownership.

To learn more about Pure's operations and business structure, please see our FY21 [Annual Report](#).

Pure's Five Core Values

Customer First



Persistence



Creativity



Teamwork



Ownership



Pure Storage at a Glance



FY22 ANNUAL REVENUE

\$2.18B

29% Y/Y
Growth



CUSTOMERS

10,000+

Global
Customers¹



SATISFACTION

85.2

NPS is Top 1%
of B2B Companies



LEADERSHIP

8 Year
Leader

Gartner Magic
Quadrant



FORTUNE 500
CUSTOMERS

>52%

Of Fortune
500 Companies¹



Q4 FY22 SUBSCRIPTION
ARR EXITING FY22²

\$849M

31% Y/Y
Growth

¹: As of the end of Q4 FY22

²: Subscription ARR is a key business metric that refers to total annualized contract value of all active subscription agreements, including Evergreen, on the last day of the quarter, plus on-demand revenue for the quarter multiplied by four.



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OUR
TECHNOLOGY

2021 ESG REPORT



Sustainable Products and Services

Building sustainable technology infrastructure is necessary to mitigate global warming and the worst impacts of climate change. We are leading the way by designing and building products and delivering services that allow our customers to dramatically decrease their own environmental footprints.

The explosive growth of data and corporate digital transformation has kept IT professionals focused more on keeping up with increasing data storage capacity and controlling costs than on reducing their environmental load. The decades-old data storage product industry responded with storage systems still built on old magnetic disk technologies to deliver this capacity at the sacrifice of inefficient power usage and significant e-waste, among other factors. In contrast, Pure was unburdened by the compromises inherent in legacy platforms, and we were committed to building high efficiencies in all areas of our design from the start.



Carbon Usage

Pure Storage enables businesses and organizations to drive out direct carbon usage in their data storage systems by up to 80% compared to competitive All-Flash systems and even more against magnetic disk.

80%

Drive Out Direct Carbon Usage



Delivering Benefits To Customers

The environmental benefits that Pure delivers through its products and services result from a combination of technology, design philosophy and a ruthless focus on driving the best outcomes for customers.

Our core technologies integrate software and hardware architecture to deliver not just unmatched density, longevity and efficiency, but to continually improve and drive further efficiencies over time. We believe that only through tightly integrated software and hardware can these benefits be created.

Pure is the most sustainable choice in storage and data management because of key technologies that we have developed and design decisions we have implemented:

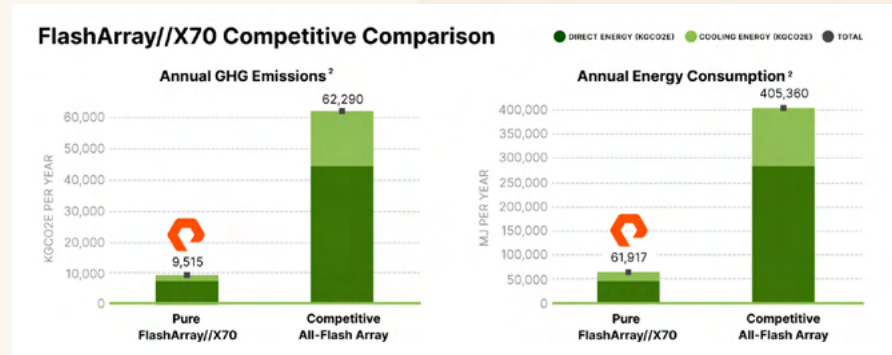
- Pure's **DirectFlash® technology** delivers unparalleled density and efficiency from flash, driving significant energy reductions above what is possible with SSDs
- Pure's **built-for-flash software** combined with DirectFlash technology deliver more reliable products, longer service lifetimes and 3x the industry average SSD reliability, dramatically reducing e-waste.
- Pure's **always-on data-reduction** further enhances storage efficiency, reducing effective energy usage without compromising performance. Because there are none of the performance trade-offs typically associated with competitive storage data reduction capabilities, Pure customers can realize the full efficiency and lower emissions benefits from their storage.
- Pure's ethos of delivering **performance and simplicity** allows customers to consolidate their IT environments, reduce their overall footprint, and drive higher utilization and reuse.
- Pure's unique **Evergreen™ architecture** means that our products do not become obsolete or require wholesale replacement like traditional systems. The architecture allows our arrays to be upgraded non-disruptively, allowing our customers to continuously benefit from the latest hardware and software technology, reducing unnecessary product replacements and associated e-waste.



