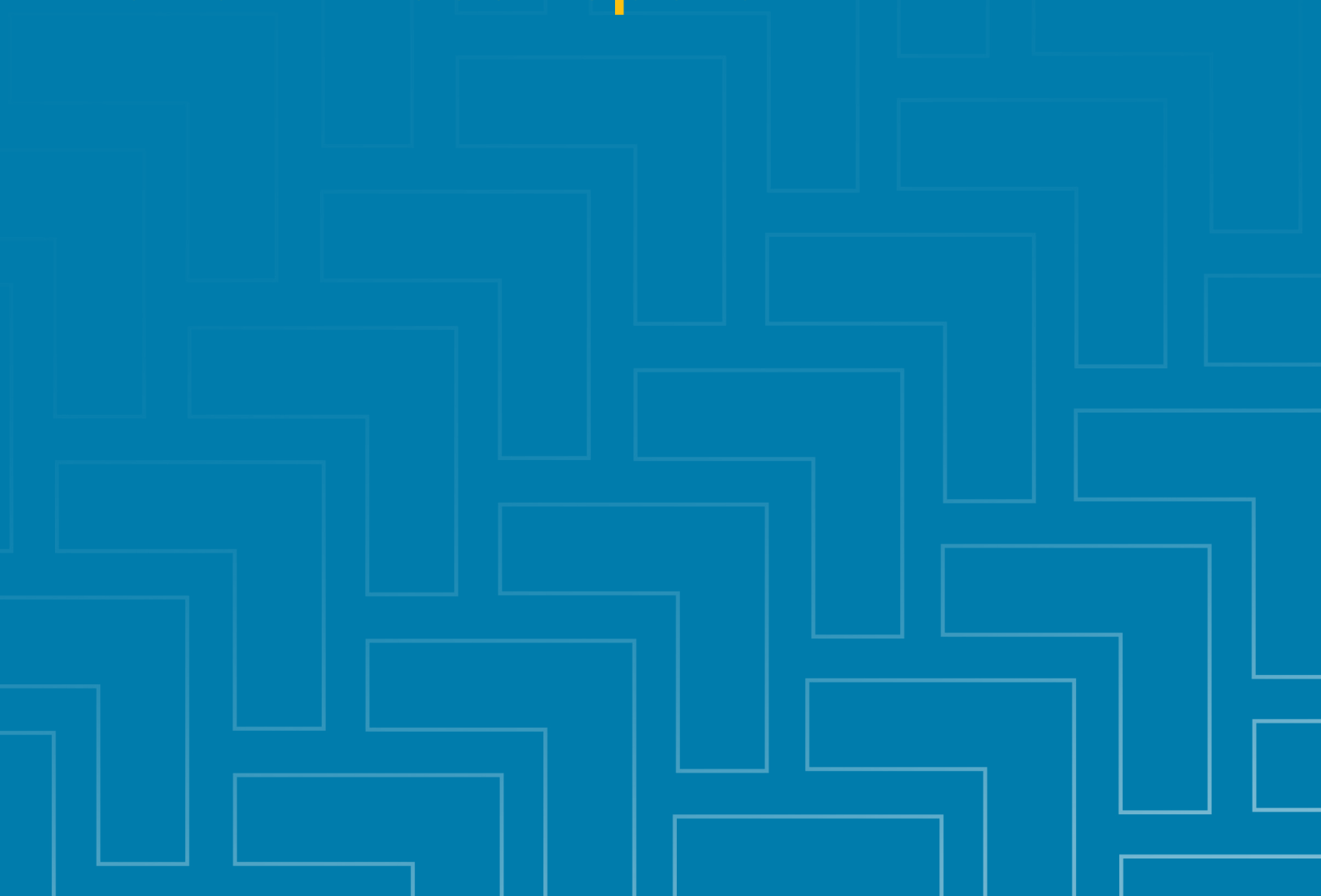



# 2024 Proxy Statement and Annual Report





**Guidewire is the platform P&C insurers trust to engage, innovate, and grow efficiently. With core systems leveraging data and analytics, digital, and artificial intelligence, Guidewire defines cloud platform excellence for P&C insurers.**



Tuesday,  
December 17, 2024



1:30 P.M.  
Pacific Time



Online only via  
live audio webcast

### Your vote is important.

Whether or not you plan to attend the annual meeting, we hope that you will vote as soon as possible. You may vote your shares over the Internet or, if you receive printed proxy materials, you may vote by a toll free telephone number, over the Internet, or by completing, signing, dating, and returning your proxy card or voting instruction card in the envelope provided. Any stockholder attending the annual meeting may vote by Internet during the meeting, even if you have already returned a proxy card or voting instruction card.

## Notice of Annual Meeting of Stockholders

### To Our Stockholders:

You are cordially invited to attend the 2024 annual meeting of stockholders of Guidewire Software, Inc. (the "Company") to be held on Tuesday, December 17, 2024, at 1:30 p.m. Pacific Time. The 2024 annual meeting of stockholders will be held via live audio webcast at [www.virtualshareholdermeeting.com/GWRE2024](http://www.virtualshareholdermeeting.com/GWRE2024).

We are holding the annual meeting for the following purposes:

1. To elect eight directors to serve for one-year terms expiring at the 2025 annual meeting of stockholders;
2. To ratify the appointment of KPMG LLP as our independent registered public accounting firm for the fiscal year ending July 31, 2025;
3. To conduct a non-binding, advisory vote to approve the compensation of our named executive officers;
4. To approve the Guidewire Software, Inc. 2024 Employee Stock Purchase Plan; and
5. To transact such other business as may properly come before the annual meeting or at any and all adjournments, continuations or postponements thereof.

If you owned our common stock at the close of business on October 21, 2024, you may attend and vote at the annual meeting.

On or about November 1, 2024, we expect to mail to our stockholders a Notice of Internet Availability of Proxy Materials containing instructions on how to access our Proxy Statement and 2024 Annual Report on Form 10-K.

Our Proxy Statement and 2024 Annual Report on Form 10-K can also be accessed directly at [www.proxyvote.com](http://www.proxyvote.com) using the 16-digit control number located on your proxy card or in the instructions accompanying your proxy materials.

Thank you for your ongoing support of Guidewire.

Sincerely,



**MIKE ROSENBAUM**

*Chief Executive Officer*

San Mateo, California  
November 1, 2024

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# Proxy Summary

The information provided in this Proxy Summary is for your convenience only and is merely a summary of the information contained in this proxy statement. You should read this entire proxy statement carefully.

## Ways to Vote

**Voting is important. Please find here the many different ways you can submit your vote.**



**By Written Proxy:** Stockholders of record can vote their shares by marking, signing, and timely returning the enclosed proxy card. Beneficial owners must follow the directions provided by their broker, bank, or other nominee in order to direct such broker, bank, or nominee as to how to vote their shares.



**By Telephone and Internet before the annual meeting:** Stockholders of record who received printed proxy materials can vote their shares by telephone at 1-800-690-6903 until 11:59 p.m. Eastern Time on December 16, 2024 or via the Internet at [www.proxyvote.com](http://www.proxyvote.com) 24 hours a day, seven days a week, until 11:59 p.m. Eastern Time on December 16, 2024, in each case by using the 16-digit control number, which is on the proxy card or in the instructions accompanying the proxy materials. Beneficial owners may also vote by telephone or the Internet before the annual meeting by using the 16-digit control number, which is on the proxy card.



**By Internet during the annual meeting:** Stockholders of record may vote by Internet during the annual meeting at [www.virtualshareholdermeeting.com/GWRE2024](http://www.virtualshareholdermeeting.com/GWRE2024).

Beneficial owners may also vote by Internet during the annual meeting at [www.virtualshareholdermeeting.com/GWRE2024](http://www.virtualshareholdermeeting.com/GWRE2024).

Instructions on how to attend and vote during the annual meeting are described at [www.proxyvote.com](http://www.proxyvote.com). Stockholders will need their 16-digit control number which is on the proxy card or in the instructions accompanying the proxy materials in order to vote.

## Voting Recommendations

The following table sets forth the recommendations of our board of directors (“Board”) in respect of each of the proposals to be presented to our stockholders at the annual meeting, as well as the applicable voting requirement for each of such proposals:

Proposal	Board Recommendation	Page Reference
1 Election of directors	<b>FOR</b> Majority of the votes cast	Page 9
2 Ratification of appointment of independent registered public accounting firm	<b>FOR</b> Majority of the shares represented	Page 16
3 Non-binding advisory vote to approve the compensation of the Company's named executive officers	<b>FOR</b> Majority of the shares represented	Page 19
4 Approval of the Guidewire Software, Inc. 2024 Employee Stock Purchase Plan	<b>FOR</b> Majority of the shares represented	Page 20

## Our Board of Directors

Name <sup>(1)</sup>	Age	Director Since	Independent	Committees				
				Audit	Compensation	Nominating and Corporate Governance	Risk	Business Opportunities
<b>Michael C. Keller</b> <i>Chairman</i>	64	2019	✓	■	■	■	■	■
<b>Mike Rosenbaum</b> <i>Chief Executive Officer</i>	53	2019						
<b>Mark V. Anquillare<sup>(2)</sup></b>	58	2024	✓					
<b>David S. Bauer</b>	64	2022	✓	■			■	<b>C</b>
<b>Margaret Dillon</b>	65	2019	✓	■		<b>C</b>		
<b>Paul Lavin</b>	62	2014	✓	■	<b>C</b>	■		■
<b>Catherine P. Lego</b>	68	2019	✓	<b>C</b>		■		■
<b>Rajani Ramanathan</b>	57	2021	✓		■		<b>C</b>	
<b>Marcus S. Ryu<sup>(3)(4)</sup></b> <i>Co-Founder and Former Chairman</i>	51	2001	✓					

Chairperson **C**    Member ■

- (1) The information in this table is as of October 21, 2024.
- (2) Effective September 23, 2024, the Board appointed Mark V. Anquillare as a director. Mr. Anquillare's initial term will run through our 2024 annual meeting of stockholders, subject to his being re-elected at the meeting.
- (3) On June 11, 2024, Mr. Ryu, a current director, notified us that he would not stand for re-election to our Board upon the completion of his current term, which expires at our 2024 annual meeting of stockholders. Mr. Ryu reconsidered this decision in August 2024 and expressed his willingness to continue his Board service. The Board declined.
- (4) Our Board determined at a meeting held on March 14, 2024 that Mr. Ryu is an independent director of the Company, as he has not served as an executive officer of the Company since 2019.

# GUIDEWIRE SOFTWARE, INC.

## Proxy Statement for the 2024 Annual Meeting of Stockholders

### General Information

Our Board is soliciting proxies for our 2024 annual meeting of stockholders to be held on Tuesday, December 17, 2024 at 1:30 p.m. Pacific Time via audio webcast at: [www.virtualshareholdermeeting.com/GWRE2024](http://www.virtualshareholdermeeting.com/GWRE2024).

The Notice of Internet Availability of Proxy Materials containing instructions on how to access our proxy statement for the 2024 annual meeting of stockholders and our Annual Report on Form 10-K for the fiscal year ended July 31, 2024 (the “2024 Annual Report”), which includes our audited consolidated financial statements, is first being mailed on or about November 1, 2024, to stockholders entitled to vote at the annual meeting. We have also made these materials available on our website at [www.guidewire.com](http://www.guidewire.com) under “About/Investor Relations” on or about November 1, 2024.

This proxy statement contains important information for you to consider when deciding how to vote on the matters brought before the 2024 annual meeting of stockholders. Please read it carefully. Unless the context requires otherwise, the words “Guidewire,” “we,” the “Company,” “us,” and “our” refer to Guidewire Software, Inc.

Stockholders may obtain our proxy statement (and any amendments and supplements thereto) and other documents as and when filed by us with the SEC without charge from the SEC’s website at [www.sec.gov](http://www.sec.gov).

## Questions and Answers About the Annual Meeting, the Proxy Materials, and Voting Your Shares

### Why did I receive a Notice of Internet Availability of Proxy Materials instead of a full set of proxy materials?

We have elected to furnish our proxy materials, including our proxy statement for the 2024 annual meeting of stockholders and our 2024 Annual Report, primarily via the Internet. The Notice of Internet Availability of Proxy Materials is being provided in accordance with Securities and Exchange Commission (“SEC”) rules and contains instructions on how to access our proxy materials. Stockholders may request to receive all future proxy materials in printed form by mail or electronically by e-mail by following the instructions contained in the Notice of Internet Availability of Proxy Materials. We encourage stockholders to take advantage of the availability of our proxy materials on the Internet to help reduce the environmental impact and cost of our annual meetings of stockholders.

### What items will be voted on at the annual meeting?

There are four items expected to be voted on at the annual meeting:

1. The election of eight directors to serve for one-year terms expiring at the 2025 annual meeting;
2. The ratification of the appointment of KPMG LLP as our independent registered public accounting firm for the fiscal year ending July 31, 2025;
3. The non-binding, advisory vote to approve the compensation of our named executive officers; and
4. Approval of the Guidewire Software, Inc. 2024 Employee Stock Purchase Plan.

## What are our Board's voting recommendations?

Our Board recommends that you vote your shares "FOR" each of the nominees to the Board, "FOR" the ratification of the appointment of KPMG LLP, "FOR" the approval of the compensation of our named executive officers, and "FOR" the approval of the Guidewire Software, Inc. 2024 Employee Stock Purchase Plan.

## What is a proxy?

Our Board is soliciting your vote at our 2024 annual meeting of stockholders. A proxy is your legal designation of another person to vote the stock you own. That other person is called a proxy. If you designate someone as your proxy in a written document, that document also is called a proxy or a proxy card. You may designate as your proxies Mike Rosenbaum, Jeff Cooper, and Winston King, who have been selected by our Board to serve as proxies for our 2024 annual meeting of stockholders.

## Who can vote at the annual meeting?

The record date for our 2024 annual meeting of stockholders is October 21, 2024. The record date was established by our Board. Stockholders of record at the close of business on the record date are entitled to:

- Receive notice of the annual meeting; and
- Vote by written proxy, Internet or telephone before the annual meeting or by Internet during the annual meeting.

On the record date, 83,519,129 shares of our common stock were outstanding. Each stockholder is entitled to one vote for each share of common stock held on the record date.

## What do I need in order to attend the annual meeting online?

We will be hosting our annual meeting via live webcast only. Any stockholder can attend the annual meeting of stockholders live online at [www.virtualshareholdermeeting.com/GWRE2024](http://www.virtualshareholdermeeting.com/GWRE2024). The webcast will start at 1:30 p.m. Pacific Time on December 17, 2024. Stockholders may vote and ask questions while attending the annual meeting online. In order to be able to attend the annual meeting, you will need the 16-digit control number, which is on your proxy card or in the instructions accompanying your proxy materials. Instructions on how to participate in the annual meeting of stockholders are also posted online at [www.proxyvote.com](http://www.proxyvote.com).

## Why is this annual meeting being held virtually?

We are excited to provide ease of access, real-time communication, and cost savings for our stockholders. We believe that hosting a virtual meeting provides easy access for our stockholders and facilitates participation since stockholders can participate from any location around the world. You will be able to participate in the annual meeting online and submit your questions during the meeting by visiting [www.virtualshareholdermeeting.com/GWRE2024](http://www.virtualshareholdermeeting.com/GWRE2024).

## How can I submit a question at the annual meeting?

If you would like to submit a question during the annual meeting, log into [www.virtualshareholdermeeting.com/GWRE2024](http://www.virtualshareholdermeeting.com/GWRE2024) by using the 16-digit control number, which is on your proxy card or in the instructions accompanying your proxy materials, type your question into the "Ask a Question" field, and click "Submit." Questions pertinent to meeting matters will be read and answered during the meeting, subject to time constraints. The questions and answers will be available as soon as practicable after the annual meeting at [www.virtualshareholdermeeting.com/GWRE2024](http://www.virtualshareholdermeeting.com/GWRE2024) and will remain available for one week after posting.

## What if I have technical difficulties or trouble accessing the annual meeting?

If you encounter any technical difficulties with accessing the audio webcast on the meeting day, please call the technical support number that will be posted on [www.virtualshareholdermeeting.com/GWRE2024](http://www.virtualshareholdermeeting.com/GWRE2024). Technical support will be available starting at 1:00 p.m. Pacific Time, 30 minutes before the meeting start time, on December 17, 2024, and will remain available until the annual meeting has ended.

## Is my vote confidential?

Proxy instructions, ballots, and voting tabulations that identify individual stockholders are handled in a manner that protects your voting privacy. Your vote will not be disclosed either among our employees or to third parties, except: (1) as necessary to meet applicable legal requirements, (2) to allow for the tabulation of votes and certification of the vote, and (3) to facilitate a successful proxy solicitation. Occasionally, stockholders provide written comments on their proxy card, which are then forwarded to our management.



## What is the difference between holding shares as a “stockholder of record” and holding shares as “beneficial owner” (or in “street name”)?

Most stockholders are considered “beneficial owners” of their shares, that is, they hold their shares through a broker, bank, or other nominee rather than directly in their own name. As summarized below, there are some distinctions between shares held of record and those owned beneficially or in “street name.”

**Stockholder of record:** If your shares are registered directly in your name with our transfer agent, you are considered the “stockholder of record” with respect to those shares and we are sending the proxy materials directly to you. As a stockholder of record, you have the right to vote by written proxy, Internet or telephone before the annual meeting or by Internet during the annual meeting.

**Beneficial owner:** If your shares are held in a stock brokerage account or by a bank or other nominee, you are considered the “beneficial owner” of shares held in street name, and these proxy materials are being forwarded to you by your broker, bank, or nominee (who is considered the stockholder of record with respect to those shares). As a beneficial owner, you have the right to direct your broker, bank, or nominee as to how to vote your shares if you follow the instructions you receive from your broker, bank, or nominee. You are also invited to attend the annual meeting. Instructions on how to participate in the annual meeting of stockholders will be included in the materials you receive from your broker, bank, or nominee and are also posted online at [www.proxyvote.com](http://www.proxyvote.com).

## What are the different methods that I can use to vote my shares of common stock?

**By Internet before the annual meeting:** Stockholders of record can vote their shares via the Internet at [www.proxyvote.com](http://www.proxyvote.com) 24 hours a day, seven days a week, until 11:59 p.m. Eastern Time on December 16, 2024, by using the 16-digit control number, which is on the proxy card or in the instructions accompanying the Notice of Internet Availability of Proxy Materials. Beneficial owners may vote by telephone or the Internet if their banks, brokers or nominees make those methods available, by following the instructions provided to them with the proxy materials.

**By written proxy, telephone, or Internet before the annual meeting:** Stockholders of record who received printed proxy materials can vote their shares by marking, signing, and timely returning the enclosed proxy card. Stockholders of record who received printed proxy materials can vote their shares by telephone at 1-800-690-6903 until 11:59 p.m. Eastern Time on December 16, 2024 or via the Internet at [www.proxyvote.com](http://www.proxyvote.com) 24 hours a day, seven days a week, until 11:59 p.m. Eastern Time on December 16, 2024, in each case by using the 16-digit control number, which is on the proxy card or in the instructions accompanying the proxy materials. Beneficial owners must follow the directions provided by their broker, bank, or other nominee in order to direct such broker, bank, or nominee as to how to vote their shares. Beneficial owners may also vote by telephone or the Internet before the annual meeting if their banks, brokers, or nominees make those methods available, by following the instructions provided to them with the proxy materials.

**By Internet during the annual meeting:** Stockholders of record may vote by Internet during the annual meeting at [www.virtualshareholdermeeting.com/GWRE2024](http://www.virtualshareholdermeeting.com/GWRE2024). Instructions on how to attend and vote during the annual meeting are described at [www.proxyvote.com](http://www.proxyvote.com) and stockholders will need their 16-digit control number which is on the proxy card or in the instructions accompanying the proxy materials in order to vote. Beneficial owners may not vote their shares at the annual meeting unless they request and obtain a valid proxy from the bank, broker or other nominee that holds their shares.

## How many shares must be present to hold the annual meeting?

A majority of our outstanding shares as of the record date must be present at the annual meeting of stockholders in order to hold the annual meeting and conduct business. This is called a quorum.

Your shares will be counted for purposes of determining if there is a quorum, whether representing votes for, against, or abstained, or broker non-votes, if you:

- Are present and vote by Internet during the annual meeting; or
- Have voted on the Internet before the annual meeting, by telephone, or by properly submitting a proxy card or voting instruction form by mail.

If there are not enough shares present both by Internet and by timely and properly submitted proxies to constitute a quorum, the annual meeting may be adjourned until such time as a sufficient number of shares are present.

## How are abstentions counted?

Stockholders may choose to abstain or refrain from voting their shares on one or more issues presented for a vote at the annual meeting. However, for purposes of determining the presence of a quorum, abstentions are counted as present. For the purpose of determining whether the stockholders have approved a matter, abstentions will be treated as represented and entitled to vote and, therefore, will have the same effect on the outcome of a matter being voted on at the annual meeting as a vote “AGAINST,” except in the election of directors, where abstentions will have no effect on the outcome.

## What if a stockholder does not provide a proxy, or if a proxy is returned, it does not specify a choice for one or more issues?

Stockholders should specify their choice for each issue to be voted upon at the annual meeting. If no proxy is returned or if a proxy is signed and returned but no specific instructions are given on one or more of the issues to be voted upon at that annual meeting, proxies will be voted in accordance with applicable rules, laws, and regulations as follows:

**Stockholders of Record.** If you are a stockholder of record and you do not return a proxy or attend and vote at the annual meeting, your shares will not be voted at our annual meeting and your shares will not be counted for purposes of determining whether a quorum exists for the annual meeting. If you do return a signed proxy but you fail to specify how your shares should be voted on one or more issues to be voted upon at the annual meeting, then to the extent you did not specify a choice, your shares will be voted: (i) FOR Proposal One for the election of all of the director nominees; (ii) FOR Proposal Two ratifying the selection of KPMG LLP as our independent registered public accounting firm; (iii) FOR Proposal Three approving, on an advisory basis, the compensation of our named executive officers, as disclosed in this proxy statement; and (iv) FOR Proposal Four approving the Guidewire Software, Inc. 2024 Employee Stock Purchase Plan.

**Beneficial Owners.** If you are a beneficial owner and (i) you do not provide your broker or other nominee who holds your shares with voting instructions, (ii) you do not request, obtain, and return a valid proxy from the organization that holds your shares giving you the right to vote the shares at our annual meeting, or (iii) you do provide a voting instruction card or a valid proxy card but you fail to specify your voting instructions on one or more of the issues to be voted upon at our annual meeting, under applicable rules, your broker or other nominee may exercise discretionary authority to vote your shares on routine proposals, but may not vote your shares on non-routine proposals.

The shares that cannot be voted by brokers and other nominees on non-routine matters, but are represented at the annual meeting, will be deemed present at our annual meeting for purposes of determining whether the necessary quorum exists to proceed with the annual meeting, but will not be considered entitled to vote on the non-routine proposals.

We believe that under applicable rules Proposal Two: **Ratification of Appointment of Independent Registered Public Accounting Firm** is considered a routine matter for which brokerage firms may vote shares that are held in the name of brokerage firms and which are not voted by the applicable beneficial owners.

However, we believe that Proposal One: **Election of Directors**, Proposal Three: **Non-binding, advisory vote on compensation of named executive officers** and Proposal Four: **Approval of the Guidewire Software, Inc. 2024 Employee Stock Purchase Plan** are considered non-routine matters under applicable rules. Accordingly, brokers or other nominees cannot vote on these proposals without instructions from beneficial owners.

## How do I change or revoke my proxy?

You may revoke your proxy and change your vote at any time before the final vote at the annual meeting. You may vote again on a later date on the Internet or by telephone (only your latest Internet or telephone proxy submitted prior to the annual meeting will be counted), or by signing and returning a new proxy card with a later date, or by attending the annual meeting and voting by Internet during the meeting. However, your attendance at the annual meeting will not automatically revoke your proxy unless you vote again at the annual meeting or specifically request in writing that your prior proxy be revoked.

## What does it mean if I receive more than one proxy card?

It means that your shares are registered differently or you have multiple accounts. Please vote all of these shares separately to ensure all of the shares you hold are voted.

## What is the voting requirement to approve each of the proposals?

The following table sets forth the voting requirement with respect to each of the proposals:

<p><b>Proposal One</b> Election of directors</p>	<p>Each director must be elected by a majority of the votes cast; meaning that each director must receive more “FOR” votes (among votes properly cast at the annual meeting or by proxy) than “AGAINST” votes. Abstentions and broker non-votes will not affect the outcome of the vote. If the votes cast for any nominee do not exceed the votes cast against the nominee, our Board will consider whether to accept or reject such director’s resignation, which is tendered to our Board pursuant to our amended and restated bylaws and corporate governance guidelines.</p>
<p><b>Proposal Two</b> Ratification of appointment of independent registered public accounting firm</p>	<p>To be approved by our stockholders, a majority of the shares represented at the annual meeting and entitled to vote on the subject matter must vote “FOR” this proposal. Abstentions are considered shares present and entitled to vote on this proposal, and thus, will have the same effect as a vote “AGAINST” this proposal. Broker non-votes are not considered entitled to vote and, thus, will have no effect on the outcome of the vote.</p>
<p><b>Proposal Three</b> Non-binding advisory vote to approve the compensation of the Company’s named executive officers</p>	<p>To be approved by our stockholders, a majority of the shares represented at the annual meeting and entitled to vote on the subject matter must vote “FOR” this proposal. Abstentions are considered shares present and entitled to vote on this proposal, and thus, will have the same effect as a vote “AGAINST” this proposal. Broker non-votes are not considered entitled to vote and, thus, will have no effect on the outcome of the vote.</p>
<p><b>Proposal Four</b> Approval of the Guidewire Software, Inc. 2024 Employee Stock Purchase Plan</p>	<p>To be approved by our stockholders, a majority of the shares represented at the annual meeting and entitled to vote on the subject matter must vote “FOR” this proposal. Abstentions are considered shares present and entitled to vote on this proposal, and thus, will have the same effect as a vote “AGAINST” this proposal. Broker non-votes are not considered entitled to vote and, thus, will have no effect on the outcome of the vote.</p>

## How can stockholders submit a proposal for inclusion in our proxy statement for the 2025 annual meeting?

To be included in our proxy statement for the 2025 annual meeting, stockholder proposals must comply with the requirements of Rule 14a-8 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and be received by our Secretary at our principal executive offices by mail at 970 Park Pl, Suite 200, San Mateo, California 94403 no later than July 4, 2025, which is one hundred twenty (120) calendar days before the one-year anniversary of the date on which we first released this proxy statement to stockholders in connection with this year’s annual meeting.