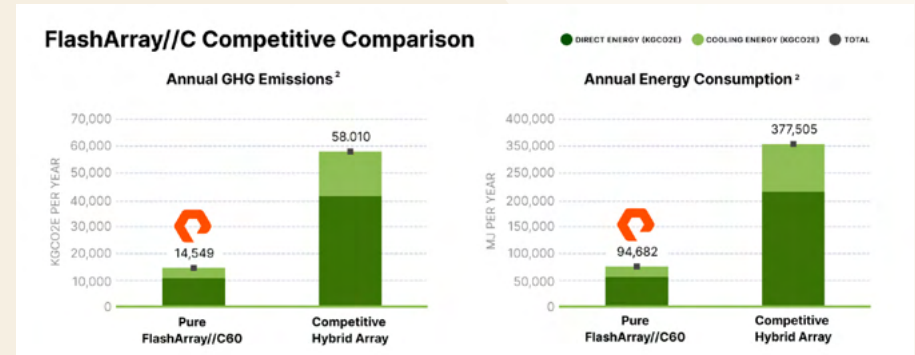
Product Life Cycle Analysis

In 2021, we embarked on our first life cycle assessment (LCA)¹ of our portfolio, specifically the FlashArray™ products. As part of this LCA, Pure engaged an outside environmental consulting firm to assess how the FlashArray//X70 product compares to competitive all-flash arrays, and then expanded the assessment

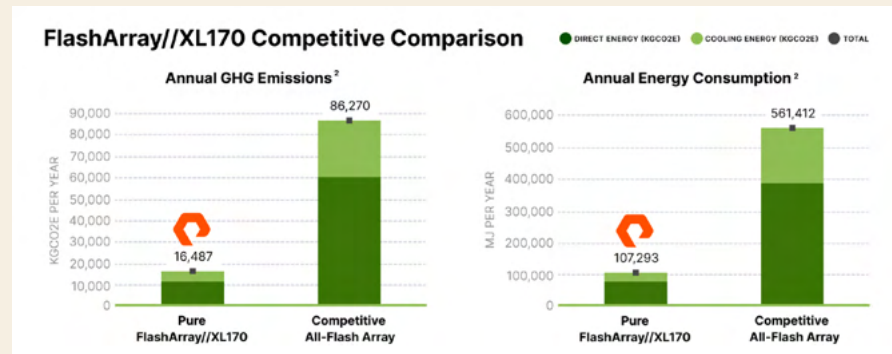
internally using the same methodology across the FlashArray line to include FlashArray//C and FlashArray//XL. In 2022, we plan to expand our analysis to FlashBlade and then the rest of our portfolio.



FlashArray//X70: Reduces GHG emissions and energy consumption by over 84% when compared to a competitive all-flash array.



FlashArray//C60: Reduces GHG emissions and energy consumption by 75% when compared to a competitive hybrid array.



FlashArray//XL170: Reduces GHG emissions and energy consumption by over 80% when compared to a competitive all-flash array.

¹ Further analysis will account for GHG emissions from production, transportation and product end of life and the LCA is undergoing third-party critical review.

² Operating at nominal power



CO2 Saving: Pure vs. the Competition

Competing All-Flash Array generates
62,290 Kg CO₂ per year.

Pure FlashArray//X70 generates
9,515 Kg CO₂ per year.