## How can stockholders submit proposals to be raised at the 2025 annual meeting that will not be included in our proxy statement for the 2025 annual meeting?

To be raised at the 2025 annual meeting, stockholder proposals must comply with our bylaws. Under our bylaws, a stockholder must give advance notice to our Secretary of any business, including nominations of candidates for election as directors to our Board, that the stockholder wishes to raise at our annual meeting. To be timely, the notice must be delivered to or mailed and received by our Secretary at our principal executive offices at 970 Park Pl, Suite 200, San Mateo, California 94403 no later than the close of business on the 90th day, nor earlier than the close of business on the 120th day, prior to the one-year anniversary of the date of this year’s annual meeting. Since our annual meeting is scheduled for December 17, 2024, stockholder proposals must be received by our Secretary by mail at our principal executive offices no earlier than August 19, 2025, and no later than September 18, 2025, in order to be raised at our 2025 annual meeting.

In addition to satisfying the foregoing requirements under our bylaws, to comply with the universal proxy rules, stockholders who intend to solicit proxies in support of director nominees other than our nominees must provide notice that sets forth the information required by Rule 14a-19 under the Exchange Act.

## What if the date of the 2025 annual meeting changes by more than 30 days from the anniversary of this year’s annual meeting?

Under Rule 14a-8 of the Exchange Act, if the date of the 2025 annual meeting changes by more than 30 days from the anniversary of this year’s annual meeting, to be included in our proxy statement, stockholder proposals must be received by us within a reasonable time before our solicitation is made.

Under our bylaws, if the date of the 2025 annual meeting is advanced by more than 30 days or delayed by more than 60 days from the anniversary of this year's annual meeting, stockholder proposals to be brought before the 2025 annual meeting must be received no earlier than the close of business on the 120th day prior to such annual meeting nor later than the close of business on the later of (i) the 90th day prior to such annual meeting or (ii) the 10th day following the day on which public disclosure of the date of the annual meeting was made.

### **Does a stockholder proposal require specific information?**

With respect to a stockholder's nomination of a candidate for our Board, the stockholder notice to the Secretary must contain certain information as set forth in our bylaws about both the nominee and the stockholder making the nomination. With respect to any other business that the stockholder proposes, the stockholder notice must contain a brief description of such business and the reasons for conducting such business at the annual meeting, as well as certain other information as set forth in our bylaws. If you wish to bring a stockholder proposal or nominate a candidate for director, you are advised to review our bylaws, which contain additional requirements about advance notice of stockholder proposals and director nominations. Our current bylaws may be found on our corporate website at [www.guidewire.com](http://www.guidewire.com) under the headings "About/Investor Relations/Corporate Governance."

### **What happens if we receive a stockholder proposal that is not in compliance with the time frames described above?**

If we receive notice of a matter to come before the 2025 annual meeting that is not in accordance with the deadlines described above, we will use our discretion in determining whether or not to bring such matter before such meeting. If such matter is brought before such meeting, then our proxy card for such meeting will confer upon our proxy holders' discretionary authority to vote on such matter.

### **What happens if additional matters are presented at the annual meeting?**

Other than the four items of business described in this proxy statement, we are not aware of any other business to be acted upon at the annual meeting. If you grant a proxy, the persons named as proxy holders, Mike Rosenbaum, Jeff Cooper, and Winston King, or any of them, will have the discretion to vote your shares on any additional matters properly presented for a vote at the annual meeting. If for any reason any of the nominees is not available as a candidate for director, the persons named as proxy holders will vote your proxy for such other candidate or candidates as may be nominated by our Board.

### **Who bears the cost of this solicitation?**

We pay the entire cost of preparing, assembling, printing, mailing, and distributing these proxy materials. In addition, we may reimburse banks, brokers, and other custodians, nominees, and fiduciaries representing beneficial owners of shares for their expenses in forwarding solicitation materials to such beneficial owners. Proxies may be solicited by certain of our directors, officers, and employees, personally or by mail, telephone, facsimile, email, or other means of communication (electronic or otherwise). No additional compensation will be paid for such services.

### **What if only one copy of these proxy materials was delivered to multiple stockholders who share a single address?**

In some cases, only one copy of this proxy statement and the accompanying 2024 Annual Report, or Notice of Internet Availability of Proxy Materials, may be delivered to multiple stockholders sharing an address unless we have received contrary instructions from one or more of the stockholders. We will deliver promptly, upon written or oral request, a separate copy of this proxy statement and the accompanying 2024 Annual Report, or Notice of Internet Availability of Proxy Materials, to a stockholder at a shared address to which a single copy of the document was delivered. To request separate delivery of these materials now or in the future, you may submit a written request to our Secretary at Guidewire Software, Inc., 970 Park Pl, Suite 200, San Mateo, California 94403. Additionally, any stockholders who are presently sharing an address and receiving multiple copies of the proxy statement and the 2024 Annual Report, or Notice of Internet Availability of Proxy Materials, and who would rather receive a single copy of such materials may instruct us accordingly by directing their request to us in the manner provided above.

### **Where can I find the voting results of the annual meeting?**

We will announce preliminary voting results at the annual meeting. We will also disclose voting results on a Form 8-K filed with the SEC within four business days after the annual meeting, which will be available on our website.



## Proposal One

# Election of Directors

In voting on the election of our director nominees, stockholders may vote for or against or abstain from voting on each nominee.

Assuming a quorum is present, each director nominee will be elected only if he or she receives a majority of the votes cast for him or her.

Our bylaws provide that the number of directors that shall constitute the whole board shall be fixed from time to time by resolution of the board of directors or by the stockholders at an annual meeting of the stockholders. Following our 2024 annual meeting, our Board will be composed of eight directors.

**Our Board recommends a vote "FOR" each of the director nominees.**

### Recommendation

Based on the recommendation of the nominating and corporate governance committee (the "NCG Committee"), our Board has nominated **Michael C. Keller, Mike Rosenbaum, Mark V. Anquillare, David S. Bauer, Margaret Dillon, Paul Lavin, Catherine P. Lego, and Rajani Ramanathan** for election, each to serve a one-year term expiring at the 2025 annual meeting, unless such directors resign or their service as directors otherwise ceases in accordance with our amended and restated certificate of incorporation or amended and restated bylaws.

### Vote Required for Approval

The affirmative vote of a majority of all the votes cast at a meeting at which a quorum is present is necessary for the election of a director in an uncontested election, which means that the number of shares voted "FOR" a nominee must exceed the number of shares voted "AGAINST" the nominee. If you do not instruct your broker, bank, or other nominee how to vote with respect to this proposal, your broker, bank, or other nominee may not cast votes on your behalf with respect to this proposal. For purposes of the election of directors, abstentions and broker non-votes, if any, will not be counted as votes cast for or against a nominee's election.

Pursuant to our amended and restated bylaws and corporate governance guidelines, each director nominee has tendered an irrevocable resignation to our Board that will be effective upon (i) the failure of such director to receive a majority of votes cast for his or her election and (ii) the Board's acceptance of such resignation. If such director nominee receives a greater number of votes cast against his or her election than in favor of his or her election, the nominating and corporate governance committee will consider such director's offer to resign and will make a recommendation to the Board on whether to accept or reject the resignation or whether other action should be taken.

**It is the intention of the persons named as proxies herein to vote in favor of the candidates nominated by the Board unless directed otherwise through your proxy voting instructions. If any nominee should not be available for election, the proxies will be voted in the best judgment of the persons authorized as proxies.**

## Director Nominees

Our Board believes that directors who provide a significant breadth of experience, knowledge, and abilities in areas relevant to our business, while also representing a diversity of perspectives, contribute to a well-balanced and effective board. The following tables provide information concerning our director nominees as self-reported during our fiscal year 2024.

Average Director Age	Average Director Tenure			Board Diversity in Gender		Board Diversity in Underrepresented Communities <sup>(10)</sup>		
61 years	5 years			38% (three of eight director nominees self-identified as women)		13% (one of eight director nominees self-identified as a member of an underrepresented community)		
Board Skill	Michael C. Keller	Mike Rosenbaum	Mark V. Anquillare	David S. Bauer	Margaret Dillon	Paul Lavin	Catherine P. Lego	Rajani Ramanathan
Technical and/or business experience in the software industry <sup>(1)</sup>	X	X	X	X				X
Insurance industry <sup>(2)</sup>	X		X		X	X		
Investment <sup>(3)</sup>	X	X	X	X	X	X	X	X
Senior leadership <sup>(4)</sup>	X	X	X	X	X	X		X
Operating \$1+ billion revenue organization <sup>(5)</sup>		X	X					
Public company board experience <sup>(6)</sup>			X		X		X	X
Cybersecurity and infrastructure <sup>(7)</sup>	X	X	X	X				X
Governance, risk, and compliance <sup>(8)</sup>	X	X	X	X	X	X	X	X
Financial <sup>(9)</sup>		X	X		X	X	X	
Years on Board	5	5	0	2	5	11	5	3
Age	64	53	58	64	65	62	68	57
Gender	M	M	M	M	F	M	F	F
Self-identify as member of an underrepresented community <sup>(10)</sup>	N	N	N	N	N	N	N	Y (Asian)
Veteran/Military Service <sup>(11)</sup>	N	Y	N	N	N	N	N	N

(1) Technical and/or business expertise in the software industry, particularly with vertical industry providers.

(2) Insight and experience in the P&C Insurance Industry globally.

(3) Experience creating long-term value through investment, acquisitions, and growth strategies.

(4) C-Level operating experience at a global company.

(5) Experience leading growing, multi-product technology organization at scale.

(6) Experience as a director of another public company.

(7) Insight in cybersecurity risk, technology infrastructure, business prioritization, and customer drivers.

(8) Experience in public company corporate governance, privacy, compliance, policy, activism, and creating long-term sustainable value.

(9) Experience in financial strategy, accounting, and reporting.

(10) The term “underrepresented community,” as used herein, means Black, African American, Hispanic, Latinx, Asian, Pacific Islander, Native American, Native Hawaiian, Alaska Native, Two or More Races, or LGBTQIA+.

(11) The term “Veteran/Military Service,” as used herein, means current full-time active duty with the U.S. Armed Forces, or any past service on active duty in the U.S. Armed Forces, Reserves, or National Guard.



## Michael C. Keller

Age: 64

Director Since: 2019

**Michael C. Keller** has served on our Board since September 2019 and has been the Chairman of our Board since March 2024. Mr. Keller has served as the chairman of the Guidewire Strategic Advisory Council since April 2019, and as our Lead Customer Advocate since March 2020. Mr. Keller also serves as a director of Encova Mutual Insurance Group since August 2020, and as Strategic Advisor to Earnix, a privately held company providing mission-critical composable and cloud-based intelligent solutions across pricing, rating, underwriting, product personalization and telematics, since January 2023. From June 2001 to June 2018, Mr. Keller served as the Executive Vice President and Chief Information Officer at Nationwide Insurance and Financial Services, a mutual insurance and financial services company. From January 1998 to May 2001, Mr. Keller served as Chief Technology Officer at JPMorgan Chase & Co. (Formerly Bank One), a commercial banking and financial services company. Mr. Keller holds the CERT Certificate in Cybersecurity Oversight by CMU Software Engineering Institute and the National Association of Corporate Directors. Mr. Keller is also Directorship Certified® by the National Association of Corporate Directors. Mr. Keller graduated with a B.S. in Mathematics from the University of Michigan.

Our Board believes that Mr. Keller is qualified to serve as a director based on his extensive and broad background in business management, including his experience as chief information officer and chief technology officer of Fortune 500 companies, and his property and casualty insurance industry experience.



## Mike Rosenbaum

Age: 53

Director Since: 2019

**Mike Rosenbaum** is our Chief Executive Officer (“CEO”) and has served on our Board since he became our CEO in August 2019. Prior to joining Guidewire, Mr. Rosenbaum was EVP Product at salesforce.com, inc. (“Salesforce”), with responsibility for vision, strategy, product management, customer success and adoption from January 2016 to July 2019. Since joining Salesforce in 2005, Mr. Rosenbaum held several leadership positions and drove many of Salesforce’s product achievements. Prior to joining Salesforce, Mr. Rosenbaum held various technology and marketing roles at Siebel Systems from 2002 to 2005 and served in the U.S. Navy as a submarine officer from 1994 to 1999. Mr. Rosenbaum holds a B.S. in Systems Engineering from the United States Naval Academy and an M.B.A. from the Haas School of Business at the University of California, Berkeley.

Our Board believes that Mr. Rosenbaum is qualified to serve as a director because of his experience in growing a leading enterprise software company and his leadership abilities, including his experience in leading product development and go-to-market strategy at Salesforce.



## Mark V. Anquillare

Age: 58

Director Since: 2024

**Mark V. Anquillare** has served on our Board since September 2024. Mr. Anquillare was President and Chief Operating Officer of Verisk Analytics, Inc. (Nasdaq: VRSK), an insurance industry data analytics and technology provider, through 2023. Prior to that, Mr. Anquillare served as Verisk's Chief Financial Officer from 2007 to 2016, leading the company through its 2009 initial public offering. Since 2023, Mr. Anquillare has been a member of the board of directors of TruBridge, Inc. (NASDAQ: TBRG), a healthcare solutions company. He currently serves as the chair of its compensation committee and is a member of its audit committee and innovation & technology committee. Mr. Anquillare holds a B.B.A. from the University of Notre Dame and an M.B.A. from Rutgers Business School.

Our Board believes that Mr. Anquillare is qualified to serve as a director based on his extensive and broad background in business management, including his experience in the insurance industry, expertise in data and analytics, and his past service as president, chief operating officer and chief financial officer of Verisk Analytics.



## David S. Bauer

Age: 64

Director Since: 2022

**David S. Bauer** has served on our Board since October 2022. Mr. Bauer currently serves as Managing Partner and Co-Founder at Holding Ground Decision Intelligence LLC, which provides strategic technology assessment and diligence services for investment companies, boards, and executives, a position he has held since January 2020. From November 2014 to January 2020, Mr. Bauer served as Managing Partner at Sand Hill East LLP, and provided early-stage companies with go-to-market, product, security, technology, and operations advisory services. He also previously served as Chief Technology Officer at Asurion, and as Chief Information Security Officer at Morgan Stanley and Merrill Lynch. Mr. Bauer holds a B.A. and M.S. in Computer Science from Rutgers University.

Our Board believes that Mr. Bauer is qualified to serve as a director based on his extensive and broad background in business management, including his experience in software development, expertise in information security and information technology leadership, and his past service as chief information security officer at Morgan Stanley and Merrill Lynch.





## Margaret Dillon

Age: 65

Director Since: 2019

**Margaret Dillon** has served on our Board since September 2019. From December 1993 to September 2017, Ms. Dillon served in various roles at Liberty Mutual Insurance Company, a property and casualty insurer, including as Senior Vice President and Chief Financial Officer, Personal Insurance, and as Executive Vice President and Chief Customer Officer, U.S. Consumer Markets. Ms. Dillon also serves on the boards of Hi Marley, a privately held SaaS company providing an intelligent communication platform for the insurance industry since February 2022, and White Mountains Insurance Group, a publicly held diversified insurance and related financial services holding company since May 2021. Ms. Dillon holds both a B.S. in Computer Science and an M.S. in Finance from Boston College.

Our Board believes that Ms. Dillon is qualified to serve as a director based on her extensive and broad background in business management, including her experience as chief financial officer and chief customer officer of a Fortune 500 company, and her property and casualty insurance industry experience.



## Paul Lavin

Age: 62

Director Since: 2014

**Paul Lavin** has served on our Board since 2014 and was our Lead Independent Director from 2019 to 2024. Mr. Lavin served as the Executive Director of both American Health Holding, Inc. and First Health Network, which are leading health insurance-related companies and subsidiaries of Aetna, from 2008 and 2017, respectively, until 2024. Prior to joining Aetna, Mr. Lavin was a Managing Director at KPMG Consulting/Bearingpoint, where his focus was on financial services, primarily insurance. Mr. Lavin was formerly a Senior Vice President at Prudential, an executive at Alexander & Alexander, a Principal at Mercer Management Consulting, and an auditor at PricewaterhouseCoopers LLP, where he was a CPA. He holds both a B.S. in Economics and an M.B.A. from the University of Pennsylvania's Wharton School of Business.

Our Board believes that Mr. Lavin is qualified to serve as a director based on his executive leadership roles and broad expertise in the industry, including as a systems integrator in the consulting and insurance industries.



## Catherine P. Lego

**Age: 68**

**Director Since: 2019**

**Catherine P. Lego** has served on our Board since September 2019. Ms. Lego also serves on the board of directors of Cirrus Logic, Inc., a publicly traded leader in low-power, high-precision mixed-signal processing solutions for mobile and consumer applications, where she is chair of the nominating and corporate governance committee since 2020 and joined its audit committee in July 2023. From 2009 to 2022, Ms. Lego was a member of the board of directors of Lam Research Corporation, a publicly traded wafer fabrication equipment company, where she was, at various times, the chair of the audit committee (2009-2014), a member of the audit committee (2020-2022), the chair of the compensation committee (2015-2020), and a member of its nominating and governance committee (2014-2022). From July 2016 to May 2021, she served on the board of directors of IPG Photonics Corporation, a publicly traded producer of high-power fiber lasers, where she served as the chair of its compensation committee and as a member of its audit committee. From 2013 to 2016, she served on the board of directors of Fairchild Semiconductor International Inc., a fabricator of power management devices, where she was a member of the compensation committee and nominating and governance committee. From 1989 to 2016, except from 2002-2004, she was a member of the board of directors of SanDisk Corporation, a publicly traded global developer of flash memory storage solutions, where she was the chair of the audit committee. Ms. Lego also served on the board of directors of Cypress Semiconductor Corporation from 2018 through its merger with Infineon Technologies in April 2020, where she was the chair of the audit committee and a member of the nominating and corporate governance committee. From June 1992 to December 2018, Ms. Lego was an angel investor and financial consultant to early stage technology companies via Lego Ventures, LLC, where she served as its principal and owner until December 2018. She previously practiced as a certified public accountant with Coopers & Lybrand (now PricewaterhouseCoopers). Ms. Lego holds a B.A. in Economics and Biology from Williams College and an M.S. in Accounting from the New York University Stern School of Business.

Our Board believes that Ms. Lego is qualified to serve as a director based on her extensive and broad background in finance and business management and her service on the boards of several public companies in the technology sector.



## Rajani Ramanathan

Age: 57

Director Since: 2021

Rajani Ramanathan has served on our Board since June 2021. Ms. Ramanathan currently serves as an advisor and director to several public and private companies in the AI, VR, Blockchain and connected (IoT) technology space. Since October 2021, she has served on the board of Hayden AI, a privately held company that provides smart city solutions and developed the world's first autonomous traffic management platform. Since July 2022, Ms. Ramanathan has served on the board of Faro Technologies, a publicly traded company serving 3D Metrology, AEC (Architecture, Engineering & Construction), O&M (Facilities Operations and Maintenance) and Public Safety Analytics markets, where she served on its talent development and compensation committee until July 2024 and currently serves on its audit committee and the nominating and governance committee. Since May 2023, she has served on the board of Sportradar, a public company that is leading sports technology at the intersection of sports, media and betting, where she serves on their Audit Committee. Since June 2014, Ms. Ramanathan has served as a member of the board of directors of ESI group, a French publicly traded company providing virtual prototyping software solutions and services. From July 2015 to July 2022, she chaired ESI's Technology and Marketing Committee and, since September 2022, she has chaired ESI's Compensation Committee and their Nomination and Governance Committee. From June 2000 to March 2014, Ms. Ramanathan served in a variety of roles at Salesforce, a public cloud software company, and her last position with them was as Chief Operating Officer and Executive Vice President, Technology and Products. Ms. Ramanathan holds a B.A. in Psychology from University of Madras and a postgraduate diploma in Marketing and Sales Management from Rajendra Prasad Institute of Communication and Management.

Our Board believes that Ms. Ramanathan is qualified to serve as a director based on her extensive and broad background in enterprise software operations and business management and her service on the boards of several public companies in the technology sector.



## Proposal Two

# Ratification of Appointment of Independent Registered Public Accounting Firm

**The Board recommends a vote "FOR" the ratification of KPMG as our independent registered public accounting firm for the fiscal year ending July 31, 2025.**

### Recommendation

On the recommendation of the audit committee of our Board (the "Audit Committee"), our Board has appointed KPMG LLP ("KPMG"), independent public accountants, to audit our financial statements for the fiscal year ending July 31, 2025. We are submitting this selection to our stockholders for ratification. Although we are not required to seek stockholder approval for this appointment, we believe it is sound corporate practice to do so. KPMG has served as our auditor since 2006. Representatives from KPMG will attend the annual meeting to respond to any appropriate questions and will have the opportunity to make a statement, if they so desire. If the stockholders do not ratify the appointment of KPMG, the Audit Committee will reconsider the appointment.

In the vote on the ratification of the selection of KPMG as our independent registered public accounting firm, stockholders may:

- Vote in favor of ratification;
- Vote against ratification; or
- Abstain from voting on ratification.

### Vote Required for Approval

Assuming a quorum is present, the selection of KPMG as our independent registered public accounting firm will be ratified if the affirmative vote of a majority of the shares represented and entitled to vote on the matter at the annual meeting is obtained. In the event that the stockholders do not ratify the selection of KPMG, the appointment of the independent registered public accounting firm will be reconsidered by the Audit Committee.

### Auditor Information

The types of services and aggregate fees billed or expected to be billed by KPMG with respect to our fiscal years 2023 and 2024 are as follows:

Description of Services	Fiscal Year Ended July 31,	
	2023 (\$)	2024 (\$)
Audit Fees <sup>(1)</sup>	2,928,006	2,930,724
Audit-Related Fees <sup>(2)</sup>	—	137,700
Tax Fees <sup>(3)</sup>	207,555	256,838
All Other Fees	—	—
<b>Total</b>	<b>3,135,561</b>	<b>3,325,262</b>

(1) Relates to (i) the audit of our annual financial statements and internal controls, (ii) the review of the financial statements included in our quarterly reports, and (iii) statutory audits required by non-U.S. jurisdictions

(2) Relates to services performed outside of the scope of the engagement letter related to financial and tax due diligence assistance services

(3) Relates primarily to research and development credit studies and international tax compliance and consulting services

The Audit Committee considered whether the provision of the foregoing services by KPMG was compatible with maintaining KPMG's independence and determined that they were compatible.

In accordance with its charter, the Audit Committee is required to pre-approve all audit and audit-related services and permitted non-audit services, including the terms of all engagements, to be performed by our independent registered public accounting firm. As part of its review, the Audit Committee considers whether the non-audit services will or may potentially impact our independent registered public accounting firm's independence. During fiscal years 2023 and 2024, all services performed by KPMG for our benefit were pre-approved by the Audit Committee in accordance with its charter and all applicable laws, rules, and regulations.

# Audit Committee Report

*The material in this report shall not be deemed to be (i) "soliciting material," (ii) "filed" with the SEC, (iii) subject to Regulations 14A or 14C of the Exchange Act, or (iv) subject to the liabilities of Section 18 of the Exchange Act. This report shall not be deemed incorporated by reference into any of our other filings under the Exchange Act or the Securities Act of 1933, as amended (the "Securities Act"), except to the extent the Company specifically incorporates it by reference into such filing.*

## Role of the Audit Committee

The Audit Committee operates under a written charter adopted by our Board in connection with the Company's initial public offering, which provides that its functions include the oversight of the quality of the Company's financial reports and other financial information and its compliance with legal and regulatory requirements; the appointment, compensation, and oversight of the Company's independent registered public accounting firm including reviewing their independence; reviewing and approving the planned scope of the Company's annual audit; reviewing and pre-approving any non-audit services that may be performed by the Company's independent registered public accounting firm; reviewing with management and the Company's independent registered public accounting firm the adequacy of internal financial controls; and reviewing the Company's critical accounting policies and estimates and the application of U.S. generally accepted accounting principles ("GAAP"). The Audit Committee held eight meetings during fiscal year 2024.

The Audit Committee oversees the Company's financial reporting process on behalf of the Board. Management is responsible for the Company's internal controls, financial reporting process, and compliance with laws and regulations and ethical business standards. The Company's independent registered public accounting firm is responsible for performing an independent audit of the Company's consolidated financial statements and an independent audit of the Company's internal control over financial reporting, both in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"). The Audit Committee's responsibility is to monitor and oversee this process.

## Review of Audited Financial Statements for Fiscal Year Ended July 31, 2024

The Audit Committee reviewed and discussed the Company's audited financial statements for the fiscal year ended July 31, 2024 with management. The Audit Committee discussed with KPMG the matters required to be discussed under the PCAOB standards.

The Audit Committee received the written disclosures and the letter from KPMG required by PCAOB Standards regarding KPMG's communications with the Audit Committee concerning independence (Communication with Audit Committees Concerning Independence) and the Audit Committee has discussed with KPMG its independence from the Company and its management.

The Company's management has established and the Audit Committee has reviewed and approved procedures for the receipt, retention, and treatment of complaints received by the Company regarding accounting, internal accounting controls, or auditing matters, including the confidential, anonymous submission by the Company's employees, received through established procedures, of concerns regarding questionable accounting or auditing matters.

Based on the Audit Committee's review and discussions with management and KPMG, the Audit Committee recommended to our Board that the Company's audited consolidated financial statements be included in the 2024 Annual Report for filing with the SEC.

Members of the Audit Committee rely without independent verification on the information provided to them and on the representations made by management and the independent registered public accounting firm. Accordingly, Audit Committee oversight does not provide an independent basis to determine that management has maintained appropriate accounting and financial reporting principles or appropriate internal controls and procedures designed to assure compliance with accounting standards and applicable laws and regulations. Furthermore, the Audit Committee's considerations and discussions referred to above do not assure that the audit of the Company's financial statements has been carried out in accordance with the standards of the PCAOB, that the consolidated financial statements are presented in accordance with U.S. generally accepted accounting principles or that KPMG is in fact "independent."

## THE AUDIT COMMITTEE

**Catherine P. Lego (Chair)**

**Margaret Dillon**

**Paul Lavin**



## Proposal Three

# Advisory Vote on Compensation of Named Executive Officers

Section 14A of the Exchange Act generally requires each public company to include in its proxy statement a separate resolution subject to a non-binding, advisory stockholder vote to approve the compensation of the company's named executive officers, as disclosed in its proxy statement pursuant to Item 402 of Regulation S-K, not less frequently than once every three years. This is commonly known as, and is referred to herein as, a "say-on-pay" proposal or resolution.

**The Board recommends a vote "FOR" the approval of the compensation of our named executive officers, as disclosed in the proxy.**

As described in detail under the heading "Compensation Discussion and Analysis," our executive compensation programs are designed to attract, retain, and motivate our named executive officers, who are critical to our success. Under these programs, our named executive officers are rewarded for the achievement of specific annual, long-term, and strategic goals, and the realization of increased stockholder value. Please refer to the "Compensation Discussion and Analysis" in our proxy statement for additional details about our executive compensation programs, including information about the compensation of our named executive officers for the fiscal year ended July 31, 2024.

The compensation committee of the Board (the "Compensation Committee") annually reviews the compensation programs for our named executive officers to ensure that they achieve the desired goals of aligning our executive compensation structure with our stockholders' interests.

The say-on-pay proposal is advisory, and therefore will not have any binding legal effect on the Company, our Board, or the Compensation Committee. However, our Board and the Compensation Committee do value the opinions of our stockholders and intend to take the results of the vote on this proposal into account in its future decisions regarding the compensation of our named executive officers.

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## Recommendation

We are asking our stockholders to indicate their support for our named executive officers' compensation as described in this proxy statement. This say-on-pay proposal gives our stockholders the opportunity to express their views on our named executive officers' compensation. This vote is not limited to any specific item of compensation, but rather addresses the overall compensation of our named executive officers and our philosophy, policies, and practices relating to their compensation as described in this proxy statement pursuant to Item 402 of Regulation S-K. The following say-on-pay resolution is submitted for a stockholder vote at the annual meeting:

**"RESOLVED**, that the compensation paid to the Company's named executive officers, as disclosed pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, compensation tables and narrative discussion, is hereby **APPROVED**."

## Vote Required for Approval

The advisory approval of our executive compensation requires the approval of a majority of the shares present or represented by proxy and entitled to vote on the proposal at the annual meeting.



## Proposal Four

# Approval of the Guidewire Software, Inc. 2024 Employee Stock Purchase Plan

The Board recommends a vote “FOR” the Guidewire Software, Inc. 2024 Employee Stock Purchase Plan.

On September 12, 2024, on the recommendation of the Compensation Committee, our Board adopted the Guidewire Software, Inc. 2024 Employee Stock Purchase Plan (the “ESPP”), subject to the approval of the stockholders of the Company. The ESPP is a broad-based plan that provides an opportunity for certain eligible employees of the Company and its designated subsidiaries and affiliates to purchase shares of common stock of the Company through voluntary periodic payroll deductions at a discount from the then-current market price. If approved by the Company’s stockholders, a total of 3,000,000 shares will be made available for purchase under the ESPP. A copy of the ESPP is attached as Appendix B to this proxy statement and is incorporated herein by reference.

Our Board believes that the ESPP is an integral part of our compensation program for our eligible employees. The ESPP allows our eligible employees to acquire an ownership interest in the Company and is intended to motivate them to contribute to the growth and profitability of the Company. The ESPP will allow us to provide this important broad-based benefit to our employees.

We are asking you to approve the ESPP to enable the Company to offer a current market-competitive, broad-based stock purchase plan to eligible employees of the Company and its subsidiaries and affiliates on a global basis. If this proposal is approved, the ESPP will become effective following the approval of our stockholders at the annual meeting. If this proposal is not approved by our stockholders, the ESPP will not become effective and we will not be able to provide eligible employees with an opportunity to purchase our shares of common stock at a discount. We believe our ability to recruit, retain and incentivize top talent may be adversely affected if the proposal is not approved.

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## Summary of the ESPP

The following description of certain principal features of the ESPP is intended to be a summary only. The summary is qualified in its entirety by the full text of the ESPP, which is attached hereto as Appendix B.

**Administration.** The ESPP is to be administered by the Compensation Committee, or, subject to applicable laws, a subcommittee of the Compensation Committee or one or more of the Company’s officers or management team appointed by our Board (the “Administrator”). The Administrator will have the sole discretion to establish the terms and conditions of the ESPP, to interpret the ESPP and to make all decisions related to the operation of the ESPP, each in accordance with the terms of the ESPP, provided that, subject to applicable laws, any authority exercisable by the Administrator may also be exercised by the Board.

**Purpose.** The purpose of the ESPP is to provide an opportunity for certain eligible employees of the Company and any subsidiary or affiliate designated by the Administrator to purchase shares of common stock of the Company at a discount through payroll deductions or other approved contributions. We believe that the ESPP will be important in helping to attract and retain employees. Purchase rights granted under the ESPP may be granted under one of two components. One component permits the grant of purchase rights that may qualify for specific federal income tax treatment under Section 423 of the Internal Revenue Code of 1986, as amended (the “Code,” and such component, the “423 Component”). The other component permits the grant of purchase rights that do not qualify for such federal income tax treatment (the “Non-423 Component”).



**Eligibility.** Generally, any individual who is treated as an employee in the records of the Company or certain designated subsidiaries and affiliates may participate in the ESPP. Exclusions may apply to employees working 20 hours or less per week, employees working less than five months per year, officers subject to Section 16(a) of the Exchange Act, and others as determined by the Administrator, in a manner consistent with Section 423 of the Code for offerings under the 423 Component. Employees holding or who, following a grant of purchase rights, would hold, stock and/or options to purchase 5% or more of the Company's voting stock are also ineligible.

As of October 21, 2024, the record date, approximately 3,420 employees were eligible to participate in the ESPP if the subsidiaries or affiliates for whom such employees work were designated by the Administrator as participating subsidiaries or affiliates under the ESPP. We envision that senior executives, including our executive officers, will not be eligible to participate in the ESPP.

**Shares Subject to the ESPP.** Assuming the ESPP is approved by our stockholders at the annual meeting, there will be 3,000,000 shares of common stock available for issuance under the ESPP. Based on information available to us as of October 21, 2024, the total number of shares available for purchase under the ESPP should provide sufficient shares to meet expected purchases under the ESPP over the next approximately 10 years, depending on the Company's share price and enrollment in the ESPP.

**Offering Periods.** An "offering" under the ESPP refers to an offer of purchase rights that may be exercised during an offering period, the duration of which will generally be a six-month period beginning on January 6 or July 6 of each calendar year during which purchase rights are granted to participants, with exercise date occurring on the last trading day of a purchase period. The Administrator has discretion to determine in advance of an offering a different duration and/or timing for an offering period. Notwithstanding the foregoing, in no event may an offering period exceed 27 months. The Administrator may designate separate offerings under the ESPP, the terms of which may differ.

**Non-transferability.** Contributions credited to a participant's account and purchase rights may not be assigned, transferred, pledged or otherwise disposed of in any way (other than by will, the laws of descent and distribution) by a participant.

**Purchase of Shares.** Generally, to participate in the ESPP, an eligible employee must elect to contribute 1% to 15% of his or her eligible compensation during each offering period. Contributions are credited to the employee's account and deposited with Company funds unless laws require otherwise. The election remains in effect for successive periods unless changed. No participant is permitted to purchase shares under the ESPP at a rate in excess of \$25,000 (based on the fair market value per share of the Company's common stock at the beginning of an offering period) for each calendar year a purchase right is outstanding. Additionally, a participant may not purchase more than 1,000 shares of common stock on any exercise date.

**Purchase Price.** Unless otherwise determined by the Administrator, the purchase price per share under the ESPP will be equal to 85% of the lesser of the closing sales price of the stock on the applicable (a) offering date or (b) exercise date, rounded up to the nearest cent, or another price set by the Administrator in advance of an offering. If the relevant date is not a trading day, the price will be based on the last trading day before that date, unless otherwise decided by the Administrator.

As of October 21, 2024, the record date, the closing price of our common stock as reported on the NYSE was \$189.04.

**Non-US Sub-Plans.** The Administrator has the authority to adopt such sub-plans as are necessary or appropriate to permit participation in the ESPP by employees who are non-U.S. nationals or employed outside the United States. Such sub-plans may vary the terms of the ESPP, other than with respect to the number of shares reserved for issuance under the ESPP, to accommodate the requirements of local laws and procedures for non-U.S. jurisdictions.

**Withdrawal and Termination of Employment.** A participant may withdraw from participation in the ESPP by submitting a notice of withdrawal in the form determined by the Administrator. The notice must be submitted up to ten days prior to the exercise date to take effect for the respective purchase period, or by such date as determined by the Administrator. Upon a participant's ceasing to be an eligible employee for any reason or, unless otherwise determined by the Administrator, upon the participant's transfer of employment between ESPP participating companies, the participant will be deemed to have elected to withdraw from the ESPP. Upon a participant's withdrawal or deemed withdrawal from the ESPP, the participant's contributions credited but not yet used to purchase shares will be returned to the participant as soon as administratively practicable without interest (unless otherwise required by applicable laws), and the participant's purchase right will be automatically terminated.

**Changes in Capitalization.** In the event of a change to the Company's capital structure, such as a merger, consolidation, reorganization, reincorporation, stock split, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, liquidating dividend, combination of shares, exchange of shares, reverse stock split, recapitalization, change in corporate structure, or similar change, the Administrator will adjust the number and class of shares reserved under the ESPP, the purchase price per share, and the number and class of shares covered by each outstanding purchase right to prevent any dilution or enlargement of benefits intended under the ESPP.

**Change in Control.** In the event of a change in control as defined in the ESPP, each outstanding purchase right will be assumed or substituted with an equivalent right by the successor company or its parent or subsidiary. If the successor company refuses to assume or substitute the rights, or is not publicly traded, the offering period will be shortened, with a new exercise date set before the change in control date, ending the offering period.

**Dissolution or Liquidation.** In the event of the proposed dissolution or liquidation of the Company, any offering period then in progress will be shortened by setting a new exercise date, and will terminate immediately prior to the consummation of such proposed dissolution or liquidation, unless provided otherwise by the Administrator.

**Amendment or Termination of ESPP.** The Administrator may amend, suspend, or terminate the ESPP at any time. If terminated, offering periods may end immediately or on the next exercise date, as determined by the Administrator. Contributions not used for purchases will be refunded to participants without interest, except as required by applicable laws.

### Summary of U.S. Federal Income Tax Consequences

The following summary briefly describes the general U.S. federal income tax consequences of participation in the ESPP for participants who are tax residents in the United States, current as of October 21, 2024, but is not a detailed or complete description of all U.S. federal tax laws or regulations that may apply, and does not address any local, state or other country laws. Therefore, no one should rely on this summary for individual tax compliance, planning or decisions. Participants in the ESPP should consult their own professional tax advisors regarding the taxation of purchase rights under the ESPP. The discussion below concerning tax deductions that may become available to the Company under U.S. federal tax law is not intended to imply that the Company will necessarily obtain a tax benefit or asset from those deductions. Taxation of equity-based payments in countries other than the United States does not generally correspond to U.S. federal tax laws, and is not covered by the summary below.

**423 Component.** Rights to purchase shares granted under the 423 Component of the ESPP are intended to qualify for favorable federal income tax treatment available to purchase rights granted under an employee stock purchase plan which qualifies under the provisions of Section 423(b) of the Code. Under these provisions, no income will be taxable to a participant until the shares purchased under the ESPP are sold or otherwise disposed of. If the shares are disposed of within two years from the purchase right offering date (i.e., the beginning of the offering period) or within one year from the purchase of shares on the exercise date, a transaction referred to as a "disqualifying disposition," the participant will realize ordinary income in the year of such disposition equal to the difference between the fair market value of the shares on the exercise date and the purchase price. The amount of such ordinary income will be added to the participant's basis in the shares, and any additional gain or resulting loss recognized on the disposition of the shares after such basis adjustment will be a capital gain or loss. A capital gain or loss will be long-term if the participant holds the shares for more than one year after the exercise date.

If the shares purchased under the ESPP are sold (or otherwise disposed of) more than two years after the purchase right offering date and more than one year after the shares are transferred to the participant, then the lesser of (i) the excess of the sale price of the shares at the time of disposition over the purchase price, and (ii) the excess of the fair market value of the shares as of the purchase right offering date over the purchase price (determined as of the first day of the offering period) will be treated as ordinary income. If the sale price is less than the purchase price, no ordinary income will be reported. The amount of any such ordinary income will be added to the participant's basis in the shares, and any additional gain or resulting loss recognized on the disposition of the shares after such basis adjustment will be long-term capital gain or loss.

The Company (or applicable subsidiary or affiliate) generally will be entitled to a deduction in the year of a disqualifying disposition equal to the amount of ordinary income realized by the participant as a result of such disposition, subject to the satisfaction of any tax reporting obligations. In other cases, no deduction is allowed.

**Non-423 Component.** If the purchase right is granted under the Non-423 Component of the ESPP, then the amount equal to the difference between the fair market value of the shares on the exercise date and the purchase price will be treated as ordinary income at the time of such purchase. In such instances, the amount of such ordinary income will be added to the participant's basis in the shares, and any additional gain or resulting loss recognized on the disposition of the shares after such basis adjustment will be a capital gain or loss. A capital gain or loss will be long-term if the participant holds the shares for more than one year after the exercise date.

The Company (or applicable subsidiary or affiliate) generally will be entitled to a deduction in the year of purchase equal to the amount of ordinary income realized by the participant as a result of such disposition, subject to the satisfaction of any tax-reporting obligations. For U.S. participants, taxes under the Federal Insurance Contributions Act (FICA) and the Federal Unemployment Tax Act (FUTA) will generally be due in relation to ordinary income earned as a result of participation in an offering under the Non-423 Component of the ESPP.

### **New Plan Benefits**

Benefits to be received under the ESPP are not determinable because they depend on discretionary participant elections whether and to what extent to participate in the ESPP. As of the date of this proxy statement, no officer or employee has been granted any purchase rights under the ESPP.

### **Recommendation**

Our Board has determined that it is in the best interests of the Company and our stockholders to adopt the ESPP. Therefore, our Board has approved the ESPP and recommends that our stockholders vote "FOR" the approval of the ESPP.

### **Vote Required for Approval**

The affirmative vote of a majority of shares represented and entitled to vote at the annual meeting is required for the approval of the ESPP.

# Information About the Board and Corporate Governance

Our Board, which is elected by our stockholders, is responsible for directing and overseeing our business and affairs. In carrying out its responsibilities, the Board selects and monitors our top management, provides oversight of our financial reporting processes, and determines and implements our corporate governance policies.

Our Board and management are committed to good corporate governance to ensure that we are managed for the long-term benefit of our stockholders, and we have a variety of policies and procedures to promote such goals. To that end, during the past year, our management reviewed our corporate governance policies and practices to ensure that they remain consistent with the requirements of the Sarbanes-Oxley Act of 2002 (the “Sarbanes-Oxley Act”), SEC rules, and the listing standards of the New York Stock Exchange (“NYSE”).

Besides verifying the independence of the members of our Board and committees (which is discussed in the section titled “Independence of the Board” below), at the direction of our Board, we also:

- Periodically review and make necessary changes to the charters for our audit, compensation, nominating and corporate governance, risk, and business opportunities committees;
- Have established disclosure control policies and procedures in accordance with the requirements of the Sarbanes-Oxley Act and the rules and regulations of the SEC;
- Have a procedure for receipt and treatment of anonymous and confidential complaints or concerns regarding audit or accounting matters; and
- Have a code of business conduct and ethics that applies to our officers, directors, and employees.

In addition, we have adopted a set of corporate governance guidelines. The Nominating and Corporate Governance Committee (the “NCG Committee”) is responsible for reviewing our corporate governance guidelines from time to time and reporting and making recommendations to the Board concerning corporate governance matters. Our corporate governance guidelines address such matters as:

- Director Independence – Independent directors must constitute at least a majority of our Board;
- Monitoring Board Effectiveness – Our Board must conduct an annual self-evaluation of the Board and its committees;
- Chairman of the Board – The roles and responsibilities of the Chairman of the Board are generally described in our corporate governance guidelines, as described under the section titled, “Chairman of the Board” below;
- Executive Sessions of Directors – The Chairman of the Board regularly leads meetings among independent directors without management present;
- Board Access to Independent Advisors – Our Board as a whole, and each of its committees separately, have authority to retain independent consultants, counselors, or advisors as each deems necessary or appropriate;
- Board Committees – All members of the audit, compensation, nominating and corporate governance, risk, and business opportunities committees are independent in compliance with applicable NYSE criteria; and
- External Programs – We regularly provide our Board with information on director education programs, covering topics including, but not limited to, ethics and privacy. We encourage attendance and cover the costs for directors to attend these external programs.

Copies of our corporate governance guidelines, code of business conduct and ethics, and committee charters can be found on our website at [www.guidewire.com](http://www.guidewire.com) under “About/Investor Relations/Corporate Governance.”

## Meetings of the Board

Our Board held 26 meetings in fiscal year 2024. During fiscal year 2024, each director attended at least 75% of all meetings held by the Board and the committees on which he or she served at the time (excluding meetings at which a director recused himself or herself due to a conflict). Under our corporate governance guidelines, directors are expected to be active and engaged in discharging their duties and to keep themselves informed about our business and operations.

## Listening to Our Stockholders

Our Board welcomes feedback from stockholders on our governance practices and policies, board composition, executive compensation framework, and other matters related to our strategy and performance. During 2024, we continued our ongoing outreach efforts and received valuable feedback from stockholders, as further discussed in the *Compensation Discussion and Analysis* section provided herein.

## Stockholder Communications with the Board

Stockholders and other parties may communicate directly with the Board by writing to: Board of Directors, c/o Guidewire Software, Inc., 970 Park Pl, Suite 200, San Mateo, California 94403. Concerns relating to accounting, internal controls or auditing matters are immediately brought to the attention of our Audit Committee and handled in accordance with applicable procedures established by the Audit Committee.

For a stockholder communication directed to an individual director in his or her capacity as a member of our Board, or to our Chairman of the Board, stockholders and other parties interested in communicating directly with such director may do so by writing to: Board of Directors, c/o Guidewire Software, Inc., 970 Park Pl, Suite 200, San Mateo, California 94403, Attention: [Name of Individual Director].

Our General Counsel, in consultation with members of our Board as necessary, will review all incoming communications and, if appropriate, all such communications will be forwarded to the relevant member or members of our Board, or if none is specified, to our Chairman of the Board.

## Code of Business Conduct and Ethics

We have adopted a code of business conduct and ethics that applies to all of our directors, officers, and employees, including our CEO, principal financial officer, and principal accounting officer. During fiscal year 2024, no waivers were granted from any provision of the code of business conduct and ethics.

A copy of our code of business conduct and ethics is available on our website at [www.guidewire.com](http://www.guidewire.com) under “About/Investor Relations/Corporate Governance” and may also be obtained without charge by contacting our Secretary at Guidewire Software, Inc., 970 Park Pl, Suite 200, San Mateo, California 94403. We intend to post any amendments to or waivers of our code of business conduct and ethics (to the extent applicable to our CEO, principal financial officer, or principal accounting officer) on our website.

## Independence of the Board

Consistent with our corporate governance guidelines and NYSE rules, our Board has determined that, as of the date of this proxy statement, eight out of the nine members of our Board are “independent,” the one non-independent member being Mike Rosenbaum, our CEO. Our Board determined at a meeting held on March 14, 2024 that Mr. Ryu is an independent director of the Company, as he has not served as an executive officer of the Company since 2019. In addition, all members of the audit, compensation, nominating and corporate governance, risk, and business opportunities committees satisfy such independence criteria.

## Structure of the Board

The positions of CEO and Chairman of the Board are separated. Our Board believes that separating these roles provides the right foundation to pursue strategic and operational objectives while maintaining effective oversight and objective evaluation of corporate performance. Our Chairman of the Board is Michael C. Keller, who is an independent director. Paul Lavin no longer serves as our Lead Independent Director following the Board’s appointment of Michael C. Keller as Chairman of the Board on March 14, 2024, given Mr. Keller’s independence. This structure optimizes the roles of CEO and Chairman of the Board, and provides us with sound corporate governance in the management of our business.

## Chairman of the Board

The duties of the Chairman of the Board include: (i) collaborating with the CEO on our strategy, product roadmap, management organization, acquisitions, and legal matters, (ii) reviewing meeting agendas of the Board in consultation with the CEO, (iii) presiding over meetings of the Board, (iv) approving meeting schedules to ensure that there is sufficient time for discussion of all items, (v) serving as a liaison between our CEO and our Board, (vi) participating in the Board's annual evaluation process of the CEO, (vii) chairing executive sessions of independent directors, (viii) having authority to call meetings of the independent directors, and (ix) if requested by major stockholders, ensuring that he or she is available for consultation and direct communication.

## Lead Customer Advocate

Mr. Keller also serves as our Lead Customer Advocate. Mr. Keller knows the insurance industry well and he interacts with, and acts as an advocate on behalf of, our customers in this role. The duties of the Lead Customer Advocate include (i) serving as a representative and liaison for any requested interactions between our Board and our customers, (ii) overseeing and advising management on the development of customer engagement strategies, (iii) participating as a representative of our Board at certain customer-focused events, including the annual customer conference, and leadership symposiums, and (iv) acting as sponsor for the Guidewire Strategic Advisory Council including planning and attending meetings, assisting with follow up, and maintaining relationships with customer members.

## Executive Sessions

The Board regularly holds executive sessions of our independent directors without the presence of executive management. The sessions are scheduled and led by our Chairman of the Board. Any director can request additional executive session(s) be scheduled.

## Director Attendance at Annual Stockholder Meetings

Directors are encouraged, but not required, to attend our annual meeting of stockholders. All of the then current directors serving as of the annual meeting of stockholders held on December 19, 2023 attended the meeting.

## Board's Role in Risk Oversight

Our Board has overall responsibility for our risk oversight with a focus on the most significant risks. The Board's risk oversight process builds upon management's risk assessment and mitigation processes. Our enterprise risk management program is overseen by our Audit Committee, general counsel, chief financial officer, chief information security officer, and vice president of enterprise risk management and internal audit. Individual risks are identified and prioritized based on their overall significance to the organization in the context of likelihood and impact. The most significant risks are then identified to the Board and each significant risk is individually evaluated, including a review of mitigating activities related to such risk and a discussion is undertaken between the Board and management. The management team communicates regularly with the Board, including the Audit and Risk Committees, regarding management's ongoing enterprise risk management assessments. Our Board also receives committee reports from each of the standing committees of the Board periodically to assist it in overseeing our enterprise risk management. In addition, the Risk Committee assists our Board in its oversight of key risks, including risks related to operations, business continuity, information security, and data management and privacy. The Risk Committee also assists our Board in oversight of guidelines, policies, and processes for monitoring and mitigating such key risks. The Board also considers and discusses with management the processes in place relating to enterprise risk management and any potential changes to be made to such processes going forward. Additional review or reporting of enterprise risks is conducted as needed or as requested by the Board or any of its committees.

## Compensation Plans Risk Assessment

As part of its oversight function, our Board and our Compensation Committee in particular, along with our management team, considers potential risks when reviewing and approving various compensation plans, including executive compensation. Based on this review, our Compensation Committee has concluded that such compensation plans, including executive compensation, do not encourage risk taking to a degree that is reasonably likely to have a materially adverse impact on us or our operations.