**The difference is
52,775 Kg CO₂ per year saved.**

As part of our goal to reduce Scope 3 emissions,
Pure is committing to further reducing our sold
products emissions by **66% per petabyte.**

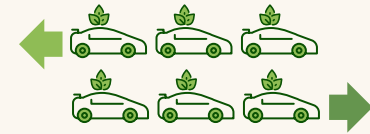
Equivalent CO₂ Savings Per Array¹



MILES DRIVEN

132,634

By An Average
Passenger Vehicle



GALLONS OF GASOLINE

5,938

22,466
Liters



TREE
SEEDLINGS

873

Grown for
10 Years²



PURE
FLASHARRAY//X

84.7%

Savings in CO₂
Per Year

The majority of our customers have more than one array,
creating a multiplier effect in their CO₂ savings

¹ Based on EPA calculator

² To offset these emissions



Evergreen™ Storage Advantage

Building on our significant emissions savings, Pure's Evergreen Storage Architecture extends sustainability further by allowing us to **continually improve technology and seamlessly deliver new software and hardware components** when customers need to upgrade or expand their storage needs—and we deliver this through our Evergreen Subscription service. Simply put, Evergreen leverages Pure's modular, upgradeable architecture and brings many of the benefits of the cloud operating model to an on-premises storage purchase.

Evergreen delivers two key environmental benefits to our customers:

- 1. Reduction of wasted energy:** Through Evergreen non-disruptive upgrades, customers can upgrade in-place vs. the months-to-years-long process typically required to perform a migration, during which time both the old and new arrays are running and consuming energy.
- 2. Reduction of e-waste:** Continual upgrade of array components also eliminates the industry's traditional method of upgrading storage by replacing (and junking) existing whole systems. The longer lifespan of Pure's DirectFlash Modules- which are proprietary to Pure- coupled with our Evergreen Subscription of continuous upgrades, significantly reduces e-waste.



Evergreen Storage Subscription to Innovation

A More Complete Approach to As-a-Service Models

97%

**of Pure arrays
purchased
six years ago are
still in service¹**

Business Optimization

- Continuous Innovation
- Non-disruptive upgrades (NDU)
- Flat and Fair Evergreen Pricing
- Reduced Carbon Footprint
- Array and Workload Optimization
- Predictive and Proactive Support

¹ Based on the Company's internal data.

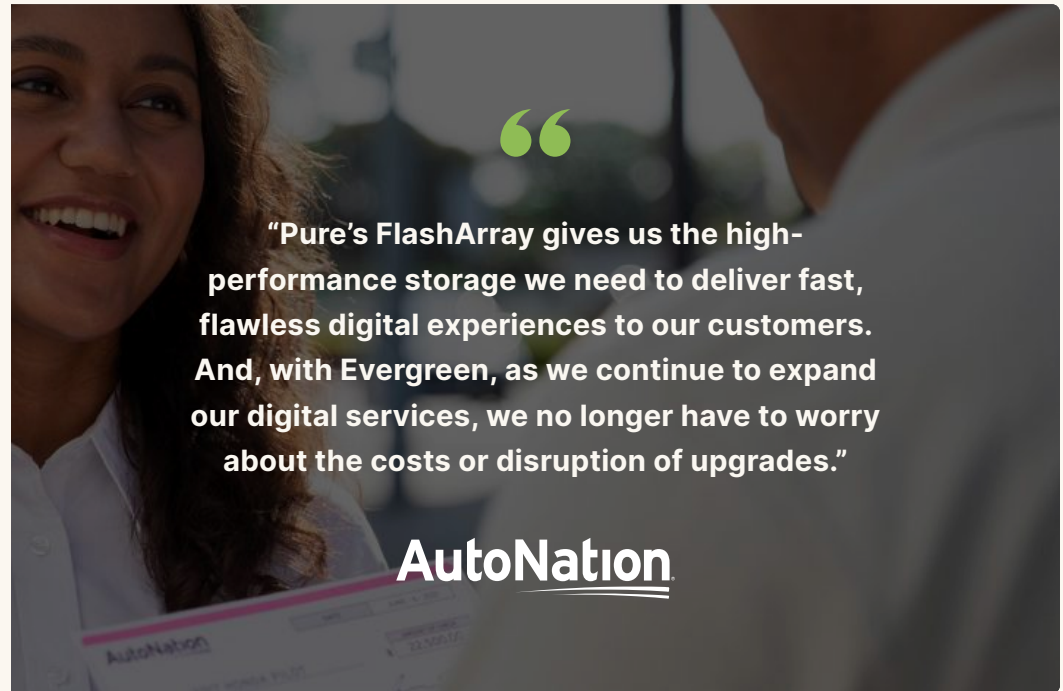


Pure as-a-Service™

Pure as-a-Service™ extends on the Evergreen architecture and subscription to **deliver storage to customers as capacity and performance service-level agreements (SLAs)** in a much more flexible, optimized and efficient manner.