## Whistleblower Procedures

In accordance with the Sarbanes-Oxley Act, we have established procedures for the receipt, retention, and treatment of complaints regarding accounting, internal accounting controls, or auditing matters and for the confidential, anonymous submission of concerns regarding accounting or auditing matters. If an individual has a concern regarding questionable

accounting, internal accounting controls, or auditing matters, or the reporting of fraudulent financial information, such individual may report his or her concern by sending a letter (which may be anonymous at the discretion of the reporting person) to us at our principal executive offices to the attention of the general counsel and to the chair of the Audit Committee. Individual employees may also report their concerns by telephone or online (which may be anonymous at the discretion of the reporting person) by using our ethics reporting system accessible through our dedicated reporting website at <https://www.whistleblowerservices.com/gwre>. Such complaints received by telephone or via online reporting system are promptly sent to the general counsel and to the chair of the Audit Committee.

## Committees of the Board

Our Board uses committees to work on certain issues in more detail than would be reasonable at a meeting of the full Board. Each committee reviews the progress and results of its meetings with the full Board and makes recommendations to our Board as and when appropriate. Our Board presently has five standing committees: an Audit Committee, a Compensation Committee, a Nominating and Corporate Governance Committee, a Risk Committee, and a Business Opportunities Committee. Each of the five standing committees of our Board described below operates pursuant to a written committee charter that is available to stockholders on our website at [www.guidewire.com](http://www.guidewire.com) under "About/Investor Relations/Corporate Governance."

A summary of our committee structure and membership information of each of our directors as of the date of this proxy statement is available at page ii above.

## Audit Committee

**Catherine P. Lego** (Chair)  
**Margaret Dillon**  
**Paul Lavin**

The Audit Committee met eight times in fiscal year 2024. The Board has determined that each of the members of the Audit Committee (1) is "independent" as defined by current NYSE listing standards and (2) meets the independence requirements of Rule 10A of the Exchange Act. Ms. Dillon and Ms. Lego each qualifies as a "financial expert" as defined by SEC rules. Pursuant to its charter, the Audit Committee is responsible for the oversight of the quality and integrity of our financial statements, our compliance with legal and regulatory requirements, the qualifications and independence of our independent registered public accounting firm, the performance of our independent registered public accounting firm, and other significant financial matters. In discharging its duties, the Audit Committee:

- Has the sole authority to appoint, compensate, retain, oversee, and terminate the independent registered public accounting firm;
- Reviews and approves the scope of the annual audit;
- Reviews and approves the scope of internal audit activities;
- Reviews and pre-approves the engagement of our independent registered public accounting firm to perform audit and non-audit services and related fees;
- Reviews the integrity of our financial reporting process;
- Reviews our financial statements, disclosures and filings with the SEC;
- Reviews and approves an annual report of the Audit Committee for inclusion in this proxy statement;
- Reviews disclosures from our independent registered public accounting firm regarding independence standards;
- Reviews and, if appropriate, approves, related-party transactions;
- Oversees procedures for the receipt, retention, and treatment of complaints regarding accounting, internal accounting controls or auditing matters and for the confidential, anonymous submission of concerns regarding accounting or auditing matters;
- Annually reviews with management the Company's disclosures regarding key sustainability matters and the adequacy and effectiveness of applicable internal controls related to such disclosures; and
- Annually reviews and assesses its performance and the adequacy of its charter as well as the internal audit charter.

## Compensation Committee

**Paul Lavin** (Chair)  
**David S. Bauer**  
**Michael C. Keller**  
**Rajani Ramanathan**

The Compensation Committee met five times in fiscal year 2024. The Board has determined that each of the members of the Compensation Committee is (1) a “non-employee director” as defined in Rule 16b-3 promulgated under the Exchange Act and (2) “independent” as defined by current NYSE listing standards.

The Compensation Committee's specific responsibilities include the following:

- Overseeing our compensation policies, plans and benefits programs generally;
- Evaluating the performance of our executives;
- Overseeing, evaluating the performance of and setting compensation for our executive officers;
- Reviewing and approving any employment, severance, and change of control agreements with our executive officers, as well as any other compensation arrangements;
- Evaluating and recommending equity grants and compensation for our directors;
- Acting as administrator of our equity and other incentive-based compensation plans;
- Reviewing an annual discussion and analysis on executive compensation for inclusion in our annual report on Form 10-K and in our proxy statement;
- Overseeing all matters relating to stockholder advisory voting on executive compensation for our named executive officers (“say-on-pay”), the frequency of such voting, and stockholder advisory voting regarding change of control or “golden parachute” payments;
- Retaining or obtaining the advice of compensation consultants, legal counsel, and/or other advisers on compensation arrangements;
- Reviewing and approving the peer group of companies used to inform the Company's evaluation of compensation for its CEO, other executive officers, and directors;
- Reviewing any risks arising from our compensation philosophy and practices applicable to all employees that are reasonably likely to have a material adverse effect on the Company;
- Reviewing and discussing with management the Company's compensation initiatives, policies, practices, reporting and disclosures with respect to sustainability matters, including those for inclusion in our annual proxy statement and on our website;
- Overseeing engagement with stockholders and proxy advisory firms on executive compensation matters;
- Reviewing compliance by the Company's directors and senior executives, including executive officers, with any applicable stock ownership guidelines established by the Board;
- Overseeing the application of the Company's policy for recoupment of incentive compensation;
- Evaluating the impact of sustainability matters on executive officer and employee performance and associated compensation arrangements;
- Reviewing and discussing with management the Company's human capital management activities, including the Company's disclosure of such activities in its public filings and reports, which activities include, among other things, matters relating to talent management and development, talent acquisition, employee engagement and inclusion; and
- Annually reviewing and evaluating its performance and periodically reviewing the adequacy of its charter.



## Nominating and Corporate Governance Committee

**Margaret Dillon** (Chair)  
**Paul Lavin**  
**Catherine P. Lego**

The NCG Committee met four times in fiscal year 2024. The Board has determined that each of the members of the NCG Committee is “independent” as defined under current NYSE listing standards. Pursuant to its charter, the NCG Committee is responsible for, among other things:

- Making recommendations to our Board regarding nominees to the Board proposed for election by our stockholders as well as individuals to be considered to fill any vacancies that may occur on the Board;
- Evaluating and recommending to our Board any revisions to our corporate governance guidelines;
- Establishing criteria for membership on the Board and its committees, including criteria as to director independence;
- Overseeing the process for evaluating the performance of our Board and its committees;
- Evaluating the current composition, organization, and governance of our Board and its committees, determining future requirements and making recommendations to our Board for approval;
- Reviewing conflicts of interest policies;
- Oversight of the Company’s sustainability efforts; and
- Annually reviewing and evaluating its performance, including compliance with its charter.

## Risk Committee

**Rajani Ramanathan** (Chair)  
**David S. Bauer**  
**Michael C. Keller**

The Risk Committee met four times in fiscal year 2024. Pursuant to its charter, the Risk Committee may meet as often as may be deemed necessary or appropriate, in its judgment, in order to fulfill its responsibilities, including, among other things:

- Reviewing key risk exposures, including risks related to operations, business continuity, information security, and data management and privacy; the steps we have taken to detect, monitor and actively manage such exposures; and our risk assessment and risk management policies relating to such exposures;
- Reviewing and discussing with management the tone and culture within the company regarding such key risks;
- Reviewing management actions on significant compliance matters related to such key risks and our compliance with applicable laws and regulations related to such key risks; and
- Reviewing reports on selected key risk topics as the Risk Committee deems appropriate.

## Business Opportunities Committee

David S. Bauer (Chair)  
 Michael C. Keller  
 Paul Lavin  
 Catherine P. Lego

The Business Opportunities Committee (the “BOC”) did not meet in fiscal year 2024. The Board approved the reconstitution of the BOC in March 2024, effective as of July 1, 2024. Pursuant to its charter, the BOC may meet as often as may be deemed necessary or appropriate, in its judgment, in order to fulfill its responsibilities, including, among other things:

- Reviewing business opportunity strategies with the Company’s management;
- Reviewing the Company’s venture investment strategies;
- Reviewing the Company’s choice of investment advisors and advisor strategies;
- Recommending applicable binding and nonbinding business opportunity agreements to the Board, as outlined in the BOC’s charter; and
- Periodically reviewing the BOC’s charter and its process, and recommending any proposed changes to the Board.

## Consideration of Director Nominees

**Stockholder Nominees.** Our amended and restated bylaws permit stockholders to nominate directors for consideration at our annual stockholder meeting. For a description of this process, see the section titled “*Questions and Answers About the Annual Meeting, the Proxy Materials and Voting Your Shares—How can stockholders submit a proposal for inclusion in our proxy statement for the 2025 annual meeting?*” above. If any materials are provided by a stockholder in connection with the nomination of a director candidate, such materials are forwarded to the NCG Committee. The NCG Committee’s policy is to consider properly submitted stockholder nominations. In evaluating all director nominations, the NCG Committee seeks to balance an individual’s knowledge, experience and capabilities and compliance with the membership criteria set forth below under the section titled “*Director Qualifications.*”

**Director Qualifications.** Our corporate governance guidelines apply membership criteria to nominees recommended by the NCG Committee for a position on our Board. These include judgment, diversity, skills, background, and experience in light of our Board’s present composition and the current challenges and needs of our Board and its committees. The NCG Committee also takes into account the independence, financial literacy, and financial expertise standards required under our corporate governance guidelines and committees’ charters and applicable laws and regulations, and the ability of the candidate, in light of the candidate’s present activities and our corporate governance guidelines, to devote the necessary time and attention to serving as a director and a committee member. Each director must represent the interests of all stockholders. While we take into account diversity of background, experience, knowledge, and abilities and are committed to diversity, we do not have a formal policy that requires nominees to meet specific criteria.

**Identifying and Evaluating Nominees for Directors.** The NCG Committee utilizes a variety of methods to identify and evaluate director nominees. The NCG Committee plans to assess the appropriate size of our Board from time to time and whether any vacancies are expected. In the event that vacancies are anticipated or otherwise arise, the NCG Committee decides whether to fill such vacancies and, if so, considers various potential candidates. Candidates may come to the attention of the NCG Committee through current Board members, professional search firms engaged by the NCG Committee, stockholders, or others. These candidates may be evaluated at meetings of the NCG Committee and may be considered at any point during the year.

## Succession Planning

Our CEO works with the NCG Committee and the Board on a regular basis to ensure there is a current and effective plan of succession and development for the CEO and the executive management team. Our Board believes that the directors and the CEO should collaborate on management succession planning and that the entire Board should be involved in the critical aspects of the succession planning process for our CEO, including establishing selection criteria that reflect our business strategies, identifying and evaluating potential internal candidates, and making key management succession decisions. Management succession is regularly discussed by the directors in meetings of the Board and in executive sessions of the Board. In addition, the NCG Committee, on behalf of the Board, annually reviews our leadership pipeline, talent strategies including succession, and plans for key positions. Directors also become familiar with potential successors for key positions through various other means, including presentations and informal meetings.

## Sustainability and Inclusion Matters

### Our Consideration of Corporate Sustainability

Our Board and executive leadership team (“M-Team”) recognize the importance of solid governance, environmental stewardship, and social responsibility to our long-term business growth and value creation. We review and consider sustainable business practices and are implementing processes in our operations to manage sustainability matters relevant to our business and the industry that we serve over time.

We are pleased to have issued our third annual Sustainability Report in October 2024 (the “2024 Sustainability Report”). For more information, please visit [www.guidewire.com](http://www.guidewire.com) under “About/Corporate Sustainability.”

### Sustainability Governance

While our entire Board engages on sustainability matters that impact our business, it has assigned primary responsibility to specific committees of the Board to oversee sustainability risks and strategies in areas such as the environment, data security, human capital management and inclusion, corporate citizenship, and risk management.

- The **NCG Committee** exercises primary oversight of our sustainability efforts, including monitoring our approach, reviewing our corporate citizenship strategy, sustainability initiatives and targets, and assessing the impact of our operations and business practices. The NCG Committee is responsible for periodically reporting to our Board with regard to our sustainability programs, including potential long- and short-term trends and the impact of sustainability issues on our business.
- The **Audit Committee** is responsible for reviewing with management at least annually the type and presentation of our key sustainability disclosures. Additionally, the Audit Committee reviews the quality assurance process as well as the adequacy and effectiveness of applicable internal controls related to our Company’s sustainability disclosures.
- The **Compensation Committee** is tasked with considering our sustainability efforts when evaluating executive compensation, evaluating the impact of sustainability matters on executive officer performance, and reviewing and discussing with management our compensation initiatives, policies and disclosures with respect to sustainability matters as well as reviewing with management our human capital management activities.
- The **Risk Committee** reviews and assists with oversight of our key risk exposures, including those related to operations, business continuity, information security, cybersecurity, and data management and privacy.

More information on the committees’ charters can be found on our website at [www.guidewire.com](http://www.guidewire.com) under “About/Investor Relations/Corporate Governance.”

Our CEO and M-Team are responsible for our overall sustainability strategic performance and appropriate policies and processes to manage sustainability across our business. Our Head of Sustainability is responsible for leading our integrated strategy and engaging with cross-functional teams and business leaders with the goal of appropriate alignment and management of our sustainability initiatives. Additionally, our management-level Sustainability Task Force (“Sustainability Task Force”) is a cross-functional group responsible for our overall sustainability program’s strategic performance including the creation and support of appropriate policies, processes, and activities to manage sustainability matters across the business. Our Sustainability Task Force meets at least half-yearly and advises on sustainability disclosures.

### Responsible Business Practices

We believe that governance and responsible business practices strengthen our long-term success through our core value of integrity, contributing to a strong foundation for our sustainability program. We shape this core value into action through our policies and procedures.

### Governance, Trust, and Integrity

Our Board oversees the implementation of responsible practices consistent with the evolving governance environment. The NCG Committee is responsible for reviewing our corporate governance guidelines from time to time and reporting and making recommendations to our Board concerning corporate governance matters. We have adopted a Code of Business Conduct and Ethics that applies to all of our directors, officers, and employees, including our CEO, principal financial officer, and principal accounting officer. We currently are not a politically active organization, and we do not contribute to political campaigns or participate in lobbying efforts. Copies of our Corporate Governance Guidelines and Code of Business Conduct and Ethics can be found on our website at [www.guidewire.com](http://www.guidewire.com) under “About/Investor Relations/Corporate Governance.”

### Information Security and Data Privacy

Our Board maintains oversight of our security program through its Risk Committee, including any associated guidelines, policies, and processes for monitoring and mitigating risks related to information security.

Led by our Chief Information Security Officer, Chief Product Development Officer, and Chief Information Officer, as well as our Product Development, Operations, Privacy, Information Security and Business Technology teams, we are embracing a security- and privacy-first mindset as we continue to grow our teams and invest in the infrastructure, personnel, best practices, and policies required to secure and protect the data entrusted to us.

We have developed and implemented a cybersecurity risk management program intended to protect the confidentiality, integrity, and availability of our critical systems, information and products. Our cybersecurity risk management program includes a cybersecurity incident response plan. We maintain various internationally recognized security certifications and aim to adopt best practices from industry-leading frameworks and standards for cybersecurity and cloud computing, including, without limitation, ISO 27001, SOC 2, U.S. NIST Cybersecurity Framework (CSF), and the CIS Critical Security Controls. We also commit to transparent privacy principles in our Privacy Policy, including not sharing or selling customer data for marketing, advertising, or other commercial purposes.

We outsource our data center needs to a third-party provider, utilizing cloud-based platforms and leveraging physical and data security infrastructure. The provider is required to comply with our third-party vendor and security protocols, in addition to all applicable data privacy laws.

### Business Continuity and Disaster Recovery

The Risk Committee assists our Board in its oversight of specific risks related to our operations and business continuity. For additional information, please see the discussion of our Board's Role in Risk Oversight within this proxy statement.

### Human Capital and Social Impact

Our Board oversees our human capital management through its Compensation Committee's consideration and discussion with our executives on the evolving landscape of the workforce and its impact on tone and culture within the Company. Additionally, the NCG Committee also reviews with our executives the impacts to our business operations and business practices with respect to leadership succession, growth and development, inclusion, corporate citizenship, and community engagement.

### Attracting, Developing, and Retaining Employees

Understanding and anticipating the priorities and needs of our current and future workforce are important to realizing our mission to be the platform insurers trust to engage, innovate, and grow efficiently. Our recruiting, development, and retention objectives focus on attracting skilled and engaged employees who contribute the talent and diverse perspectives critical to our innovative, forward-looking, and inclusive workforce. Our flexible work policies expand our ability to hire and retain talent for certain roles in geographies where we do not have physical offices. Fostering career progression by encouraging regular professional education empowers our employees to pursue their professional goals, which is critical to developing and retaining our employees.

Our current benefit and wellness programs drive engagement that positively impacts our culture, job satisfaction, recruiting, and retention programs. We have increased our commitment to well-being by expanding our physical, mental, and family health programs. We enhanced our support for employee growth through professional development, by launching virtual skill-building workshops, providing a connection point to the community as well as continued growth opportunities for remote roles. We also prioritized personal empowerment, wellness initiatives, safe and flexible workspaces, and comprehensive benefits — ensuring our team stays healthy, supported, and connected.

### Inclusion

We strive to create an environment that is inclusive and embraces diversity across our global workforce. Our inclusion program consists of policies and processes that align and drive our inclusion strategy and long-term success and is built upon three key pillars: establishing inclusive practices, building inclusive partnerships, and providing education and resources.

Since fiscal year 2021, we have established several initiatives to achieve the goal of building inclusion and belonging into our company culture, where diversity is valued and harnessed so that our employees can contribute their best work. We have broadened the scope of our talent attraction and hiring process to identify a broader cohort of candidates. We have established Employee Resource Groups (“ERGs”), employee-led groups of volunteer individuals with common interests, experiences, backgrounds or demographics such as race/ethnicity, gender, sexual orientation, military status, religion, and abilities, which are open to all employees. As of the end of fiscal year 2024, we had eight ERGs including African Ancestry, Asian and Pacific Islander, Early Career Professionals, LatinX and Hispanic, LGBTQ+ and Allies, Veterans and Allies, Visible or Invisible Disabilities, and Women’s Leadership.

### Community Support and Outreach

In fiscal year 2022, we relaunched our Guidewire Gives Back (“GGB”) program focused on investing in local communities where we operate by encouraging employee volunteerism, philanthropy, and social impact investment. The GGB program is centered around global employee engagement and community impact through volunteer hours and financial donations, both of which are geared toward making a measurable difference. The GGB strategy, programs, and collaborative partnerships reflect employees’ passions and embody Guidewire’s corporate mission, as well as our customers’ purposes.

Our GGB program is focused on creating impact-driven programming that is centered on two strategic pillars:

- **Education:** Supporting education in technology for underserved communities and women.
- **Communities in crisis:** Supporting those in need due to violence, natural disasters, and lack of daily living resources.

In fiscal year 2024, we matured our GGB program by deepening nonprofit partnerships, increasing employee volunteerism, launching our largest skill-based volunteer project, and strengthening collaborations with customers for community impact.

### Environmental Sustainability

Our Board oversees our environmental stewardship through the responsibilities of the NCG Committee, which periodically reviews with our executives the environmental considerations of our business practices, and periodically reports to our Board on long- and short-term environmental trends and their potential business impact.

We continue to identify possible strategies to reduce our global environmental footprint. As a global company with offices around the world, we are working towards reducing waste and energy consumption, measuring and reducing our emissions, and looking towards optimizing the performance of our buildings through incorporating green building standards in office design, construction and operation as part of our overall efforts with respect to corporate sustainability.

In fiscal year 2024, the Science Based Targets initiative (“SBTi”) validated our near-term science-based targets in line with the long-term goal of the Paris Agreement to limit global warming to 1.5 degrees Celsius. These targets include:

- Reducing absolute Scope 1 and Scope 2 greenhouse gas (“GHG”) emissions by 50% by fiscal year 2030 compared to our fiscal year 2020 baseline year;
- Reducing absolute Scope 3 GHG emissions from fuel and energy related activities, business travel, and employee commuting by 42% within the same timeframe; and
- Increasing to 50% by fiscal year 2028 the portion of our suppliers by emissions covering purchased goods and services that have science-based targets.

For more information with respect to these targets validated by SBTi, please visit [www.guidewire.com](http://www.guidewire.com) under “About/Corporate Sustainability.”

Regarding the environmental footprint of our hardware infrastructure, we exited our colocated data center in fiscal year 2022 and transitioned to running our operations on a third-party cloud provider, which, according to available public research, has a significantly lower carbon footprint than on-premises data centers.

### No Incorporation by Reference

This proxy statement includes several website addresses or references to additional company reports or resources found on those websites. These website addresses are intended to provide inactive, textual references only. The contents of the 2024 Sustainability Report and other information available on our website are not part of this proxy statement and are not incorporated by reference in this proxy statement.

# Executive Officers

Our executive officers, and their ages and positions as of October 21, 2024, the record date, are set forth below:

Name	Age	Position(s)
Mike Rosenbaum	53	Chief Executive Officer
John Mullen	51	President
Jeff Cooper	48	Chief Financial Officer
Winston King	53	Chief Administrative Officer, General Counsel, and Secretary

**Mike Rosenbaum.** See the section titled “Proposal One: Election of Directors” for Mr. Rosenbaum’s biographical information.



**John Mullen** has served as our President since February 2022, and served as our Chief Revenue Officer from February 2022 through September 2024. Mr. Mullen leads Guidewire’s Global Sales, Delivery Services, and Customer Success organizations. Prior to joining Guidewire, Mr. Mullen held a variety of leadership positions at Capgemini from 2003 to January 2022 including CEO of the North America, America Business Unit, and Corporate Vice President in the Financial Services Global Practice where he served as the Global Insurance Business Unit Leader. He began his career at Accenture from 1995 to 2003. Mr. Mullen holds a B.A. from the University of Dayton and an M.A. from the University of Tulsa.

## John Mullen

Age: 51  
President

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**Jeff Cooper** has served as our Chief Financial Officer (“CFO”) since June 2020. Mr. Cooper had previously served as interim Chief Financial Officer since March 5, 2020 and, prior to that, served as the Company’s Vice President of Finance since 2017. Prior to joining us, Mr. Cooper served as Chief Financial Officer of GoodData, a privately held cloud-based data and analytics platform company, from 2016 to 2017. From 2013 to 2016, Mr. Cooper served as Vice President, Finance for Rally Software, a publicly traded cloud-based application lifecycle management software company. Prior to that, Mr. Cooper was a Vice President focusing on the software industry in the investment banking division of Deutsche Bank Securities. Mr. Cooper holds a B.A. in Political Science from Princeton University and an M.B.A. degree from the London Business School.

## Jeff Cooper

Age: 48  
Chief Financial Officer

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**Winston King** has served as our General Counsel and Secretary since January 2013 and has served as our Chief Administrative Officer since June 2018. Before joining Guidewire, Mr. King worked at Infogroup, Inc., a multinational data, marketing services and research firm, from 2007 to 2012, where he most recently was EVP, General Counsel and Secretary. Prior to that, Mr. King practiced with the WilmerHale law firm in its Washington, D.C. office. Mr. King holds an A.B. in Economics from Duke University and a J.D. from Vanderbilt University School of Law.

## **Winston King**

**Age: 53**

**Chief Administrative Officer,  
General Counsel, and  
Secretary**

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# Information Regarding Compensation of Directors and Executive Officers

## Director Compensation

We believe that a combination of cash and equity compensation is appropriate to attract and retain the individuals we desire to serve on our Board and that this approach is comparable to the policies of our peers. More specifically, our cash compensation policies are designed to encourage frequent and active interaction between our directors and our executives, both during and between formal meetings, as well as to compensate our directors for their time and effort. Further, we believe that it is important to align the long-term interests of our non-employee directors with those of the Company and its stockholders and that awarding equity compensation to, and thereby increasing ownership of our common stock by, our non-employee directors is an appropriate means to achieve this alignment.

The Compensation Committee reviews non-employee director compensation annually to determine the appropriate compensation for service on the Board. The Compensation Committee last reviewed non-employee director compensation in December 2023. In doing so, the Compensation Committee reviewed and considered a peer group study prepared by its former, then-retained executive compensation advisor, Aon Human Capital Solutions, a division of Aon plc ("Aon"). The Compensation Committee did not strictly target any specific levels of pay, and instead, used the comparative market data provided by its current executive compensation advisor, Semler Brossy Consulting Group, LLC ("Semler Brossy") as an important reference point in its decision-making process. Based on its review, for calendar year 2024, the Compensation Committee recommended, and our Board agreed, to not make any changes to our non-employee director cash compensation from calendar year 2023.

Our non-employee directors receive an annual cash retainer for Board service in addition to equity compensation, as set forth in further detail in the table below. Our non-employee directors do not receive fringe or other benefits. Directors who are also one of our employees are not entitled to additional compensation for serving as a director.

Position <sup>(1)</sup>	Annual Cash Retainer (\$) <sup>(2)</sup>	Equity Compensation (\$) <sup>(3)</sup>	
<b>Board Membership</b>	50,000	Initial grant of restricted stock units ("RSUs") with a value of \$225,000 (pro-rated) and annual grant of RSUs with a value of \$225,000	
Position	Additional Annual Cash Retainer (\$)	Additional Equity Compensation (\$)	
<b>Chairman of the Board</b>	50,000	—	
<b>Lead Customer Advocate</b>	30,000	—	
<b>Audit Committee</b>	Chair	25,000	—
	Non-Chair Member	12,500	—
<b>Compensation Committee</b>	Chair	20,000	—
	Non-Chair Member	10,000	—
<b>Nominating and Corporate Governance Committee</b>	Chair	10,000	—
	Non-Chair Member	5,000	—
<b>Risk Committee</b>	Chair	20,000	—
	Non-Chair Member	10,000	—
<b>Business Opportunities Committee<sup>(4)</sup></b>	Chair	5,000	—
	Non-Chair Member	2,500	—

(1) We removed the additional cash retainer for a prior lead independent director, since the Board determined this role was no longer needed following the Board's appointment of an independent director as Chairman of the Board on March 14, 2024.

(2) The annual cash retainers are payable in calendar quarterly installments and pro-rated based on number of days served in the event of any changes during the quarter.



- (3) The RSU grants vest on the one-year anniversary of the grant date. However, if a non-employee director's service ends at the next annual meeting of stockholders and such meeting occurs before the one-year anniversary of the grant date, the RSUs granted shall be fully vested on the date of such annual meeting. All RSU grants held by non-employee directors will fully vest upon a sale of the Company.
- (4) We included annual cash retainers for the chair and members of a reconstituted BOC, effective as of July 1, 2024.

The table below shows the compensation received or earned by each of our non-employee directors during fiscal year 2024. Of our directors during fiscal year 2024, Mike Rosenbaum was an employee and did not receive any additional compensation for his service as our director during this time. Mr. Rosenbaum was a named executive officer for fiscal year 2024 and information regarding his compensation for the year is presented below in the "Summary Compensation Table."

## DIRECTOR COMPENSATION TABLE

Name	Fees Earned or Paid in Cash (\$)	Stock Awards (\$) <sup>(1)(2)</sup>	Total (\$)
Michael C. Keller <sup>(3)</sup>	125,179	239,810	364,989
David Bauer <sup>(3)</sup>	70,220	239,810	310,030
Margaret Dillon <sup>(3)</sup>	72,301	239,810	312,111
Paul Lavin <sup>(3)</sup>	105,927	239,810	345,737
Catherine P. Lego <sup>(3)</sup>	79,986	239,810	319,796
Rajani Ramanathan <sup>(3)</sup>	79,780	239,810	319,590
Marcus Ryu <sup>(3)(4)</sup>	80,632	239,810	320,442

- (1) The amounts shown reflect the aggregate grant date fair value of RSUs granted during fiscal year 2024, determined in accordance with Financial Accounting Standards Board Accounting Standards Codification Compensation--Stock Compensation ("FASB ASC Topic 718"). These amounts do not represent the actual amounts paid to or realized by the non-employee directors during fiscal year 2024. Pursuant to SEC rules, these amounts exclude the impact of estimated forfeitures related to service-based vesting conditions. See Note 9 of the consolidated financial statements in the 2024 Annual Report on Form 10-K regarding assumptions underlying valuation of equity awards.
- (2) The amounts in this column reflect the grant date fair value of the annual RSU grants, which are higher than the target value due to the fact that the number of RSUs granted was calculated based upon the 10-trading day trailing average closing price ending two trading days prior to grant, rounded up to the nearest whole share.
- (3) As of July 31, 2024, Messrs. Keller, Bauer, Lavin, and Ryu and Ms. Dillon, Lego and Ramanathan each held 2,280 unvested RSUs.
- (4) On June 11, 2024, Mr. Ryu, a current director, notified us that he would not stand for re-election to our Board upon the completion of his current term, which expires at our 2024 annual meeting of stockholders. Mr. Ryu reconsidered this decision in August 2024 and expressed his willingness to continue his Board service. The Board declined.

### **Stock Ownership Guidelines**

We have adopted stock ownership guidelines that are applicable to non-employee directors. Effective as of March 2021, we amended our stock ownership guidelines to require each non-employee director to own shares of our common stock equal to at least five times his or her annual cash retainer, by the first July 31st that occurs following the three-year anniversary of his or her initial election to our Board. Only shares of our common stock that are owned or held in the following forms will be considered in determining whether each non-employee director has met the stock ownership requirement: (i) shares owned directly by the non-employee director; (ii) shares “beneficially owned” by the non-employee director that are held in a grantor trust (or similar instrument) for the benefit of the non-employee director and/or his or her immediate family members, but only to the extent that the non-employee director has the power to vote and dispose of such shares; and/or (iii) shares representing the aggregate net value of vested and unexercised in-the-money options. Shares of our common stock underlying unvested options, unvested RSUs, unvested performance-based RSUs and other unvested equity awards will not be considered when determining whether a non-employee director has met the stock ownership requirement. As of July 31, 2024, all of our non-employee directors who have served for three or more years have satisfied the ownership requirements.

### **Compensation Committee Interlocks and Insider Participation**

During fiscal year 2024, none of our executive officers served as a member of the board or compensation committee of any entity that has one or more executive officers serving as a member of our Board or Compensation Committee.

# Compensation Committee Report

The Compensation Committee has reviewed and discussed the following Compensation Discussion and Analysis and, based on such review and discussions, the Compensation Committee recommended to our Board that this Compensation Discussion and Analysis be included in this proxy statement.

THE COMPENSATION COMMITTEE

**Paul Lavin (Chair)**

**David Bauer**

**Michael C. Keller**

**Rajani Ramanathan**

# Compensation Discussion and Analysis

This Compensation Discussion and Analysis provides information about the material components of our executive compensation program for: (i) all individuals serving as our principal executive officer during the last completed fiscal year (Mr. Rosenbaum); (ii) all individuals serving as our principal financial officer during the last completed fiscal year (Mr. Cooper); (iii) the three most highly compensated executive officers (other than the individuals in (i) and (ii)) who were serving as our executive officers at the end of the last completed fiscal year (Messrs. King and Mullen only, as we did not have any other executive officers at the end of the last completed fiscal year); and (iv) up to two additional individuals for whom disclosure would have been provided pursuant to (iii) but for the fact that the individual was not serving as an executive officer at the end of the last completed fiscal year (Ms. Hung). We refer to these executive officers collectively in this Compensation Discussion and Analysis and the related compensation tables as the “Named Executive Officers” (“NEOs”).

Name	Positions Held with the Company
Mike Rosenbaum	Chief Executive Officer
John Mullen	President
Jeff Cooper	Chief Financial Officer
Winston King	Chief Administrative Officer, General Counsel, and Secretary
Priscilla Hung*	Former President and Chief Operating Officer

\* Effective as of December 31, 2023, Ms. Hung ceased to serve as our President and Chief Operating Officer and transitioned to the position of a Senior Advisor.

This Compensation Discussion and Analysis provides an overview of our executive compensation philosophy, the overall objectives of our executive compensation program, and each element of compensation that we provide. In addition, we explain how and why the Compensation Committee arrived at the specific compensation policies and decisions involving our NEOs during fiscal year 2024.

This Compensation Discussion and Analysis contains forward-looking statements that are based on our current plans, considerations, expectations and determinations regarding future compensation plans and arrangements. The actual compensation plans and arrangements that we adopt may differ materially from currently anticipated plans and arrangements as summarized in this Compensation Discussion and Analysis.

## Executive Compensation Philosophy and Objectives

We operate in a highly competitive business environment, which is characterized by frequent technological advances, rapidly changing market requirements, and the emergence of new market entrants. To succeed in this environment, we need to attract and retain a highly talented and seasoned team of technical, sales, marketing, operations, and other business professionals.

We compete with many other companies in seeking to attract and retain a skilled management team. To meet this challenge, we have embraced a compensation philosophy of offering our executive officers compensation and benefit packages that are fair and reasonable, are competitive within our market, are focused on long-term value creation, and reward the achievement of our strategic, financial, and operational objectives.

Accordingly, we have oriented our executive compensation program to observe the following basic principles and objectives:

- provide total compensation opportunities that enable us to recruit and retain executive officers with the experience and skills to manage our growth and lead us to the next stage of development;
- provide total compensation opportunities that are consistent with our business goals;
- provide cash compensation that is market-based and, in the case of cash-based incentives, establish a direct and meaningful link between business results, individual performance, and rewards;
- provide equity-based compensation that enables our executive officers to share in our financial results and that establish a clear alignment between their interests and the interests of our stockholders;
- provide a core level of welfare and other benefits; and
- maintain compensation policies and practices that reinforce a culture of ownership, excellence, and responsiveness.

## Compensation Program Design

For fiscal year 2024, the compensation of our executive officers, including the NEOs, has consisted of base salary, a cash bonus opportunity, and equity compensation in the form of RSUs subject to performance-based vesting conditions tied to corporate financial and operational metrics (“Performance-Vesting RSUs”) and RSUs subject to time-based vesting conditions (“Time-Vesting RSUs”). Of these components, only base salary is fixed while the other components are variable based on the performance of both the Company and the individual executive officer, measured against specific objectives that are determined in advance.

The key component of our executive compensation program has been equity awards in the form of Performance-Vesting RSUs and Time-Vesting RSUs. We use equity-based awards as we deem appropriate to offer our employees, including our executive officers, long-term equity incentives that align their interests with the long-term interests of our stockholders.

We also have offered cash compensation in the form of base salaries, to reward individual contributions and compensate our executive officers for their day-to-day responsibilities, and annual cash bonuses, to drive and incentivize our executive officers to achieve our short-term strategic and operational objectives.

In addition to these elements of our executive compensation program, we also provide executive officers, including our NEOs, with certain other indirect benefits, including participation in certain post-employment compensation arrangements. For a description of these other features of our compensation program, please refer to the section below titled “*Executive Compensation Program Elements-Welfare and Other Benefits*” and “*Executive Agreements and Termination of Employment Arrangements*.”

We evaluate our philosophy and compensation programs as circumstances require, and at a minimum, we review executive compensation annually. As part of this review process, we apply our values and the objectives outlined above, while also considering whether our proposed compensation ensures that we remain competitive for talent, that we meet our retention objectives, and that our cost of replacement for a key employee is reasonable.

## Compensation-Setting Process

### Role of the Compensation Committee

The Compensation Committee is responsible for overseeing our executive compensation program and for determining the compensation of our executive officers, including the NEOs. In addition, the Compensation Committee provides strategic direction to management regarding the overall corporate compensation philosophy. The Compensation Committee operates pursuant to a written charter that has been approved by our Board.

Typically, in the first quarter of each fiscal year, the Compensation Committee reviews the compensation of our executive officers, decides whether to make any adjustments to their base salaries, designs an executive bonus plan, including the corporate performance measures and objectives to be used for purposes of determining their annual cash bonuses for the current fiscal year, and determines whether to approve any equity awards. In addition, at that time, the Compensation Committee evaluates the performance of the Company, as well as the individual performance of each executive officer, as applicable, to determine whether to pay cash bonuses for the previous fiscal year and, if so, the amount of any such bonuses.

In determining executive compensation for fiscal year 2024, the Compensation Committee reviewed and considered various market data presented by Semler Brossy, as well as our overall financial plan. The Compensation Committee did not strictly set compensation at a specific level of pay. Other factors considered in setting our executive compensation include individual performance, role, and tenure. Accordingly, the comparative market data provided by Semler Brossy was one reference point and one factor, among others, in our compensation decision-making process.

The Compensation Committee has not delegated any of its authority with respect to executive compensation matters.

### Role of Senior Management

Typically, the Compensation Committee seeks the input of our CEO when discussing the performance of and compensation for our executive officers, including the other NEOs other than the CEO. In this regard, our CEO reviews the performance of the other executive officers, including the other NEOs, annually and presents to the Compensation Committee his conclusions and other input as to their compensation, including base salary adjustments, cash bonus payouts, and equity awards. The Compensation Committee uses this input as one factor in its deliberations to determine the compensation of our executive officers.

While our CEO attends certain meetings of the Compensation Committee, the Compensation Committee meets outside the presence of our CEO when discussing his compensation and when discussing certain other matters. Decisions with respect to our CEO's compensation are made by the Compensation Committee and our Board.

The Compensation Committee also works with our CFO, our Chief People Officer, and our Chief Administrative Officer and General Counsel in evaluating the financial, accounting, tax, and retention implications of our executive compensation plans and arrangements.

### Role of Compensation Consultant

The Compensation Committee is authorized to retain the services of one or more executive compensation advisors, as it sees fit, in connection with the oversight of our executive compensation program. For fiscal year 2024, the Compensation Committee engaged Semler Brossy to provide information, recommendations, and other advice relating to executive compensation.

During fiscal year 2024, Semler Brossy performed the following projects for the Compensation Committee:

- reviewed our general compensation principles for fiscal year 2024;
- prepared an assessment of non-employee director compensation;
- prepared an assessment of our executive officers' total compensation, as well as each individual compensation component, including an analysis of cash compensation, equity compensation, and total direct compensation as compared to a composition of our peer group (as described below);
- prepared an analysis of competitive market compensation practices for certain executive positions and collaborated with the Compensation Committee to identify areas for improvement in light of evolving best practice;
- assisted with the design and oversight of the overall equity program and executive compensation, including setting grant levels and improving short- and long-term incentive programs for senior management and other levels of management;
- analyzed pay survey data; and
- provided advice regarding best practices and compensation trends, including proxy advisory firms' evolving positions on executive pay.

Semler Brossy served at the discretion of the Compensation Committee. The Compensation Committee assessed the independence of Semler Brossy pursuant to applicable SEC and NYSE rules and concluded that no conflict of interest exists that would prevent Semler Brossy from independently advising the Company.

### Comparative Market Data

To assist the Compensation Committee during its annual review of the competitiveness of compensation levels and the appropriate mix of compensation elements to our executive officers, including our NEOs, Aon, the Compensation Committee's previous compensation advisor, prepared comparative market data on compensation practices and programs as well as guidance on industry best practices. For fiscal year 2024, the Compensation Committee, with guidance from its former, then-retained executive compensation advisor, Aon, and input from senior management, determined the composition of our peer group. The Compensation Committee reevaluates this group on an annual basis. The Compensation Committee determined that our peer group for determining the compensation of our NEOs in fiscal year 2024 in connection with our annual compensation review would consist of 17 publicly traded software companies in the San Francisco Bay Area and other technology "hubs" with revenue between \$450 million and \$2.5 billion, including high revenue growth companies, and market capitalization between \$2 billion and \$20 billion. Below is a list of the companies in our peer group for setting fiscal year 2024 compensation for our NEOs:

Fiscal Year 2024 Peer Group Companies

<b>ANSYS, Inc.</b>	<b>HubSpot, Inc.</b>	<b>Qualys, Inc.</b>
<b>Aspen Technology, Inc.</b>	<b>Manhattan Associates, Inc.</b>	<b>RingCentral, Inc.</b>
<b>BlackLine, Inc.</b>	<b>New Relic, Inc.</b>	<b>Splunk Inc.</b>
<b>Coupa Software Incorporated</b>	<b>Okta, Inc.</b>	<b>Tyler Technologies, Inc.</b>
<b>Dynatrace, Inc.</b>	<b>Paycom Software, Inc.</b>	<b>Veeva Systems, Inc.</b>
<b>Elastic N.V.</b>	<b>Paylocity Holding Corporation</b>	

The evaluation of the peer group generally occurs in March of each year. In March 2024, our Compensation Committee reassessed our peer group for use in setting our fiscal year 2025 executive compensation, and, with guidance from Semler Brossy and input from senior management, determined to base it on publicly traded software companies in the United States with revenue between \$305 million and \$2.75 billion, including high revenue growth companies, and market capitalization between \$3 billion and \$28 billion. Our Compensation Committee removed four companies from the fiscal year 2024 peer group listed above (Coupa Software Incorporated, New Relic, Inc., Tyler Technologies, Inc., and RingCentral, Inc.) and added three new companies (CCC Intelligent Solutions Inc., Five9, Inc., and AppFolio, Inc.) to better align the peer group with the Company's current business.

#### Consideration of Say-On-Pay Advisory Vote

At our December 19, 2023 annual meeting, we held a non-binding, advisory vote on the compensation of our NEOs (a "Say-on-Pay" vote), which received the support of approximately 98% of the votes cast. Our Board and Compensation Committee are encouraged by this level of stockholder support of our executive compensation program, and generally view this as an endorsement of our philosophy and how we have structured our compensation program. Given this level of stockholder support, the Compensation Committee concluded that our executive officer compensation program continues to align executive officer pay with stockholder interests and provides competitive pay that encourages retention and effectively incentivizes performance of talented executive officers. Accordingly, the Compensation Committee determined not to make any significant changes to our executive compensation program as a result of the Say-on-Pay vote. In addition, consistent with the recommendation of our Board and the preference of our stockholders as reflected in the non-binding, advisory vote on the frequency of future Say-on-Pay votes held at our December 15, 2020 annual meeting, we intend to continue holding an annual Say-on-Pay vote.

We are committed to continuing our ongoing engagement with our stockholders on matters of executive compensation and corporate governance. As a result, we have continued to engage in a robust stockholder outreach program. In 2024, we reached out to our 20 largest institutional stockholders and key investors, with aggregate holdings of approximately 64% of our outstanding shares (as of June 30, 2024), to discuss our executive compensation and corporate governance programs and practices, and to solicit feedback and ensure that our Board and management have insight into the issues that are most important to our stockholders so that we can better understand our stockholders' perspectives. While not all stockholders have accepted our invitation to engage as of October 18, 2024, we have held these calls with all invited stockholders who indicated an interest in participating in our annual stockholder outreach program. Our calls with stockholders were initiated by our Chief Administrative Officer and General Counsel and our Vice President of Investor Relations, and included the Chairs of our Compensation Committee and NCG Committee.

During these recent discussions, and among many viewpoints shared, our stockholders expressed certain concerns as set forth in the following table. In connection with the Compensation Committee's regular annual review process, our Board, the Compensation Committee, and the NCG Committee will evaluate these concerns. While we have addressed many of the concerns raised by our stockholders in the outreach program over time, we are continually assessing potential actions based on the feedback received during these discussions.

The actions specifically taken by our Board, the Compensation Committee, and the NCG Committee in response to stockholder concerns, as well as actions we will consider taking, included the following:

**What We Heard During Our 2024 Outreach****Actions Taken and Actions Under Consideration****Continued alignment between the Company's performance and certain equity awards granted to the management team, particularly for long-term incentives**

For fiscal year 2024, the Compensation Committee approved changes to our Performance-Vesting RSUs program, which it maintained for fiscal year 2025. Attainment of these awards is determined measuring a three-year average of annual measurements of ARR and non-GAAP operating income, which includes stock-based compensation expense. These awards will cliff vest at the end of the three-year performance period. The Compensation Committee implemented an additional additive performance-based modifier tied to these awards for our CEO and President which is based on the achievement of two conditions (i) at or above target performance for the FY24 and FY25 performance-based RSUs, and (ii) significant stock-price milestones, as described below, for FY24, in this proxy statement under "Performance-Vesting RSUs for Messrs. Rosenbaum and Mullen." The modifier increases the upside leverage of the annual performance-based RSU program to 250%. We believe that these changes promote longer-term retention for our most senior leadership team and incentivize long-term value creation for the Company.

**Balancing stockholder dilution with proper use of equity incentives for Company employees**

In fiscal year 2024, we undertook a comprehensive review of our long-term incentive programs, to ensure equity awards were being granted to those employees for whom they provided the most appreciated incentives. As part of that program, we changed the way some long-term incentives were granted in the employee base, particularly emphasizing short-term cash remuneration over long-term incentives in our fiscal year 2025 compensation refresh cycle. We have additionally continued with our MyChoice LTI Plan, whereby employees in professional or managerial roles (excluding senior executives such as our NEOs) can choose to receive their annual refresh long-term incentive award entirely in the form of cash, entirely in form of RSUs, or in a mix of both (i.e., 50% in the form of RSUs and 50% in the form of cash). For fiscal years 2023 and 2024, cash elections under the MyChoice LTI Plan effectively reduced dilution by approximately 430,000 shares of our common stock.

We believe these changes and options ensure the vast majority of our employees are being compensated in a way that most aligns with their desires, while also protecting against unnecessary dilution. We would also like for all employees who value participating in the growth of our equity to be able to do so, and are asking shareholders to approve an ESPP program at the 2024 Annual Meeting. This program would enable the Company to offer a current market-competitive, broad-based stock purchase plan to eligible employees of the Company and its subsidiaries and affiliates on a global basis. If approved, the ESPP will allow continued ownership participation even for those who no longer receive equity grants.

We also previously undertook to address dilutions concerns with the approval of a share repurchase program. On September 22, 2022, our Board approved the program pursuant to which we may purchase up to \$400 million of our outstanding shares of common stock. As of July 31, 2024, \$138.2 million remained available for future share repurchases.

**Continued commitment to robust corporate governance practices**

We continue to reinforce our commitment to strong corporate governance through an engaged Board, which, as of the date of the proxy statement, consists of eight out of nine independent members, with the sole non-independent member being Mike Rosenbaum, our CEO. The roles of CEO and Chairman are separated, with Michael C. Keller serving as our independent Chairman following his appointment on March 14, 2024. This separation provides the right foundation to pursue strategic and operational objectives while maintaining effective oversight. Our Board also conducts an annual self-evaluation of the Board and its committees to ensure ongoing effectiveness.

The Board and management are involved in regular, on-going succession planning for director and management positions, focusing on the skills and development needed to be effective in serving the Company in the respective roles. As part of that process, we welcomed Mark V. Anquillare to the Board effective September 23, 2024. Mr. Anquillare brings significant business management experience and a strong background in the insurance industry to our Board, having served as president, chief operating officer, and chief financial officer at Verisk Analytics.

As our stockholders' views and market practices on executive compensation evolve, the Compensation Committee will continue to evaluate and, when needed, make changes to our executive compensation program, ensuring that the program continues to reflect our pay-for-performance compensation philosophy and objectives.



Furthermore, since we value the opinions of our stockholders, our Board and the Compensation Committee will continue to consider the feedback received throughout the year, including when making compensation decisions for our executive officers in the future.

## Executive Compensation Program Elements

The following describes each element of our executive compensation program, the rationale for each and how compensation amounts and awards are determined.

### Base Salary

We provide our executive officers, including the NEOs, with base salaries to compensate them for their day-to-day responsibilities. Generally, the initial base salaries of our executive officers are established through arm's-length negotiation at the time the individual executive officer is hired, taking into account his or her qualifications, experience, and comparable market data.

Thereafter, the Compensation Committee reviews and recommends adjustments, as necessary or appropriate, to the base salaries of our executive officers on an annual basis. In doing so, the Compensation Committee exercises its judgment and discretion and considers several factors, including our overall financial and operational results for the prior fiscal year, the performance of the individual executive officer, the executive officer's potential to contribute to our long-term strategic goals, her or his role and scope of responsibilities within our Company, her or his individual experience and skills, the executive officer's compensation as compared to similarly situated executives at comparable companies in our peer group, and the input of our CEO. No specific formula is applied to determine the weight of each criterion.

In September 2023, the Compensation Committee reviewed the base salaries of certain of our executive officers and management team, including the NEOs, and determined not to adjust the base salaries for our NEOs, with the exception of Winston King, our Chief Administrative Officer, General Counsel, and Secretary. The Compensation Committee approved an increase to Mr. King's base salary to better align his compensation with market competitiveness. This adjustment reflects Mr. King's strong performance during fiscal year 2023 in driving the Company's strategic goals and delivering results. The decision not to adjust the base salaries of the other NEOs was based on the Compensation Committee's assessment that their current compensation levels were appropriate for fiscal year 2024 and not on performance considerations.

Accordingly, the Compensation Committee approved the annual base salaries for fiscal year 2024 as follows:

Named Executive Officer	Fiscal Year 2023 Base Salary (\$)	Fiscal Year 2024 Base Salary* (\$)	Increase (%)
Mike Rosenbaum	750,000	750,000	—
John Mullen	500,000	500,000	—
Jeff Cooper	400,000	400,000	—
Winston King	390,000	397,500	2
Priscilla Hung**	425,000	425,000	—

\* All fiscal year 2024 base salaries first became effective on November 1, 2023.

\*\* Effective as of December 31, 2023, Ms. Hung ceased to serve as our President and Chief Operating Officer and transitioned to the position of a Senior Advisor. Prior to her transition in role, Ms. Hung was on sabbatical at the time of the September 2023 Compensation Committee meeting and that sabbatical ended as of December 31, 2023. As Senior Advisor to the Company, Ms. Hung's annual base salary continued to be \$425,000 for the rest of fiscal year 2024.

### Senior Executive Incentive Bonus Plan

Our Senior Executive Incentive Bonus Plan (the "Bonus Plan") applies to certain key executives, including all the NEOs, as selected by the Compensation Committee. The Bonus Plan provides for bonus payments based upon the attainment of performance targets established by the Compensation Committee related to financial and operational metrics with respect to the Company and its subsidiaries (the "Performance Goals").

Any bonuses paid under the Bonus Plan are based upon objectively determinable bonus formulas that tie such bonuses to one or more performance targets relating to the Performance Goals. The bonus formulas are adopted in each annual performance

period by the Compensation Committee and communicated to each executive officer. No bonuses shall be paid under the Bonus Plan unless and until the Compensation Committee makes a determination with respect to the attainment of the performance objectives. Notwithstanding the foregoing, we can adjust or pay bonuses under the Bonus Plan based on achievement of individual performance goals or pay bonuses (including, without limitation, discretionary bonuses) to executive officers under the Bonus Plan based upon such other terms and conditions as the Compensation Committee may in its discretion determine.

Each executive officer participating in the Bonus Plan has a targeted bonus opportunity set for each performance period. The Performance Goals will be measured at the end of each performance period after our financial reports have been published or such other appropriate time as the Compensation Committee determines. If the Performance Goals are met, payments will be made as soon as practicable following the end of each performance period. Subject to the rights contained in any agreement between the executive officer and the Company, an executive officer must be employed by the Company on the bonus payment date in order to be eligible to receive a bonus payment.