In addition to the benefits of Pure's Evergreen subscription model, Pure as-a-Service enables organizations to:

- 1. Reduce the energy and waste of underutilized equipment:** By flexing up and down only as capacity is needed and right-sizing the equipment necessary to meet each particular SLA, Pure as-a-Service can reduce underutilization. Pure as-a-Service allows us to serve customers with only the resources they need, and to expand as their consumption grows.
- 2. Reuse, modernize and redeploy equipment, further extending service lifetimes:** In some cases, Pure modernizes and repurposes previously used equipment, extending the effective service lifetime of a physical piece of equipment, generating significant waste reduction.



28,000 LBS

By consolidating storage (onto fewer larger media) into existing racks and/or swapping new controllers into the same physical chassis, **an estimated 28,000 lbs of e-waste on average per year is saved**

+50%

Greater controller resource consumption rate for Pure-as-a-Service arrays compared to traditional purchasing models within the first year of service.





Data Protection and Security

Our ability to securely handle and manage data is essential to maintaining trusted relationships with our customers and key stakeholders. We develop products that safeguard data against loss, corruption or security threats.

Pure has designed our products and services to be highly reliable, proactively secure the data stored on them, and allow customers to recover quickly from attacks.

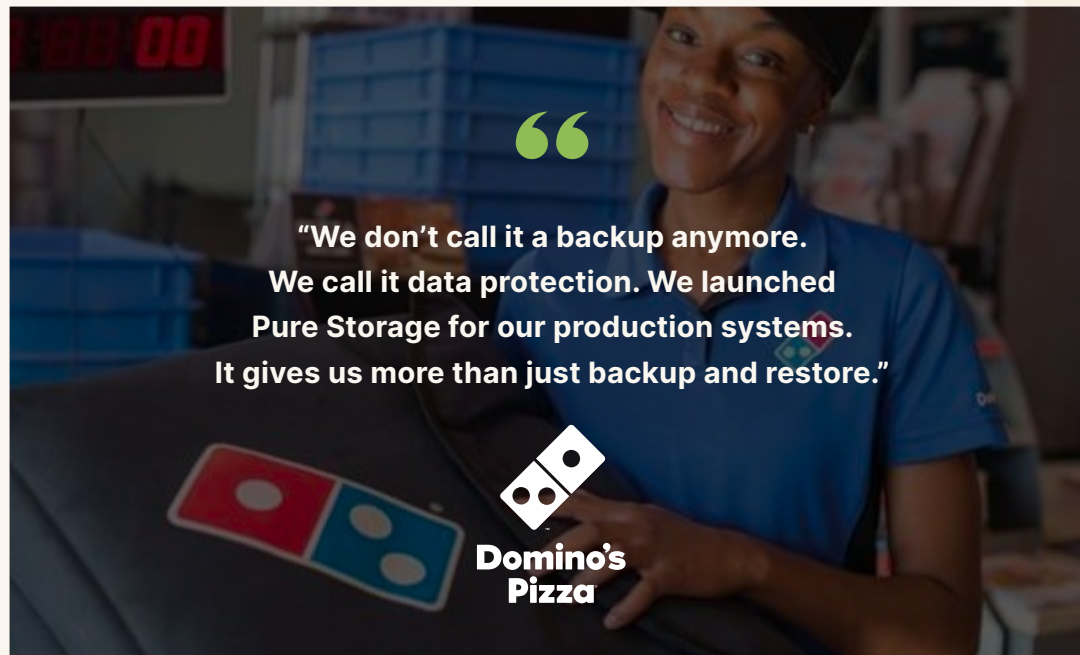
Pure's built-in modern data protection capabilities and solution portfolio addresses the most important aspects of backup and recovery, and eliminates the complexity of keeping data safe:

- Active-active clustering for maximum performance and always-on data accessibility
- Always on data encryption
- Technology to enable reliable high-speed data transfer for fast protected-data recovery from failures or ransomware attacks
- Immutable snapshots to secure data from ransomware
- Predictive analytics to prevent data storage issues before they occur



Cultivating Trust

Responsibility for data security and privacy lies with our **Chief Digital Transformation Officer (CDTO), Chief Information Security Officer (CISO), and our Vice President of Networking & Security Engineering**, who meet regularly with our CEO to discuss our data security program and emerging trends. In addition to executive oversight, Pure runs regular penetration tests and executes regular incident management tabletop exercises on its products and systems, while product teams focus on vulnerability management and security initiatives.