**Target Bonus Opportunities**

In September 2023, the Compensation Committee reviewed the target bonus opportunities of our executive officers and management team, including the applicable NEOs, in view of their performance during fiscal year 2023 and considered several factors, including our peer group’s short-term incentive bonus target opportunity for similarly situated executives, our Company’s overall financial and operational results for the prior fiscal year, the performance of the individual executive officer, the executive officer’s potential to contribute to our long-term strategic goals, his or her role and scope of responsibilities within our Company, his or her individual experience and skills, the Compensation Committee’s sense of competitive market practices for annual bonuses and the recommendations of our CEO (for NEOs other than himself).

As a result, our Compensation Committee did not change the target bonus opportunities for our NEOs for fiscal year 2024.

Named Executive Officer	Fiscal Year 2023 Target Bonus Opportunity (% of Base Salary)	Fiscal Year 2024 Target Bonus Opportunity (% of Base Salary)
Mike Rosenbaum	100	100
John Mullen	100	100
Jeff Cooper	75	75
Winston King	75	75
Priscilla Hung*	75	N/A

\* Effective as of December 31, 2023, Ms. Hung ceased to serve as our President and Chief Operating Officer and transitioned to the position of a Senior Advisor. Prior to her transition in role, Ms. Hung was on sabbatical at the time of the September 2023 Compensation Committee meeting and that sabbatical ended as of December 31, 2023. Accordingly, Ms. Hung was no longer eligible for a fiscal year 2024 bonus.

For our NEOs, 100% of such executive officer’s fiscal year 2024 bonus was based on our Company’s performance during fiscal year 2024 as measured against the corporate financial and operational metrics described below (the “Company Performance Factor”). The Compensation Committee determined this allocation to be appropriate because it linked each executive officer’s potential bonus opportunity to corporate performance, thereby motivating him or her to focus his or her efforts on successfully executing our annual operating plan. The formula for the bonus calculation was as follows:

**Target Cash Bonus Opportunity X Company Performance Factor**

Company Performance Factor

In fiscal year 2024, the bonuses of our executive officers, including the NEOs, who participated in our Bonus Plan were based on the performance of our Company during fiscal year 2024 as measured against the following pre-established corporate financial and operational metrics, which the Board deemed to be critical to enhancing stockholder value:

- Annual Recurring Revenue (ARR) on a constant currency basis (the goal of this metric is to maximize annual recurring revenue);

- Adjusted Non-GAAP Operating Income (Loss) which excludes amortization of intangibles, acquisition consideration holdback, and bonus accrual in excess of 100% but does not exclude stock-based compensation expense (see Appendix A) (the goal of this metric is to achieve or exceed our operating income (loss) targets); and
- Strategic Scorecard Performance (the goal of this metric is to enhance efforts to achieve various strategic goals outlined in our annual fiscal year “VPMOM” initiative, an internal management by objective program (VPMOM)).

The Adjusted Non-GAAP Operating Income (Loss) metric is a non-GAAP financial measure. Specifically, the Adjusted Non-GAAP Operating Income (Loss) is derived from GAAP income (loss) from operations and excludes the amortization of intangibles, acquisition consideration holdback, and corporate bonus accrual exceeding 100% but does not exclude stock-based compensation expense. See Appendix A to this proxy statement for further details regarding the Adjusted Non-GAAP Operating Income (Loss) metric and the reconciliation of the metric to GAAP income (loss) from operations as reported for purposes of GAAP from the Company’s audited financial statements.

For fiscal year 2024, we broadened the scope and increased the weighting of the strategic metrics to include a scorecard of performance, reflecting the Company’s increased focus on strategic business goals as outlined in our VPMOM plan, continuing both the focus on customer satisfaction, sustainability and inclusion, as well as broadening consideration to other specific strategic objectives outlined in our internal annual plan.

The threshold, target, and maximum performance goals for each of these metrics were as follows in fiscal year 2024:

Metric <sup>(1)</sup>	Weighting	Payout % Range (Threshold/Maximum)	Threshold	Target (100%)	Maximum	Actual Performance
ARR <sup>(2)</sup>	48%	50% / 150%	\$819M	\$859M	\$899M	\$872M
Adjusted Non-GAAP Operating Income (Loss)	32%	50% / 150%	(\$100M)	(\$70M)	(\$40M)	(\$34M)
Strategic Scorecard Performance <sup>(3)</sup>	20%	50% / 150%	50%	100%	150%	90%

- (1) Achievement was calculated on a straight-line basis from (i) the threshold to the target and (ii) from the target to the maximum. Achievement at the target was credited at 100%. Achievement below threshold results in 0% payout for the relevant metric under assessment while achievement at threshold results in 50% payout for the relevant metric under assessment. Further, payout is capped at 150%; however, payout above 150% is at the discretion of our Board.
- (2) ARR is calculated on a constant currency basis per exchange rates at July 31, 2023.
- (3) Strategic Scorecard Performance is assessed discretionally on overall performance toward Company strategic goals as outlined in our annual VPMOM plan including, but not limited to, NPS, subscription growth, subscription gross margin, and inclusion / sustainability goals. Overall target performance is paid at 100%, with a range of 0% below threshold performance, and 50% to 150% from threshold to maximum achievement.

Actual performance against these metrics were determined in the first quarter of fiscal year 2024 by the Compensation Committee.

Fiscal Year 2024 Bonus Decisions

After the conclusion of fiscal year 2024, the Compensation Committee evaluated our financial and operational performance for the fiscal year and determined that a Company Performance Factor of 122% was appropriate. Based on this determination, the Compensation Committee approved cash bonuses for the applicable NEOs as follows:

Named Executive Officer	Fiscal Year 2024 Target Bonus Opportunity (% of Base Salary)	Company Performance Factor (%)	Cash Bonus (\$)
Mike Rosenbaum	100	122	915,000
John Mullen	100	122	610,000
Jeff Cooper	75	122	366,000
Winston King	75	122	363,700
Priscilla Hung*	N/A	122	—

\* Effective as of December 31, 2023, Ms. Hung ceased to serve as our President and Chief Operating Officer and transitioned to the position of a Senior Advisor. Prior to her transition in role, Ms. Hung was on sabbatical at the time of the September 2023 Compensation Committee meeting and that sabbatical ended as of December 31, 2023. As noted previously, Ms. Hung was therefore not eligible for and did not receive a cash bonus for fiscal year 2024.

These bonuses to the NEOs for fiscal year 2024 were paid in fiscal year 2025, in accordance with normal Company practice.

## Equity Compensation

We use equity awards to incentivize and reward our executive officers, including the NEOs, for long-term corporate performance based on the value of our common stock and, thereby, to align their interests with those of our stockholders.

Since fiscal year 2021, in consultation with our independent compensation consultants, we provide for only Performance-Vesting RSUs and Time-Vesting RSUs, with Performance-Vesting RSUs focusing mainly on ARR, as we determined that ARR was a key metric for the Company to align and drive performance, and, to a lesser extent in fiscal year 2024, operating profitability as measured by Adjusted Non-GAAP Operating Income (Loss). We believed that for fiscal year 2024, Performance-Vesting RSUs and Time-Vesting RSUs provided a strong retention incentive for our executive officers, provided rewards for growth in the market price of our common stock, and were less dilutive than stock options to our stockholders. Our equity award vehicles provide a strong incentive for our executive officers to remain employed with the Company as they require continued employment through the vesting period.

### Time-Vesting RSUs

Time-Vesting RSUs generally vest quarterly over four years (except that for new hires, 25% of their Time-Vesting RSUs cliff vest on the first anniversary of the vesting commencement date, with the remaining portion vesting in equal quarterly installments over the three years thereafter), subject to an equity award holder's continued employment through each applicable vesting date.

### Performance-Vesting RSUs

#### 2024 Performance-Vesting RSUs

100% of the Performance-Vesting RSUs granted in fiscal year 2024 vest based on the satisfaction of both a three-year time condition and achievement of certain performance conditions. Assuming the applicable performance conditions are met, the Performance-Vesting RSUs vest on September 15, 2026, subject to continued employment through such date. Achievement of the performance condition is measured annually based on two metrics, ARR (weighted 60%) and Adjusted Non-GAAP Operating Income (Loss) (weighted 40%) (the achievement of such ARR and Adjusted Non-GAAP Operating Income (Loss) collectively, the "Performance Factor"), with final performance achievement averaged after three fiscal years (the "Final Performance Factor"). The total number of Performance-Vesting RSUs eligible to vest would equal the target number of Performance-Vesting RSUs multiplied by the Final Performance Factor. For the ARR and Adjusted Non-GAAP Operating Income (Loss) targets: (i) for achievement at the threshold amounts, the number of Performance-Vesting RSUs eligible to vest would equal the target number of Performance-Vesting RSUs multiplied by 50%; (ii) for achievement at the target amounts, the number of Performance-Vesting RSUs eligible to vest would equal the target number of Performance-Vesting RSUs multiplied by 100%; and (iii) for achievement at or above the maximum amounts, the number of Performance-Vesting RSUs eligible to vest would equal the target number of Performance-Vesting RSUs multiplied by 150%. Achievement is calculated on a straight-line basis from (A) the threshold to the target and (B) from the target to the maximum. If the thresholds are not attained, then none of the Performance-Vesting RSUs would be eligible to vest. In addition, if our actual performance amounts exceed the maximum amounts, then the number of Performance-Vesting RSUs eligible to vest would still be capped at 150% of target. For fiscal year 2024, the Company was determined to have achieved a fiscal year 2024 ARR amount in excess of the target amount, which resulted in 116.5% of achievement for such metric and a fiscal year 2024 Adjusted Non-GAAP Operating Income (Loss) in excess of the target amount, which resulted in 150% of achievement for such metric. The combined weighted fiscal year 2024 Performance Factor attainment was 129.9%. The applicable goals for the fiscal year 2024 Performance Factor for the Performance-Vesting RSUs were:

	Weighting (%)	Threshold (50%) (\$)	Target (100%) (\$)	Maximum (150%) (\$)	Actual Performance (\$)
<b>ARR*</b>	<b>60</b>	<b>819M</b>	<b>859M</b>	<b>899M</b>	<b>872M</b>
<b>Adjusted Non-GAAP Operating Income (Loss)**</b>	<b>40</b>	<b>(100)M</b>	<b>(70)M</b>	<b>(40)M</b>	<b>(34)M</b>

\* ARR is calculated on a constant currency basis per exchange rates at July 31, 2023.

\*\* Adjusted Non-GAAP Operating Income (Loss) includes stock-based compensation expense.

The applicable goals for the fiscal year 2025 Performance Factor for the Performance-Vesting RSUs are:

	Weighting (%)	Threshold (50%) (\$)	Target (100%) (\$)	Maximum (150%) (\$)	Actual Performance (\$)
<b>ARR</b>	<b>60</b>	<b>950M</b>	<b>1,000M</b>	<b>1,050M</b>	<b>*</b>
<b>Adjusted Non-GAAP Operating Income (Loss)</b>	<b>40</b>	<b>(20)M</b>	<b>20M</b>	<b>60M</b>	<b>**</b>

\* TBD, measured at July 31, 2025, our fiscal year 2025 fiscal year end, on a constant currency basis per exchange rates at July 31, 2023. The Compensation Committee may in its discretion adjust ARR targets for any inorganic ARR growth or loss due to mergers, acquisitions, or divestitures.

\*\* TBD, measured at July 31, 2025, our fiscal year 2025 fiscal year end. Adjusted Non-GAAP Operating Income (Loss) includes stock-based compensation expense.

The applicable goals for the fiscal year 2026 Performance Factor for the Performance-Vesting RSUs are:

	Weighting (%)	Threshold (50%) (\$)	Target (100%) (\$)	Maximum (150%) (\$)	Actual Performance (\$)
<b>ARR</b>	<b>60</b>	<b>1,102M</b>	<b>1,161M</b>	<b>1,220M</b>	<b>*</b>
<b>Adjusted Non-GAAP Operating Income (Loss)</b>	<b>40</b>	<b>50M</b>	<b>100M</b>	<b>150M</b>	<b>**</b>

\* TBD, measured at July 31, 2026, our fiscal year 2026 fiscal year end, on a constant currency basis per exchange rates at July 31, 2023. The Compensation Committee may in its discretion adjust ARR targets for any inorganic ARR growth or loss due to mergers, acquisitions, or divestitures.

\*\* TBD, measured at July 31, 2026, our fiscal year 2026 fiscal year end. Adjusted Non-GAAP Operating Income (Loss) includes stock-based compensation expense.

For Messrs. Rosenbaum and Mullen, their Performance-Vesting RSUs contain an opportunity to vest in an additional 25% to 100% of their target number of Performance-Vesting RSUs, based on the Company's achievement of significant stock-price milestones. This additive performance-based modifier for Mr. Rosenbaum's and Mr. Mullen's Performance-Vesting RSUs was designed to incentivize long-term value creation for the Company and to promote long-term retention for the executives.

For Mr. Rosenbaum's and Mr. Mullen's Performance-Vesting RSUs, if the Final Performance Factor is greater than 100%, then an additional percentage of their respective target number of Performance-Vesting RSUs (ranging from 25% to 100%) may be eligible to vest on September 15, 2026, subject to continued employment through such date, based on the Company's compound annual growth rate ("CAGR") from September 13, 2023 through September 13, 2026. The applicable CAGR milestones are:

	Modifier Percentage (%)	CAGR (%)	Target Share Price (\$)
<b>Threshold</b>	<b>25</b>	<b>+15</b>	<b>133.08</b>
<b>Target</b>	<b>50</b>	<b>+20</b>	<b>151.20</b>
<b>Maximum</b>	<b>100</b>	<b>+25</b>	<b>170.90</b>

With respect to the CAGR milestones: (i) for achievement at the threshold amount, the additional number of Performance-Vesting RSUs eligible to vest would be 25% of the target number of Performance-Vesting RSUs (so the total number of Performance-Vesting RSUs eligible to vest would equal the target number of Performance-Vesting RSUs multiplied by (the Final Performance Factor plus 25%)); (ii) for achievement at the target amount, the additional number of Performance-Vesting RSUs eligible to vest would be 50% of the target number of Performance-Vesting RSUs (so the total number of Performance-Vesting RSUs eligible to vest would equal the target number of Performance-Vesting RSUs multiplied by (the Final Performance Factor plus 50%)); and (iii) for achievement at or above the maximum amount, the additional number of Performance-Vesting RSUs eligible to vest would be 100% of the target number of Performance-Vesting RSUs (so the total number of Performance-Vesting RSUs eligible to vest would equal the target number of Performance-Vesting RSUs multiplied by (the Final Performance Factor plus 100%). If the CAGR milestone is between threshold and target and between target and maximum, then the modifier percentage will be

determined by using linear interpolation. In no event can the modifier percentage exceed 100% and in the event CAGR does not equal or exceed the threshold (i.e., +15%), then the modifier percentage will be 0%. If CAGR is negative, then the modifier percentage will be 0%.

### 2022 Performance-Vesting RSUs

In fiscal year 2022, we made a grant of Performance-Vesting RSUs ("FY 22 Performance-Vesting RSUs"). 50% of the FY 22 Performance-Vesting RSUs vest based on the satisfaction of both a three-year time condition and a three-year performance condition (the "Second Tranche FY 22 Performance-Vesting RSUs"). For the Second Tranche FY 22 Performance-Vesting RSUs, the performance condition was tied to the achievement of fiscal year 2024 ARR, measured on a constant currency basis using July 31, 2021 exchange rates. The three-year performance period for the Second Tranche FY 22 Performance-Vesting RSUs ended on July 31, 2024. The fiscal year 2024 ARR was achieved at \$898 million and based on the applicable performance conditions below, the Second Tranche FY 22 Performance-Vesting RSUs were paid out at 99% of target.

	Threshold (50%) (\$)	Target (100%) (\$)	Maximum (150%) (\$)	Actual Performance (\$)
<b>ARR*</b>	\$800M	\$900M	\$1,000M	\$898M

\* ARR is calculated on a constant currency basis per exchange rates at July 31, 2021 excluding ARR from our HazardHub acquisition.

Named Executive Officer	% Achieved of Target	Performance Vesting RSUs Paid Out
<b>Mike Rosenbaum</b>	99%	17,443
<b>John Mullen</b>	—	—
<b>Jeff Cooper</b>	99%	7,675
<b>Winston King</b>	99%	4,652
<b>Priscilla Hung</b>	99%	9,303

### Fiscal Year 2024 Equity Grants

Typically, the size and form of the initial equity awards for our executive officers have been established through arm's-length negotiation at the time the individual executive officer was hired. In formulating these awards our Compensation Committee has considered, among other things, the prospective role and responsibility of the executive officer, the amount of equity-based compensation held by the executive officer at his or her former employer, the cash compensation received by the executive officer, the Compensation Committee's sense of the competitive market for similar positions (based in part on information supplied by the Compensation Committee's independent compensation consultant), and the need to create a meaningful opportunity for reward predicated on the creation of long-term stockholder value.

Additionally, the Compensation Committee has reviewed the equity holdings of our executive officers annually and granted equity awards in the form of Performance-Vesting RSUs and/or Time-Vesting RSUs to our executive officers to ensure that their overall equity position was consistent with our compensation objectives.

For fiscal year 2024, the Compensation Committee did not apply a rigid formula in determining the size of the annual equity awards for the NEOs; however, in making its determination, the Compensation Committee took into account the 50th percentile of our peer group's annual equity awards to similarly situated executives. In addition, the annual equity awards were split evenly between (i) Performance-Vesting RSUs (50%) and (ii) Time-Vesting RSUs (50%). The Compensation Committee did not strictly benchmark against our peer group, but used its discretion as appropriate, when determining the size of equity awards. In conducting this review and making award determinations in fiscal year 2024, the Compensation Committee also exercised its judgment and discretion and considered several factors, including our overall financial and operational results for the prior fiscal year, the performance of the individual executive officer, the executive officer's potential to contribute to our long-term strategic goals, his or her role and scope of responsibilities within the Company, his or her individual experience and skills, the Compensation Committee's sense of competitive market practices for equity compensation (supported in part by information supplied by the Compensation Committee's independent compensation consultant), and, as applicable, the recommendations of our CEO. Based on these factors, in September 2023, the Compensation Committee approved the Performance-Vesting RSUs and Time-Vesting RSUs to our NEOs as shown in the table below.

Named Executive Officer	Number of Time-Vesting RSUs	Target Number of Performance-Vesting RSUs	Grant Date Fair Value of RSUs (\$)
Mike Rosenbaum	52,150	52,150	9,594,557
John Mullen	31,869	31,869	5,863,259
Jeff Cooper	27,813	27,813	5,117,036
Winston King	14,486	14,486	2,665,134
Priscilla Hung*	—	—	—

\* Effective as of December 31, 2023, Ms. Hung ceased to serve as our President and Chief Operating Officer and transitioned to the position of a Senior Advisor. Prior to her transition in role, Ms. Hung was on sabbatical at the time of the September 2023 Compensation Committee meeting and that sabbatical ended as of December 31, 2023. Accordingly, Ms. Hung did not receive an annual grant for fiscal year 2024.

### Compensation Mix

In determining the amount of base salary, cash bonuses and equity compensation awarded to each NEO, the Compensation Committee does not apply any rigorous percentage of any one element in relation to the overall compensation package. Rather, the Compensation Committee looks at the overall compensation package and the relative amount of each element on an individual basis for each NEO to determine whether such amounts and mix of components further the basic principles and objectives of our overall compensation program.

### Welfare and Other Benefits

We have established a tax-qualified Section 401(k) retirement plan for all employees, including NEOs, who satisfy certain eligibility requirements, including requirements relating to age and length of service. Under this plan, employees may elect to defer their current compensation by up to the statutory limit and contribute to the plan. We provide a match for pre-tax contributions equal to fifty cents for every dollar contributed for the first 8% of cash compensation, up to a maximum of \$5,000 per participant. We intend for the plan to qualify under Section 401(a) of the Code so that contributions by employees to the plan, and income earned on plan contributions, are not taxable to employees until withdrawn from the plan.

In addition, we provide other employee welfare and benefit programs to our executive officers, including the NEOs, on the same basis as all of our full-time employees in the country in which they are resident. These benefits include medical, dental, and vision benefits, medical and dependent care flexible spending accounts, short-term and long-term disability insurance, accidental death and dismemberment insurance and basic life insurance coverage, as well as certain wellness benefits.

We design our employee welfare and benefit programs to be affordable and competitive in relation to the market, as well as compliant with applicable laws and practices. We adjust our employee welfare and benefit programs as needed based upon regular monitoring of applicable laws and practices and the competitive market.

We do not provide perquisites to our executive officers, except in limited situations where we believe it is appropriate to assist an individual in the performance of his or her duties, to make our executive officers more efficient and effective, and for recruitment and retention purposes. We do not provide any tax gross-ups for perquisites.

In the future, we may provide perquisites or other personal benefits in limited circumstances, such as where we believe it is appropriate to assist an individual executive officer in the performance of his or her duties, to make our executive officers more efficient and effective, and for recruitment, motivation, or retention purposes. All future practices with respect to perquisites or other personal benefits will be approved and subject to periodic review by the Compensation Committee.

### Pension Benefits

We do not offer any defined benefit pension plans for our NEOs or other U.S.-based employees.

### Non-qualified Deferred Compensation

We do not offer any non-qualified deferred compensation arrangements for our employees, including our NEOs.

### Executive Agreements and Termination of Employment Arrangements

We entered into an amended and restated executive agreement with each of Ms. Hung, Mr. Cooper and Mr. King in January 2020, an agreement with Mr. Rosenbaum in August 2019 which was amended in November 2020, and an agreement with Mr. Mullen in February 2022, which was amended in September 2024 (collectively, the "Executive Agreements"). The terms of the

Executive Agreements are substantially similar. These Executive Agreements provide for at-will employment. In addition, each agreement sets forth the terms and conditions of employment of each of the NEOs, including initial position, initial base salary, initial target annual bonus opportunity and standard employee benefit plan participation.

These Executive Agreements also contain provisions that provide for certain payments and benefits in the event of a termination of employment, including an involuntary termination of employment within two months before or 12 months following a change in control of the Company.

For a summary of the material terms and conditions of the post-employment compensation terms applicable to our NEOs, see the section titled “Post-Employment Compensation” below.

Our philosophy is that outside of a change in control context, severance protections are only appropriate in the event an executive officer is involuntarily terminated by us without cause or in limited other analogous circumstances, and such protections are only provided upon the executive officer’s execution of an effective release of claims. In addition, we believe that the occurrence or potential occurrence of a change in control transaction will create uncertainty regarding the continued employment of our executive officers. This uncertainty arises from the fact that many change in control transactions result in significant organizational changes, particularly at the senior executive level. In order to encourage executive officers to remain employed with us during an important time when their prospects for continued employment following the transaction are often uncertain, we provide our executive officers with additional severance protections during a change in control protection period, as mentioned above. We also provide severance protections in connection with a change in control, subject to each executive officer’s execution of an effective release of claims against us, to help ensure that executive officers can objectively evaluate change in control transactions that may be in the best interest of our stockholders, despite the potential negative consequences such transactions may have on them personally. Further, we provide severance protections if an executive officer voluntarily terminates employment with us for good reason in connection with a change in control or in limited other analogous circumstances, subject to the executive officer’s execution of an effective release of claims against us, because we believe that a voluntary termination for good reason is essentially equivalent to an involuntary termination by us without cause in those circumstances. We believe that the severance benefits provided to our executive officers under their Executive Agreements are appropriate in light of the severance protections available to similarly-situated executive officers at companies in our peer group and are an important component of each executive officer’s overall compensation as they help us to attract and retain our key executives who could have other job alternatives that may appear to them to be more attractive absent these protections.

Effective as of December 31, 2023, Ms. Hung stepped down from her position as our President and Chief Operating Officer, but remains an employee with the Company in the role of Senior Advisor, pursuant to the same executive agreement she previously entered into, as mentioned above.

## Other Compensation Policies

### Stock Ownership Guidelines

We have adopted stock ownership guidelines that are applicable to senior executives, including our NEOs. Effective as of March 2021, we amended our stock ownership guidelines to require the CEO and each of the non-CEO executive officers who are subject to reporting obligations pursuant to Section 16 of the Securities Exchange Act of 1934, as amended, to own shares of our common stock equal to at least four times and 1.5 times, respectively, his or her annual base salary, by the first July 31st that occurs following the three-year anniversary of his or her date of hire or promotion or, if later, by July 31, 2023. Only shares of our common stock that are owned or held in the following forms will be considered in determining whether each officer has met the stock ownership requirement: (i) shares owned directly by the officer; (ii) shares “beneficially owned” by the officer that are held in a grantor trust (or similar instrument) for the benefit of the officer and/or his or her immediate family members, but only to the extent that the officer has the power to vote and dispose of such shares; and/or (iii) shares representing the aggregate net value of vested and unexercised in-the-money options. Shares of our common stock underlying unvested options, unvested RSUs, unvested performance-based RSUs and other unvested equity awards will not be considered when determining whether an officer has met the stock ownership requirement. As of July 31, 2024, all our NEOs who have been employed for three or more years have satisfied the ownership requirements.