Data Security & Privacy Highlights

- Pure trains **100% of employees every six months** on data security and privacy protocols.
- We just completed our first **SOC 2 audit and certification** and in 2022, we plan to **obtain ISO 27001 certification**, the international standard for information security management, to further bolster our data privacy and security program.
- In 2021, we partnered with **Secure Code Warrior—a security software training company**—to create a gamified training program to provide engineers with additional training on writing high-quality, secure code for our products and services.





Resilient Supply Chain

Pure has long been on the cutting edge of supply chain operations with a robust supply chain strategy that benefits from multi-site, multi-continent operations and manufacturing. The strength of the company's supply chain is differentiated by its unique flexibility, resilience and responsiveness. We work with suppliers globally to build a supply chain that can respond to physical challenges while ensuring ethical treatment of workers and environmentally sound practices.

Additionally, in 2021, Pure's supply chain implemented a series of product packaging redesigns promoting recycle and reuse in order to reduce waste that will not only benefit our customers but also the environment.



"In supply chains, ESG isn't just a buzzword. For Pure, it's a crucial part of driving efficiency while prioritizing the environment. From very early on, we've designed our supply chain to be responsive, diverse and portfolio-based, with a footprint across the globe. This has facilitated our rapid growth and enabled us to handle surges in demand."

MIKE FITZGERALD, VP, OPERATIONS, PURE STORAGE



Supply Chain Commitments

As part of building an ethical supply chain, we plan to release a Purchasing Code of Conduct for all non-manufacturing suppliers in 2022. The Purchasing Code of Conduct will be similar to our Supplier Code of Conduct for manufacturing suppliers. The Supplier Code of Conduct, which is included in our Master Service Agreements, follows the [Responsible Business Alliance](#) (RBA) Code of Conduct.

We are committed to providing products that are free of conflict minerals to our customers.

We exercise due diligence within our supply chain to do our best in ensuring that all gold, tantalum, tin and tungsten metals used in our products are not derived or sourced from mines in conflict areas of the Democratic Republic of Congo or adjoining countries. There are no indications that any products supplied by Pure contain conflict minerals, and we will continue to monitor our supply chain to honor our commitment and applicable laws. More detailed information can be found in our [Policy on Conflict Minerals](#) and our [Statement Against Slavery and Human Trafficking](#).

All of Pure's contract manufacturers abide by the RBA Code of Conduct. We also track ISO certifications of our partners—all our key partners and suppliers have one or more ISO certifications. As Pure expands its ESG work, we look forward to gathering more pertinent information on our supply chain and supply chain partners in 2022 and beyond.



Responsible Business Alliance

Advancing Sustainability Globally

Responsible Business Alliance Covers the Following:

- Labor Standards
- Health and Safety Standards
- Environment Standards
- Ethics Standards





OUR
OPERATIONS

2021 ESG REPORT





Energy and Greenhouse Gas Emissions

In 2021, Pure embarked on quantifying our GHG footprint. Following the Greenhouse Gas Protocol’s accounting methodology, Pure quantified Scope 1, Scope 2 and Scope 3 emissions across our global portfolio and supply chain, including buildings, data centers, managed services, contract manufacturing, transport and distribution, business travel, employee commuting, use of sold products and end of life treatment of sold products. During the GHG inventory process, we considered Pure’s projected growth and identified opportunities for continued improvements in data collection and governance. Pure’s emissions include CO₂, CH₄, N₂O emissions from electricity and fuel consumption and HFC emissions from refrigerant use in buildings.