### Compensation Recovery Policy

In September 2019, we adopted a clawback policy, which was subsequently amended in December 2019 (the “Clawback Policy”), and superseded in September 2023 (as described below). The Clawback Policy provides that if our financial statements are materially restated, whether in part or in their entirety, due to misconduct by one or more covered individuals (i.e., (i) any Section 16 officers and (ii) certain of our C-level employees, senior vice presidents, and sales leadership as designated by the Clawback Policy or agreed upon by our CEO, CFO, and General Counsel), then our Board or Compensation Committee shall



have the discretion to recoup a portion of any performance-based compensation that has been paid or distributed to a covered individual during the clawback period (i.e., the three-year period preceding the publication of the restated financials), to the extent such compensation paid or distributed was in excess of what would have been paid under the restated financials. Our Board or the Compensation Committee, in its sole discretion, may also reduce the amount of future compensation, including, without limitation, any bonus or severance, or the future grant or vesting of any equity award, payable to any covered individual by an amount equal to such excess proceeds from performance-based compensation received by the covered individual during the clawback period. Additionally, for any covered individual who is terminated for “cause” (as defined in the Clawback Policy), if our Board determines based on relevant facts and circumstances that the conduct resulting in such for cause termination has caused material, demonstrable reputational harm to the Company, then the Company may require the covered individual to repay a portion of any performance-based compensation that has been paid or distributed to a covered individual during the “for cause clawback period” (i.e., the period from when the first act by the covered individual underlying for cause termination occurred, until such time the covered individual was terminated for cause by the Company). The policy is applicable to all cash and equity-based compensation predicated on the achievement of financial performance goals or financial metrics (excluding any such compensation based on Total Shareholder Return or similar stock price-based metrics).

In September 2023, the Board approved two new clawback policies, each effective October 2, 2023. The Compensation Recovery Policy (the “Required Clawback Policy”) complies with the SEC’s newly adopted clawback rules as required under the Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd Frank Act”), and provides that in the event we are required to prepare a “financial restatement” (as defined in the Required Clawback Policy), we shall, subject to certain limited exceptions as described in the Required Clawback Policy, recover certain incentive based compensation from “covered persons” (i.e., “executive officers”, defined to include (i) the president, principal financial officer, principal accounting officer (or if there is no such accounting officer, the controller), any vice president in charge of a principal business unit, division or function, or any officer or person who performs a policy making functions and (ii) who served during the performance period applicable to “incentive based compensation” and received “incentive based compensation” after beginning service in any such role). Compensation that shall be recovered under the Required Clawback Policy generally includes “incentive based compensation” received during the three-year period prior to the “restatement date” (as defined in the Required Clawback Policy) that exceeds the amount that otherwise would have been received by the “covered person” had such compensation been determined based on the restated amounts in the financial restatement. Under the Required Clawback Policy, “incentive based compensation” includes any cash or equity compensation that is granted, earned, or vested based, in whole or in part, upon the attainment of a financial reporting measure.

The Supplemental Compensation Recovery Policy (the “Supplemental Clawback Policy”) amends and restates the Clawback Policy and provides for the discretionary recovery of “incentive based compensation” from certain “covered persons” (i.e., (i) “executive officers” and (ii) certain of our C-level employees, senior vice presidents, and sales leadership as designated by the Supplemental Clawback Policy (“senior officers”)) in addition to any recovery required under the Required Clawback Policy. Under the Supplemental Clawback Policy, “incentive based compensation” includes, similar to the Required Clawback Policy, any cash or equity compensation that is granted, earned, or vested based, in whole or in part, upon the attainment of a financial reporting measure and also includes other equity-based compensation such as stock options, restricted stock awards, restricted stock units, and stock appreciation rights. Additionally, for any “covered person” who is terminated for “cause” (as defined in the Supplemental Clawback Policy) or who resigns, but is later determined that he or she could have been terminated for cause, if our Board determines based on relevant facts and circumstances that the conduct resulting in such for cause termination (or conduct which could have resulted in such for cause termination) has caused material, demonstrable reputational harm to the Company, then the Board may require such “covered person” to repay a portion of any “incentive-based compensation” received by such “covered person” during the “for cause clawback period” (i.e., the period from when the first act by the covered individual underlying for cause termination occurred, until such time the covered individual was terminated for cause by the Company or until such time the “covered person” resigned from the Company, as applicable).

Under both the Required Clawback Policy and the Supplemental Clawback Policy, “incentive based compensation” received by a “covered person” prior to October 2, 2023 is subject to the Clawback Policy and “incentive based compensation” received by a “covered person” on or after October 2, 2023 is subject to the Required Clawback Policy and/or the Supplemental Clawback Policy, as applicable.

In addition, our 2020 Stock Plan provides that all awards thereunder will be subject to the Company’s clawback policy in effect, from time to time.

### Derivatives Trading and Hedging Policy

Our insider trading policy applies to all directors, officers including our NEOs, employees, and agents (such as consultants and independent contractors) of the Company. Under this policy all such persons are prohibited from engaging in transactions in publicly traded options and other derivative securities with respect to our securities, including any hedging or similar transactions.

## Anti-Pledging Policy

Under our insider trading policy, all of our directors, officers including our NEOs, employees, and agents (such as consultants and independent contractors) are prohibited from pledging our securities as collateral for loans.

## Equity Award Grant Policy

In March 2021, we adopted an Equity Award Grant Policy that sets forth the process and timing for us to follow when we grant equity awards for shares of our common stock to our employees, including our executive officers, pursuant to any of our equity compensation plans. The policy was amended and restated in September 2023 and further amended and restated in June 2024. Pursuant to the policy (as amended and restated), all grants of equity awards must be approved in advance by our Board, the Compensation Committee or, subject to the delegation requirements in the policy, the Equity Grant Committee. The Equity Grant Committee is currently comprised of our CEO, CFO, and General Counsel. The equity award granting authority delegated to the Equity Grant Committee applies to non-executive employees and covers awards of RSUs within specific ranges set forth in the policy.

The Equity Award Grant Policy sets forth that equity awards are generally granted on the following regularly scheduled basis:

- Equity awards granted in connection with the hiring of a new employee or the promotion of an existing employee will be on a quarterly basis and be effective on the date on which such award is approved by the Board, the Compensation Committee or the Equity Grant Committee.
- Equity awards granted to existing employees (other than in connection with a promotion) will generally be granted, if at all, on an annual basis effective on the date on which such award is approved by the Board, the Compensation Committee or the Equity Grant Committee.

Our Board and the Compensation Committee retain the discretion to grant equity awards at other times to the extent appropriate in light of the circumstances of such awards.

In addition, the policy sets forth the manner in which our equity awards will be priced. If an award of restricted stock or restricted stock units is denominated in dollars, the number of shares subject to the award will be determined by dividing the dollar value by the average closing market price on the NYSE of a share of our common stock over the ten trading days ending two trading days immediately preceding the effective date of grant, with such total number of shares rounded up to the nearest whole share. The exercise price of all stock options will be equal to the closing market price on the NYSE of a share of our common stock on the effective date of grant.

## Tax and Accounting Considerations

### Deductibility of Executive Compensation

Section 162(m) of the Code generally disallows public companies a tax deduction for federal income tax purposes of remuneration in excess of \$1 million paid to certain specified executive officers, including a public corporation's chief executive officer, chief financial officer and each of the three other most highly compensated executive officers whose compensation is required to be disclosed to stockholders under the Exchange Act.

Pursuant to the Tax Cuts and Jobs Act of 2017, which was signed into law on December 22, 2017 (the "Tax Act"), for years beginning after December 31, 2017, all remuneration in excess of \$1 million paid to a specified executive is not deductible. In addition, under the Tax Act, once an executive becomes a "covered employee" under Section 162(m) of the Code, the individual will continue to be a "covered employee" as long as he or she remains employed by the company.

In approving the amount and form of compensation for our executive officers, the Compensation Committee is mindful of the benefit of receiving full deductibility of compensation; however, our Compensation Committee believes that we should not be constrained by the requirements of Section 162(m) of the Code, where such requirements would impair our flexibility in compensating our executive officers in a manner that can best promote our corporate objectives and attract and retain executive talent. Our Compensation Committee monitors the application of Section 162(m) of the Code, as well as developments under Section 162(m) of the Code, and balances the benefits of potentially paying compensation that is deductible under Section 162(m) with our need to have the flexibility to maintain compensation plans that are designed to promote our objectives.

### Taxation of “Parachute” Payments

Sections 280G and 4999 of the Code provide that executive officers and directors who hold significant equity interests and certain other service providers may be subject to significant additional taxes if they receive payments or benefits in connection with a change in control of the company that exceeds certain prescribed limits, and that the company (or a successor) may forfeit a deduction on the amounts subject to this additional tax. We have not agreed to provide any executive officer, including any NEO, with a “gross-up” or other reimbursement payment for any tax liability that the executive officer might owe as a result of the application of Sections 280G or 4999 of the Code.

### Accounting for Stock-Based Compensation

We follow FASB ASC Topic 718 for our stock-based compensation awards. FASB ASC Topic 718 requires companies to measure the compensation expense for all share-based payment awards made to employees and directors, based on the grant date “fair value” of these awards. This calculation is performed for accounting purposes and reported in the compensation tables below, even though our executive officers may never realize any value from their awards. FASB ASC Topic 718 also requires companies to recognize the compensation cost of their stock-based compensation awards in their income statements over the period that an executive officer is required to render service in exchange for the option or other stock-based award.

# Summary Compensation Table

The following table summarizes the compensation that we paid to, or that was earned by or granted to, each of the NEOs during our fiscal years 2024, 2023, and 2022.

Name and Principal Position	Year	Salary (\$)	Bonus (\$)	Stock Awards (\$) <sup>(1)</sup>	Non-Equity Incentive Plan Compensation (\$)	All Other Compensation (\$) <sup>(2)</sup>	Total (\$)
<b>Mike Rosenbaum</b> Chief Executive Officer	2024	750,000	—	9,594,557	915,000	5,881	11,265,438
	2023	750,000	—	7,851,062	943,500	5,930	9,550,492
	2022	750,000	—	8,474,034	855,000	5,944	10,084,978
<b>John Mullen</b> President	2024	500,000	—	5,863,259	610,000	5,881	6,979,140
	2023	500,000	—	3,175,326	629,000	5,930	4,310,256
	2022	246,474	750,000	10,150,676	—	5,465	11,152,615
<b>Jeff Cooper</b> Chief Financial Officer	2024	400,000	—	5,117,036	366,000	5,707	5,888,743
	2023	400,000	—	3,628,981	377,400	5,748	4,412,129
	2022	397,833	—	3,720,580	329,084	5,752	4,453,249
<b>Winston King</b> Chief Administrative Officer, General Counsel, and Secretary	2024	397,500	—	2,665,134	363,700	5,699	3,432,033
	2023	390,000	—	1,814,491	367,965	5,729	2,578,185
	2022	383,333	—	2,254,904	311,065	5,713	2,955,015
<b>Priscilla Hung</b> Former President and Chief Operating Officer <sup>(3)</sup>	2024	425,000	—	—	—	5,750	430,750
	2023	425,000	—	3,628,981	400,988	5,793	4,460,762
	2022	421,667	—	4,509,808	360,518	5,792	5,297,785

- (1) The amounts shown reflect the aggregate grant date fair value of RSUs granted, determined in accordance with FASB ASC Topic 718. These amounts do not represent the actual amounts paid to or realized by the NEOs during the fiscal years presented. Pursuant to SEC rules, these amounts exclude the impact of estimated forfeitures related to service-based vesting conditions. See Note 10 of the consolidated financial statements in our 2024 Annual Report, regarding assumptions underlying valuation of equity awards for fiscal years 2024, 2023, and 2022. Details regarding equity awards that are still outstanding can be found in the “Outstanding Equity Awards at Fiscal Year End” table. The aggregate grant fair value of the Performance-Vesting RSUs granted in fiscal year 2024 (which represents 50% of the awards granted in fiscal year 2024) at the maximum level of achievement is as follows for Messrs. Rosenbaum, Cooper, Mullen, and King: \$11,993,196, \$3,837,777, \$7,329,073, and \$1,998,851, respectively.
- (2) The amounts reported in the “All Other Compensation” column consist of life insurance premiums and 401(k) matching contributions paid by the Company on behalf of each NEO. Fiscal year 2024 amounts are comprised of \$5,000 of 401(k) matching contributions for Messrs. Rosenbaum, Cooper, Mullen, and King, and Ms. Hung, and the following life insurance premiums for Messrs. Rosenbaum, Cooper, Mullen, and King, and Ms. Hung of \$881, \$707, \$881, \$699, and \$750, respectively.
- (3) Effective as of December 31, 2023, Ms. Hung ceased to serve as our President and Chief Operating Officer and transitioned to the position of a Senior Advisor. Prior to her transition in role, Ms. Hung was on sabbatical at the time of the September 2023 Compensation Committee meeting and that sabbatical ended as of December 31, 2023. In connection with this transition, Ms. Hung’s annual base salary for fiscal year 2024 remained \$425,000, and Ms. Hung did not receive a cash bonus for fiscal year 2024.

# Grants of Plan-Based Awards

The following table presents information concerning grants of plan-based awards to each of the NEOs during fiscal year 2024.

Name	Grant Date <sup>(2)</sup>	Estimated Future Payouts Under Non-Equity Incentive Plan Awards <sup>(1)</sup>			Estimated Future Payouts Under Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units (#)	Grant Date Fair Value of Stock and Option Awards (\$)
		Threshold (\$)	Target (\$)	Maximum (\$)	Threshold (#)	Target (#)	Maximum (#)		
<b>Mike Rosenbaum</b>									
Annual Bonus Opportunity		375,000	750,000	1,125,000					
Performance-Vesting RSUs <sup>(3)</sup>	9/13/2023				26,075	52,150	130,375		4,797,279
Time-Vesting RSUs <sup>(4)</sup>	9/13/2023							52,150	4,797,279
<b>John Mullen</b>									
Annual Bonus Opportunity		250,000	500,000	750,000					
Performance-Vesting RSUs <sup>(3)</sup>	9/13/2023				15,935	31,869	79,673		2,931,629
Time-Vesting RSUs <sup>(4)</sup>	9/13/2023							31,869	2,931,629
<b>Jeff Cooper</b>									
Annual Bonus Opportunity		150,000	300,000	450,000					
Performance-Vesting RSUs <sup>(3)</sup>	9/13/2023				13,907	27,813	41,720		2,558,518
Time-Vesting RSUs <sup>(4)</sup>	9/13/2023							27,813	2,558,518
<b>Winston King</b>									
Annual Bonus Opportunity		149,063	298,125	447,188					
Performance-Vesting RSUs <sup>(3)</sup>	9/13/2023				7,243	14,486	21,729		1,332,567
Time-Vesting RSUs <sup>(4)</sup>	9/13/2023							14,486	1,332,567
<b>Priscilla Hung</b>									
Annual Bonus Opportunity		159,375	318,750	478,125					

(1) The amounts shown represent the threshold, target, and maximum amount of potential cash bonus awards provided for under the Bonus Plan. The target amounts are pre-established as a fixed dollar amount. The maximum amounts represent the greatest payout that could have been made if the pre-established performance level was exceeded. Under the Bonus Plan the maximum amount payable was equal to 150% of the target amount if all the performance criteria is above the maximum; however, payout above is at the discretion of our Board. If the threshold amount was achieved for each of the performance criteria, then 50% of the target amount was payable and, if the target amount was achieved for each of the performance criteria, then 100% of the target amount was payable. If achievement is less than the threshold amount for all the performance criteria, 0% was payable.

(2) Each grant was approved by our Compensation Committee on the grant date indicated.

(3) Performance-Vesting RSUs granted under our Stock Plan, as described under "Equity Compensation — Performance-Vesting RSUs" above. The aggregate grant date fair value is reported for the probable outcome, which for this purpose is estimated as 100% target achievement.

(4) Time-Vesting RSUs granted under our Stock Plan generally vest quarterly over four years, subject to the executive officer's continued employment with the Company through each applicable vesting date.

# Outstanding Equity Awards at Fiscal 2024 Year End

The following table provides information regarding outstanding equity awards, including stock options and RSUs, and applicable market values at the end of fiscal year 2024. All outstanding equity awards were granted pursuant to our 2020 Stock Plan, adopted by our stockholders on December 15, 2020, as amended (“2020 Stock Plan”), or, for grants prior to January 2021, the 2011 Stock Plan. The outstanding and unvested shares that remain eligible to vest is subject to (i) each applicable NEO’s continued employment through the vesting period and (ii) certain acceleration provisions pursuant to the Executive Agreements entered in by each NEO.

Name	Grant Date	Stock Awards							
		Option Awards				Time-Based		Performance-Based	
		Number of Securities Underlying Unexercised Options (#)	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)	Option Expiration Date	Number of Shares or Units of Stock that Have Not Vested (#)	Market Value of Shares or Units of Stock that Have Not Vested <sup>(1)</sup> (\$)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested <sup>(1)</sup> (\$)
Mike Rosenbaum	9/10/2020 <sup>(2)</sup>	—	—	—	—	1,902	285,433	—	—
	9/15/2021 <sup>(2)</sup>	—	—	—	—	11,012	1,652,571	—	—
	9/15/2021 <sup>(3)</sup>	—	—	—	—	23,492	3,525,444	—	—
	9/15/2022 <sup>(2)</sup>	—	—	—	—	33,507	5,028,395	—	—
	9/15/2022 <sup>(4)</sup>	—	—	—	—	20,214	3,033,515	29,785	4,469,835
	9/13/2023 <sup>(2)</sup>	—	—	—	—	42,372	6,358,766	—	—
	9/13/2023 <sup>(5)(6)</sup>	—	—	—	—	—	—	52,150	7,826,151
John Mullen	3/15/2022 <sup>(7)</sup>	—	—	—	—	52,278	7,845,359	—	—
	9/15/2022 <sup>(2)</sup>	—	—	—	—	13,552	2,033,749	—	—
	9/15/2022 <sup>(4)</sup>	—	—	—	—	8,174	1,226,672	12,047	1,807,893
	9/13/2023 <sup>(2)</sup>	—	—	—	—	25,894	3,885,913	—	—
	9/13/2023 <sup>(5)(6)</sup>	—	—	—	—	—	—	31,869	4,782,581
Jeff Cooper	9/9/2020 <sup>(2)</sup>	—	—	—	—	313	46,972	—	—
	9/14/2021 <sup>(2)</sup>	—	—	—	—	4,846	727,239	—	—
	9/14/2021 <sup>(3)</sup>	—	—	—	—	10,337	1,551,274	—	—
	9/15/2022 <sup>(2)</sup>	—	—	—	—	15,488	2,324,284	—	—
	9/15/2022 <sup>(4)</sup>	—	—	—	—	9,344	1,402,254	13,768	2,066,164
	9/13/2023 <sup>(2)</sup>	—	—	—	—	22,599	3,391,432	—	—
	9/13/2023 <sup>(6)</sup>	—	—	—	—	—	—	27,813	4,173,897

Name	Grant Date	Option Awards				Stock Awards			
		Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$)	Option Expiration Date	Time-Based		Performance-Based	
						Number of Shares or Units of Stock that Have Not Vested (#)	Market Value of Shares or Units of Stock that Have Not Vested <sup>(1)</sup> (\$)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested <sup>(1)</sup> (\$)
Winston King	9/4/2014 <sup>(8)</sup>	105	—	45.27	9/4/2024	—	—	—	—
	9/9/2020 <sup>(2)</sup>	—	—	—	—	563	84,489	—	—
	9/14/2021 <sup>(2)</sup>	—	—	—	—	2,937	440,756	—	—
	9/14/2021 <sup>(3)</sup>	—	—	—	—	6,265	940,189	—	—
	9/15/2022 <sup>(2)</sup>	—	—	—	—	7,744	1,162,142	—	—
	9/15/2022 <sup>(4)</sup>	—	—	—	—	4,671	700,977	6,884	1,033,082
	9/13/2023 <sup>(2)</sup>	—	—	—	—	11,770	1,766,324	—	—
9/13/2023 <sup>(6)</sup>	—	—	—	—	—	—	14,486	2,173,914	
Priscilla Hung	9/9/2020 <sup>(2)</sup>	—	—	—	—	938	140,766	—	—
	9/14/2021 <sup>(2)</sup>	—	—	—	—	5,874	881,511	—	—
	9/14/2021 <sup>(3)</sup>	—	—	—	—	12,530	1,880,377	—	—
	9/15/2022 <sup>(2)</sup>	—	—	—	—	15,488	2,324,284	—	—
	9/15/2022 <sup>(4)</sup>	—	—	—	—	9,344	1,402,254	13,768	2,066,164

- (1) The amounts shown are based on a price of \$150.07 per share, which was the closing price of our common stock as reported on the NYSE on July 31, 2024.
- (2) Time-Vesting RSUs vest in equal quarterly installments over four years, commencing on the grant date.
- (3) Performance-Vesting RSUs vest over three years (33% of 50% of the shares vest after 1 year, then in equal annual installments over 2 years), commencing on September 15, 2021, assuming attainment of predefined financial results for fiscal year 2022, which were attained at 122%. The remaining 50% of the shares will vest in year 3 assuming attainment of predefined financial results for fiscal year 2024, which were attained at 99%.
- (4) Performance-Vesting RSUs vest over three years (33% of 50% of the shares vest after 1 year, then in equal annual installments over 2 years), commencing on September 15, 2022, assuming attainment of predefined financial results for fiscal year 2023, which were attained at 101.8%. The remaining 50% of the shares will vest in year 3 assuming attainment of predefined financial results for fiscal year 2025.
- (5) Messrs. Rosenbaum and Mullen were granted Performance-Vesting RSUs, which contained an opportunity to increase the number to awards available to vest on September 15, 2026 from 25% to 100% of their respective grant amounts, based on the Company's achievement of certain CAGR milestones during the September 13, 2023 through September 13, 2026 performance period and an initial stock price of \$87.50.
- (6) Performance-Vesting RSUs cliff vest after three years, commencing on September 15, 2023, assuming attainment of predefined financial results for fiscal years 2024 through 2026.
- (7) Time-Vesting RSUs vest over four years (25% cliff vest on the first anniversary of March 15, 2022, then in equal quarterly installments thereafter).
- (8) The time-based vesting condition has been met and the option is fully vested and exercisable.

# Option Exercises and Stock Vested During Fiscal Year 2024

The following table presents certain information concerning the exercise of options by each of the NEOs during the fiscal year ended July 31, 2024, as well as information regarding stock awards that vested during the fiscal year.

Name	Options Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise (\$) <sup>(1)</sup>	Number of Shares Acquired on Vesting (#) <sup>(2)</sup>	Value Realized on Vesting (\$) <sup>(3)</sup>
Mike Rosenbaum	—	—	86,985	8,714,986
John Mullen	—	—	45,957	4,971,887
Jeff Cooper	—	—	35,935	3,741,651
Winston King	42	1,670	21,981	2,210,481
Priscilla Hung	—	—	35,529	3,509,571

- (1) The value realized upon the exercise of stock options is calculated by (i) subtracting the option exercise price from the market price on the date of exercise to get the realized value per share, and (ii) multiplying the realized value per share by the number of shares underlying options exercised.
- (2) Represents shares of common stock released during fiscal year 2024.
- (3) The value realized upon vesting of RSUs is calculated by multiplying the number of RSUs vested by the closing price of common stock on the day prior to the vesting date.



# Post-Employment Compensation

Our executive officers, including the NEOs, have certain agreements or other arrangements with the Company providing for payments or benefits in the event of a termination of employment or in connection with a change in control. As of July 31, 2024, there are no other agreements with our executive officers for payments or benefits beyond those described.

## Involuntary Termination of Employment

Pursuant to Executive Agreements entered into by each NEO, in the event that the employment of the NEOs is terminated without cause (as defined in the applicable Executive Agreements), and subject to such executive officer delivering a fully effective release of claims, he or she will be entitled to cash severance equal to: (i) one times the executive officer's then current base salary (plus one times the executive officer's target annual bonus, for Mr. Rosenbaum only) and (ii) continued health insurance coverage or a lump sum cash payment equal to the monthly contributions that the Company would make to provide health insurance to such executive, in each case, for 12 months. Pursuant to his Amended Executive Agreement, if Mr. Mullen's employment terminates pursuant to a limited set of defined circumstances within the Company's control on or prior to July 31, 2026, then he is entitled to the acceleration of vesting of 50% of his outstanding but unvested equity awards.

## Involuntary Termination of Employment in Connection with a Change in Control

Pursuant to the Executive Agreements entered into by each NEO, in the event that the employment of a NEO is terminated without cause or such executive resigns for good reason (as defined in the applicable Executive Agreements) within the period commencing two months prior to and ending 12 months following, a change in control, then in lieu of the severance described above, and subject to such executive officer delivering a fully effective release of claims, he or she will be entitled to cash severance equal to 1.5 times in the case of Mr. Rosenbaum, and one times in the case of the other NEOs, the sum of the executive officer's then current base salary and target bonus, payable in a single lump sum, plus either continued health insurance coverage or a lump sum cash payment equal to the monthly contributions that the Company would make to provide health insurance to such executive, in each case for 18 months for Mr. Rosenbaum and 12 months for the other NEOs. In addition, the vesting of all then-outstanding stock options, RSUs and other stock-based awards held by the applicable NEO will immediately accelerate and become fully vested upon such termination.

The payments and benefits provided under the Executive Agreements in connection with a change in control may not be eligible for a federal income tax deduction for the Company pursuant to Section 280G of the Code. These payments and benefits also may be subject to an excise tax under Section 4999 of the Code. If the payments or benefits payable to the NEOs in connection with a change in control would be subject to the excise tax on golden parachutes imposed under Section 4999 of the Code, then those payments or benefits will be reduced if such reduction would result in a higher net after-tax benefit to such officer.