Following the completion of our first GHG inventory, Pure is proud to commit to the following goals:

50%

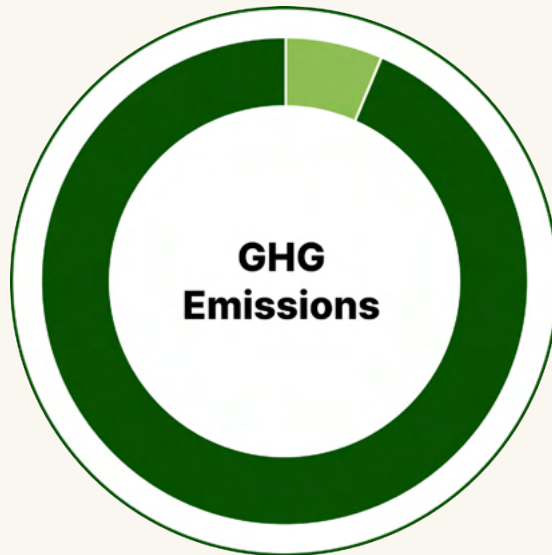
50% intensity reduction in market-based Scope 1 and 2 GHG emissions per employee from FY20 to FY30

0 NET ZERO

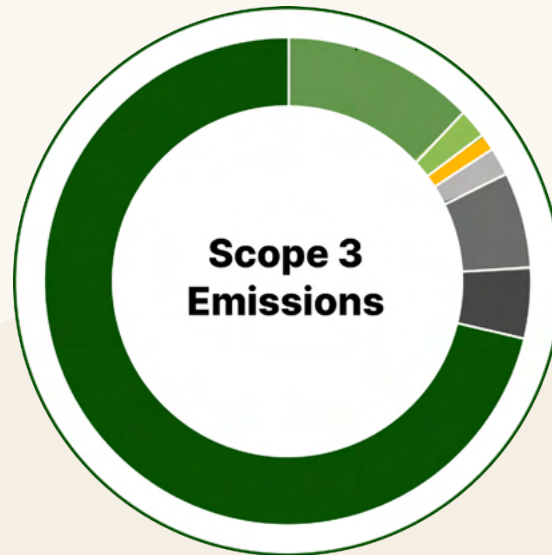
Achieve net zero market-based scope 1 and 2 emissions by FY40



Pure Storage GHG and Scope 3 Emissions in FY20



- SCOPE 1
- SCOPE 2
LOCATION-BASED
- SCOPE 3



- USE OF SOLD PRODUCTS*
- PURCHASED GOODS & SERVICES
- FUEL & ENERGY RELATED ACTIVITIES
- BUSINESS TRAVEL
- CAPITAL GOODS
- UPSTREAM TRANSPORTATION & DISTRIBUTION
- EMPLOYEE COMMUTING
- END OF LIFE TREATMENT OF SOLD PRODUCTS

[View Our GRI Index](#)

[View Our SASB Index](#)

In addition to our GHG footprint analysis, in the last year we implemented several environmental sustainability initiatives.

- **Procuring energy from green suppliers** in over 60% of our data centers (wherever available, even at increased cost), and, as part of our GHG reduction we are focused on a renewable energy procurement strategy to increase our purchase of renewable energy.
- **Partnering with our manufacturers** throughout our supply chain to design lean, efficient processes. Pure utilizes vertical space to lower our footprint without reducing quality.
- **Including sustainability criteria in our site selection process** for all new office space. These criteria include building LEED certification, renewable energy availability, LED lighting, water efficiency infrastructure, efficient floor plan designs, accessible public transportation, office recycling availability and use of sustainable materials.



* For competitive analysis on the benefits of Pure, see "Our Technology".



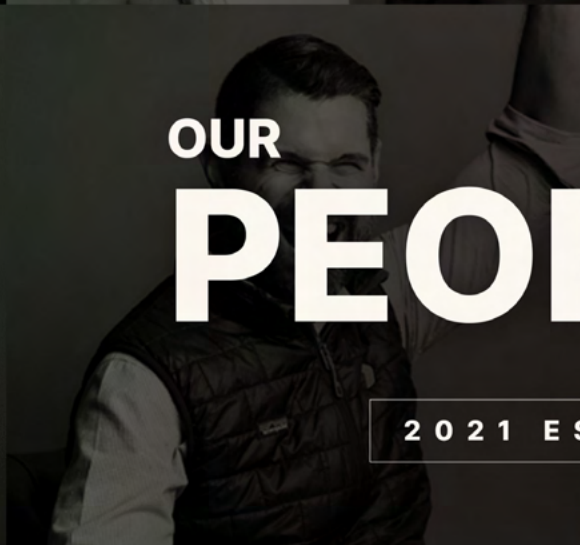
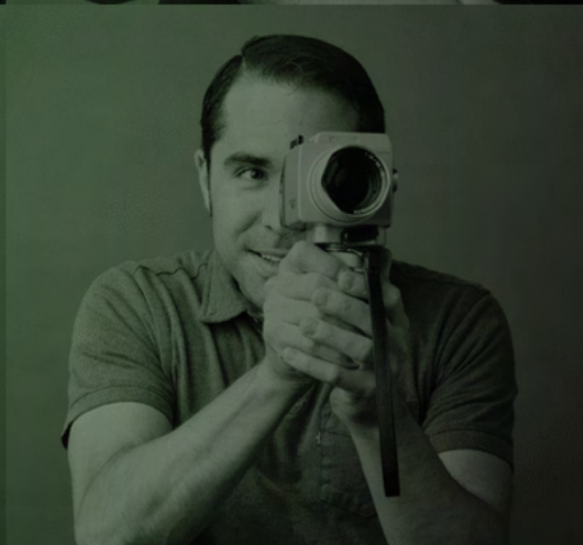
Corporate Governance and Ethics

Ethical business practices are the organizational standards, principles, sets of values and norms that govern the actions and behavior of Pure employees and business partners, including contractors and suppliers. Our management of ethical business practices starts with Pure's focus on and commitment to integrity, honesty and respect for others.

For full details on Pure's corporate governance practices:

[View Our Operations Report](#)





OUR PEOPLE

2021 ESG REPORT



Our continued ability to innovate requires hiring, developing, and retaining best-in-class individuals and teams. Pure focuses on embedding the principles of diversity, equity and inclusion in everything we do. We do not see Diversity, Equity and Inclusion (DEI) as a siloed business function—it is an essential framework to the success of every part of our business.

Becoming a Talent Magnet—Our Talent Strategy:

- Empowering our workforce through Talent Acquisition, Retention and Development programs
- Advancing DEI at Pure
- Promoting health and well-being of our employees
- Providing community service opportunities through the Pure Good Foundation

To learn more, please read our complete report on these programs:

[View Our People Report](#)



About This Report

Pure is publishing this inaugural environmental, social and governance (ESG) report to inform stakeholders of our sustainability progress and ambitions, and commits to reporting our progress annually moving forward.

We see ESG reporting as an important tool through which we evaluate our performance and identify future opportunities for improvement. We created this ESG report through a series of interviews and reviews with subject matter experts and leaders from across the various functions of our business. We aligned this report with the Global Reporting Initiative (GRI) Standards and the Sustainability Accounting Standards Board (SASB) Hardware Industry Standards to adopt best practices and meet stakeholder expectations. This inaugural report covers ESG data, initiatives and activities from February 1, 2019 (FY20) to January 31, 2021 (FY21). Our ESG report is reviewed and approved by our Chairman and CEO, Charles Giancarlo. For more information about our ESG programs or this report, please contact our ESG program at ESG@purestorage.com.

Materiality Assessment

As part of our Pure Purpose ESG strategy, in early 2021, we conducted our first materiality assessment to identify and prioritize our most important ESG topics and impacts. Although we have always been committed to creating the best outcomes for our stakeholders, this assessment enables us to focus our efforts where we will be most impactful.

Conducted by a third-party ESG consultancy, the assessment gathered and synthesized feedback from our top leaders and various key stakeholder groups, including investors, customers and partners. We used this stakeholder feedback to prioritize our most important areas of impact. In addition to prioritizing ESG topics, the assessment provided valuable insight on ESG risks and opportunities, which we used to refine our management practices and align on the future vision and roadmap of our ESG program. At the end of the assessment, we validated our top material ESG topics with our leadership team. These top five material topics form the foundation of our ESG program and report.

- Energy, Emissions and Climate Resilience
- Data Security and Privacy
- Ethical Business Practices
- Talent Acquisition, Retention & Development
- Diversity, Equity & Inclusion





[PureStorage.com](https://www.purestorage.com)