## Performance-Vesting RSUs for Messrs. Rosenbaum and Mullen

Messrs. Rosenbaum and Mullen were each granted Performance-Vesting RSUs which contained an opportunity to increase the number of awards available to vest on September 15, 2026 from 25% to 100% of their respective grant amounts, based on the Company's achievement of certain CAGR milestones based on a stock price of \$87.50 during the September 13, 2023 through September 13, 2026 performance period (the "PSU Kicker"). The PSU Kicker was approved at a Compensation Committee meeting held on September 13, 2023, with the \$87.50 stock price reflecting the average closing price of our common stock over 10-trading days ending on the trading day immediately prior to such date. With respect to the PSU Kicker, in the event that a sale event (as defined in the 2020 Stock Plan) occurs prior to September 13, 2026, the applicable performance period will be truncated to the closing date of such sale event (i.e., the new performance period will be from September 13, 2023 through the closing date of the sale event), and the number of additional Performance-Vesting RSUs that may vest pursuant to the PSU Kicker will be based on the achievement of the CAGR milestones during such new performance period. Such Performance-Vesting RSUs pursuant to the PSU Kicker will then vest subject to Mr. Rosenbaum's and Mr. Mullen's continued employment through September 15, 2026, as applicable. Notwithstanding the foregoing, if Mr. Rosenbaum or Mr. Mullen, as applicable, is terminated without cause or resigns for good reason in connection with or following such sale event transaction, then such Performance-Vesting RSUs pursuant to the PSU Kicker will accelerate in vesting in accordance with the terms of the applicable Executive Agreements, as described above; provided, that if the acquirer in the sale event does not agree to assume, continue or convert such Performance-Vesting RSUs in connection with the sale event, then such Performance-Vesting RSUs pursuant to the PSU Kicker will be deemed vested as of the date immediately prior to such sale event.

# Potential Payments Upon Termination or Change in Control

The table below reflects, as applicable, cash severance, equity acceleration, and continuation of health benefits payable to our NEOs in connection with (1) the termination of his or her employment relationship without cause not in connection with a change in control, (2) upon a change in control of our Company and no termination of employment (assuming that all equity awards will not be assumed or continued or substituted by the successor entity), and (3) upon an involuntary termination of employment (i.e., a termination without cause or resignation for good reason) within the period commencing two months prior to and ending 12 months following a change in control (assuming that all equity awards will be assumed or continued or substituted by the successor entity), assuming for each of (1), (2), and (3) that the applicable triggering event(s) occurred on July 31, 2024. See section above titled “Post-Employment Compensation.”

Name	Benefit	Termination without Cause Not in Connection with a Change in Control (\$)	Change in Control, No Termination of Employment, and No Assumption (\$)	Involuntary Termination in Connection with a Change in Control (\$)
Mike Rosenbaum	Cash Severance	1,500,000 <sup>(1)</sup>	—	2,250,000 <sup>(2)</sup>
	Equity Acceleration	—	20,051,603 <sup>(3)</sup>	35,712,758 <sup>(8)</sup>
	Health Benefits	26,055 <sup>(4)</sup>	—	39,082 <sup>(5)</sup>
	<b>Total</b>	1,526,055	20,051,603	38,001,840
John Mullen	Cash Severance	500,000 <sup>(6)</sup>	—	1,000,000 <sup>(7)</sup>
	Equity Acceleration	— <sup>(9)</sup>	14,991,693 <sup>(3)</sup>	23,638,576 <sup>(8)</sup>
	Health Benefits	26,055 <sup>(4)</sup>	—	26,055 <sup>(4)</sup>
	<b>Total</b>	526,055	14,991,693	24,664,631
Jeff Cooper	Cash Severance	400,000 <sup>(6)</sup>	—	700,000 <sup>(7)</sup>
	Equity Acceleration	—	9,516,989 <sup>(3)</sup>	15,757,050 <sup>(8)</sup>
	Health Benefits	18,829 <sup>(4)</sup>	—	18,829 <sup>(4)</sup>
	<b>Total</b>	418,829	9,516,989	16,475,879
Winston King	Cash Severance	400,000 <sup>(6)</sup>	—	700,000 <sup>(7)</sup>
	Equity Acceleration	—	5,139,597 <sup>(3)</sup>	8,346,593 <sup>(8)</sup>
	Health Benefits	25,783 <sup>(4)</sup>	—	25,783 <sup>(4)</sup>
	<b>Total</b>	425,783	5,139,597	9,072,376
Priscilla Hung	Cash Severance	425,000 <sup>(6)</sup>	—	425,000 <sup>(7)</sup>
	Equity Acceleration	—	6,718,484 <sup>(3)</sup>	8,784,648 <sup>(8)</sup>
	Health Benefits	18,494 <sup>(4)</sup>	—	18,494 <sup>(4)</sup>
	<b>Total</b>	443,494	6,718,484	9,228,142

(1) Represents 12 months’ continuation of Mr. Rosenbaum’s base salary and payment of one times his target annual bonus opportunity.

(2) Represents 1.5 times the sum of each of Mr. Rosenbaum’s base salary and target annual bonus opportunity.

- (3) Represents, as applicable, the value of the acceleration of vesting of 100% of the executive's unvested Time-Vesting RSUs, 1/3rd of the first tranche FY 2022 performance-vesting RSUs at 122% attainment, the second tranche FY 2022 performance-vesting RSUs at 99% attainment, 2/3rds of the first tranche FY 2023 performance-vesting RSUs at 101.8% attainment, the second tranche FY 2023 performance-vesting RSUs at 0% attainment, and the FY 2024 performance-vesting RSUs at 0% attainment, all based on the closing price of our common stock as reported on the NYSE on July 31, 2024, which was \$150.07.
- (4) Represents 12 months of payment of COBRA premiums for the executive.
- (5) Represents 18 months of payment of COBRA premiums for Mr. Rosenbaum.
- (6) Represents 12 months' continuation of the executive' base salary.
- (7) Represents one times the sum of the executive's base salary and target annual bonus opportunity.
- (8) Represents, as applicable, the value of the acceleration of vesting of 100% of the executive's unvested Time-Vesting RSUs, 1/3rd of the first tranche FY 2022 performance-vesting RSUs at 122% attainment, the second tranche FY 2022 performance-vesting RSUs at 99% attainment, 2/3rds of the first tranche FY 2023 performance-vesting RSUs at 101.8% attainment, the second tranche FY 2023 performance-vesting RSUs at 100% attainment, and the FY 2024 performance-vesting RSUs at 100% attainment, all based on the closing price of our common stock as reported on the NYSE on July 31, 2024, which was \$150.07. In addition, for Messrs. Rosenbaum and Mullen, includes the acceleration of the PSU Kicker at 43% attainment.
- (9) Pursuant to Mr. Mullen's Amended Executive Agreement, which was entered into in September 2024, if Mr. Mullen's employment is terminated pursuant to a limited set of defined circumstances within the Company's control on or prior to July 31, 2026, he will be entitled to the acceleration of vesting of 50% of his outstanding but unvested equity awards. The value of such acceleration of vesting, based on the closing price of our common stock as reported on the NYSE on July 31, 2024, which was \$150.07, and Mr. Mullen's outstanding and unvested equity awards on July 31, 2024, is \$10,790,933.

# CEO Pay Ratio

Our compensation and benefits philosophy and the overall structure of our compensation and benefit programs are broadly similar across the organization to encourage and reward all employees who contribute to our success. We strive to ensure the pay of every employee reflects the level of their job impact and responsibilities and is competitive within our peer group. Our ongoing commitment to pay equity is critical to our success in supporting a diverse workforce with opportunities for all employees to grow, develop, and contribute.

Under rules adopted pursuant to the Dodd-Frank Act, we are required to calculate and disclose the total compensation paid to our median paid employee, as well as the ratio of the total compensation paid to the median employee as compared to the total compensation paid to our CEO (the "CEO Pay Ratio"). The paragraphs that follow describe our methodology and the resulting CEO Pay Ratio.

## Measurement Date

Although we are permitted by the SEC rules to use the same median employee that was identified for purposes of our fiscal year 2023 disclosure for the CEO Pay Ratio, we did not use such employee as we did not believe that such employee continued to be representative of the median. Instead, we re-identified our median employee using our employee population on July 31, 2024 (including all employees, whether employed on a full-time, part-time, seasonal, or temporary basis).

## Consistently Applied Compensation Measure (CACM)

Under the relevant rules, we were required to identify the median employee by use of a "consistently applied compensation measure," or CACM. We chose a CACM that closely approximates the annual target total direct compensation of our employees. Specifically, we identified the median employee by looking at all active employees as of July 31, 2024, and calculating each employee's annual base pay, annual target cash incentive opportunity, and the grant date fair value for equity awards granted in fiscal year 2024. We did not perform adjustments to the compensation paid to part-time employees to calculate what they would have been paid on a full-time basis. In identifying the median employee, we did not exclude workers in non-U.S. countries and did not make any cost-of-living adjustments.

## Methodology and Pay Ratio

Once the median employee was identified, we calculated the median employee's annual total compensation in accordance with the requirements of the Summary Compensation Table.

Our median employee compensation as calculated using Summary Compensation Table requirements (excluding health and welfare benefits) was \$174,364. Our CEO's compensation as reported in the Summary Compensation Table (excluding health and welfare benefits) was \$11,264,557. Therefore, our CEO Pay Ratio is approximately 65:1.

This information is being provided for compliance purposes and is a reasonable estimate calculated in a manner consistent with SEC rules, based on our internal records and the methodology described above. The SEC rules for identifying the median compensated employee allow companies to adopt a variety of methodologies, to apply certain exclusions and to make reasonable estimates and assumptions that reflect their employee populations and compensation practices. Accordingly, the pay ratio reported by other companies may not be comparable to the pay ratio reported above, as other companies have different employee populations and compensation practices and may use different methodologies, exclusions, estimates and assumptions in calculating their own pay ratios. Neither the Compensation Committee nor management of the company used the CEO Pay Ratio measure in making compensation decisions.

# Pay Versus Performance

## Pay Versus Performance Table

The following table sets forth the pay versus performance disclosures required by Section 953(a) of the Dodd-Frank Act and Item 402(v) of Regulation S-K, for each of the last four completed fiscal years. Because of the emphasis our executive compensation program places on equity compensation, as discussed in “Compensation Discussion and Analysis,” there may be large increases or decreases in the calculation of “compensation actually paid” to our NEOs on a year-to-year basis due to fluctuation in our stock price. This disclosure has been prepared in accordance with Item 402(v) of Regulation S-K and does not necessarily reflect value actually realized by our NEOs.

Value of Initial Fixed \$100 Investment Based on:<sup>(4)</sup>

Fiscal Year	Summary Compensation Table Total for CEO (\$) <sup>(1)</sup>	Compensation Actually Paid to CEO (\$) <sup>(2)</sup>	Average Summary Compensation Table Total for Non-CEO NEOs (\$) <sup>(3)</sup>	Average Compensation Actually Paid to Non-CEO NEOs (\$) <sup>(2)</sup>	Company Total Stockholder Return	Peer Group Total Stockholder Return <sup>(5)</sup>	Net Income (Loss) (in thousands)	Annual Recurring Revenue (in millions) <sup>(6)</sup>
2024	11,265,438	23,190,434	4,182,667	9,526,790	127.55	135.95	(4,700)	864
2023	9,550,492	11,214,092	3,940,333	4,859,553	72.09	123.74	(111,855)	761
2022	10,084,978	2,928,935	6,354,350	3,092,856	66.05	104.47	(180,431)	683
2021	8,234,834	7,315,842	3,007,199	2,810,775	97.91	147.98	(66,507)	575

- (1) Our principal executive officer for all covered fiscal years was our CEO, Mr. Rosenbaum, and we have referred to him as our CEO throughout this disclosure.
- (2) We have made adjustments to the Summary Compensation Table totals—as prescribed by Item 402(v) of Regulation S-K—to calculate the amounts disclosed above as “compensation actually paid.” These adjustments are disclosed in the tables following footnote (6) below under the caption, “Adjustments to Determine Compensation Actually Paid.” Fair value or change in fair value, as applicable, of equity awards in the “Compensation Actually Paid” columns was determined by reference to: (i) for Time-Vesting RSUs, the closing price per share on the applicable year-end date(s) or, in the case of vesting dates, the closing price per share on the applicable vesting date(s); (ii) for Performance-Vesting RSUs, the same valuation methodology as Time-Vesting RSUs in the immediately preceding clause, except that the year-end values are multiplied by the probability of achievement of the applicable performance objective as of the applicable date; and (iii) for RSUs subject to performance-based vesting conditions tied to total stockholder return as granted prior to fiscal year 2021 and during fiscal year 2024 (including PSU Kickers for Messrs. Rosenbaum and Mullen), as applicable, estimated fair values of such unvested awards using a Monte Carlo simulation model as of each relevant measurement date in fiscal years 2021 to 2024, as applicable. For additional information on the assumptions used to calculate the valuation of these awards, see the Notes to Consolidated Financial Statements in our Annual Report on Form 10-K for the fiscal year ended July 31, 2024 and prior fiscal years.
- (3) Our non-CEO NEOs for the fiscal years ended July 31, 2021, July 31, 2022, July 31, 2023 and July 31, 2024 are set forth in the second summary table provided below under the caption, “Adjustments to Determine Compensation Actually Paid.”
- (4) Assumes \$100 invested on July 31, 2020 in stock or index, including reinvestment of dividends.
- (5) Our peer group (the “Peer Group”) is comprised of the S&P Software & Services Select Industry Index, as disclosed in our annual report pursuant to Section 229.201(e)(1)(ii) of Regulation S-K.
- (6) We selected Annual Recurring Revenue (on a constant currency basis) as the Company-Selected Measure given its inclusion in our quarterly earnings releases and as a financial target in our bonus program and certain equity awards for our management team.

## Adjustments to Determine Compensation Actually Paid

Compensation actually paid to our CEO represents the “Total” compensation reported in the Summary Compensation Table for the applicable fiscal year, as adjusted as follows:

	2021	2022	2023	2024
<b>Summary Compensation Table Total for CEO<sup>(1)</sup></b>	\$8,234,834	\$10,084,978	\$9,550,492	\$11,265,438
Subtract Grant Date Fair Value of Option Awards and Stock Awards Granted in Fiscal Year <sup>(2)</sup>	\$(6,627,872)	\$(8,474,034)	\$(7,851,062)	\$(9,594,557)
Add Fair Value at Fiscal Year-End of Outstanding and Unvested Option Awards and Stock Awards Granted in Fiscal Year <sup>(3)</sup>	\$6,480,263	\$5,558,182	\$9,157,761	\$11,601,927
Adjust for Change in Fair Value of Outstanding and Unvested Option Awards and Stock Awards Granted in Prior Fiscal Years <sup>(3)</sup>	\$(1,071,147)	\$(4,253,689)	\$403,027	\$7,682,497
Adjust for Fair Value at Vesting of Option Awards and Stock Awards Granted in Fiscal Year That Vested During Fiscal Year <sup>(3)</sup>	\$656,767	\$600,823	\$795,456	\$1,127,128
Adjust for Change in Fair Value as of Vesting Date of Option Awards and Stock Awards Granted in Prior Fiscal Years For Which Applicable Vesting Conditions Were Satisfied During Fiscal Year <sup>(3)</sup>	\$(357,003)	\$(587,325)	\$(841,582)	\$1,108,001
Subtract Fair Value as of Prior Fiscal Year-End of Option Awards and Stock Awards Granted in Prior Fiscal Years That Failed to Meet Applicable Vesting Conditions During Fiscal Year <sup>(3)</sup>	\$—	\$—	\$—	\$—
Add Value of Dividends or other Earnings Paid on Stock or Option Awards not Otherwise Reflected in Fair Value or Total Compensation	\$—	\$—	\$—	\$—
<b>Compensation Actually Paid</b>	<b>\$7,315,842</b>	<b>\$2,928,935</b>	<b>\$11,214,092</b>	<b>\$23,190,434</b>

- (1) We have not reported any amounts in our Summary Compensation Table with respect to “Change in Pension and Non-qualified Deferred Compensation” and, accordingly, the adjustments with respect to such items prescribed by the pay-versus-performance rules are not relevant to our analysis and no adjustments have been made.
- (2) The amounts reflect the aggregate grant-date fair value reported in the “Stock Awards” and “Option Awards” columns in the Summary Compensation Table for the applicable year.
- (3) In accordance with Item 402(v) requirements, the fair values of unvested and outstanding equity awards to our CEO were remeasured as of the end of each fiscal year, and as of each vesting date, during the years displayed in the table above. We approached the determination of fair value in the same way as we historically have determined fair value and fair values as of each measurement date were determined using valuation assumptions and methodologies (including expected term, volatility, dividend yield, and risk-free interest rates) that are generally consistent with those used to estimate fair value at grant under US GAAP.

The average compensation actually paid to our non-CEO NEOs for the relevant fiscal year, as determined under SEC rules (and described below), includes the individuals indicated in the table below for each fiscal year:

2021	2022	2023	2024
Jeff Cooper	John Mullen	John Mullen	John Mullen
Winston King	Jeff Cooper	Jeff Cooper	Jeff Cooper
Priscilla Hung	Winston King	Winston King	Winston King
Frank O’Dowd	Priscilla Hung	Priscilla Hung	Priscilla Hung
	Frank O’Dowd		

Average compensation actually paid to our non-CEO NEOs represents the “Total” compensation reported in the Summary Compensation Table for the applicable fiscal year, as adjusted as follows:

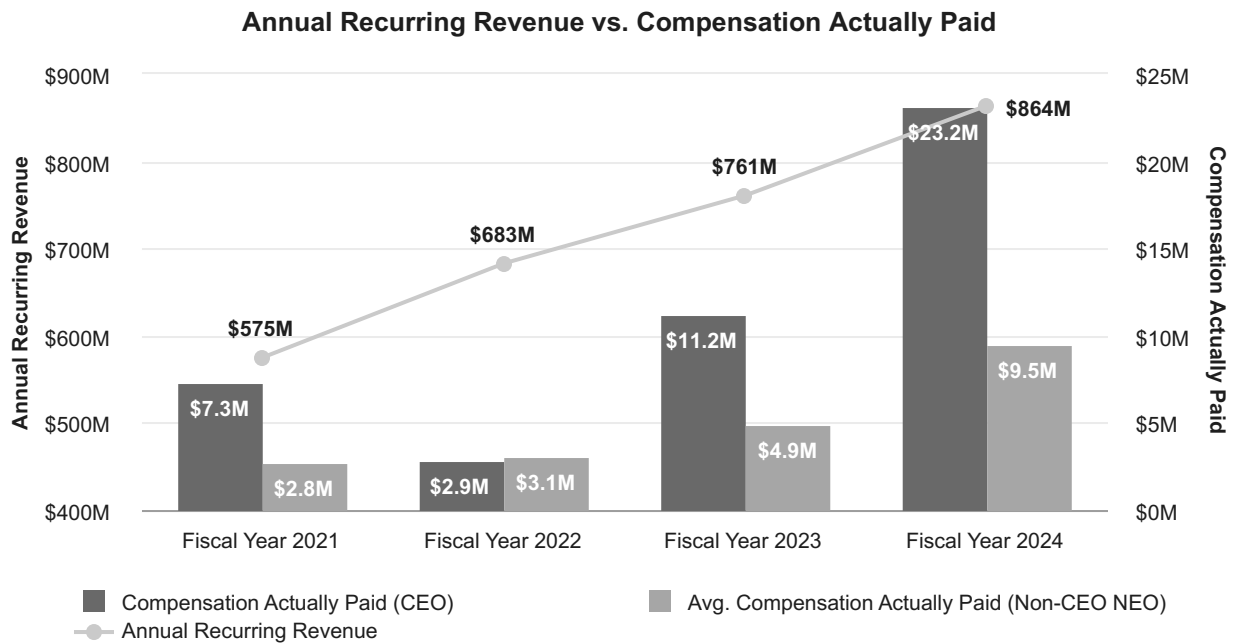
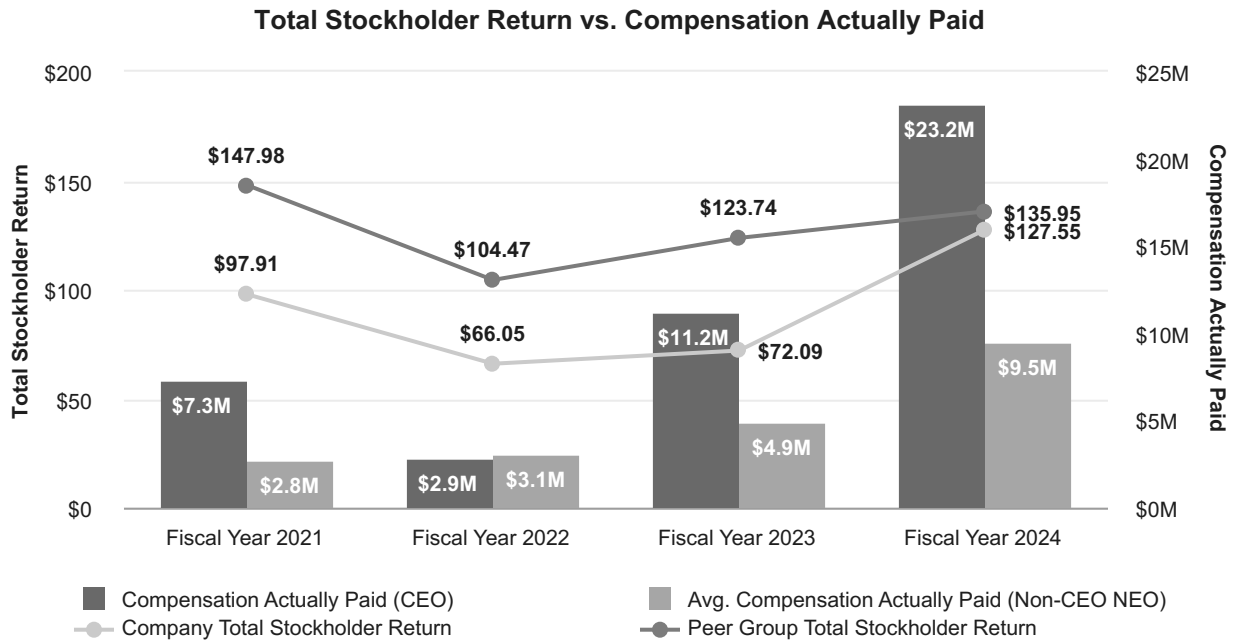
	2021	2022	2023	2024
<b>Summary Compensation Table Total for non-CEO NEOs<sup>(1)</sup></b>	\$3,007,199	\$6,354,350	\$3,940,333	\$4,182,667
Subtract Grant Date Fair Value of Option Awards and Stock Awards Granted in Fiscal Year <sup>(2)</sup>	\$(2,274,596)	\$(5,568,306)	\$(3,061,945)	\$(3,411,357)
Add Fair Value at Fiscal Year-End of Outstanding and Unvested Option Awards and Stock Awards Granted in Fiscal Year <sup>(3)</sup>	\$2,167,180	\$3,235,840	\$3,571,601	\$4,125,130
Adjust for Change in Fair Value of Outstanding and Unvested Option Awards and Stock Awards Granted in Prior Fiscal Years <sup>(3)</sup>	\$(228,438)	\$(594,349)	\$251,249	\$3,659,623
Adjust for Fair Value at Vesting of Option Awards and Stock Awards Granted in Fiscal Year That Vested During Fiscal Year <sup>(3)</sup>	\$219,589	\$342,075	\$310,205	\$400,716
Adjust for Change in Fair Value as of Vesting Date of Option Awards and Stock Awards Granted in Prior Fiscal Years For Which Applicable Vesting Conditions Were Satisfied During Fiscal Year <sup>(3)</sup>	\$(80,159)	\$(104,446)	\$(151,890)	\$570,011
Subtract Fair Value as of Prior Fiscal Year-End of Option Awards and Stock Awards Granted in Prior Fiscal Years That Failed to Meet Applicable Vesting Conditions During Fiscal Year <sup>(3)</sup>	\$—	\$(572,308)	\$—	\$—
Add Value of Dividends or other Earnings Paid on Stock or Option Awards not Otherwise Reflected in Fair Value or Total Compensation	\$—	\$—	\$—	\$—
<b>Compensation Actually Paid</b>	<b>\$2,810,775</b>	<b>\$3,092,856</b>	<b>\$4,859,553</b>	<b>\$9,526,790</b>

- (1) We have not reported any amounts in our Summary Compensation Table with respect to “Change in Pension and Non-qualified Deferred Compensation” and, accordingly, the adjustments with respect to such items prescribed by the pay-versus-performance rules are not relevant to our analysis and no adjustments have been made.
- (2) The amounts reflect the aggregate grant-date fair value reported in the “Stock Awards” and “Option Awards” columns in the Summary Compensation Table for the applicable year.
- (3) In accordance with Item 402(v) requirements, the fair values of unvested and outstanding equity awards to our non-CEO NEOs were remeasured as of the end of each fiscal year, and as of each vesting date, during the years displayed in the table above. We approached the determination of fair value in the same way as we historically have determined fair value and fair values as of each measurement date were determined using valuation assumptions and methodologies (including expected term, volatility, dividend yield, and risk-free interest rates) that are generally consistent with those used to estimate fair value at grant under US GAAP.

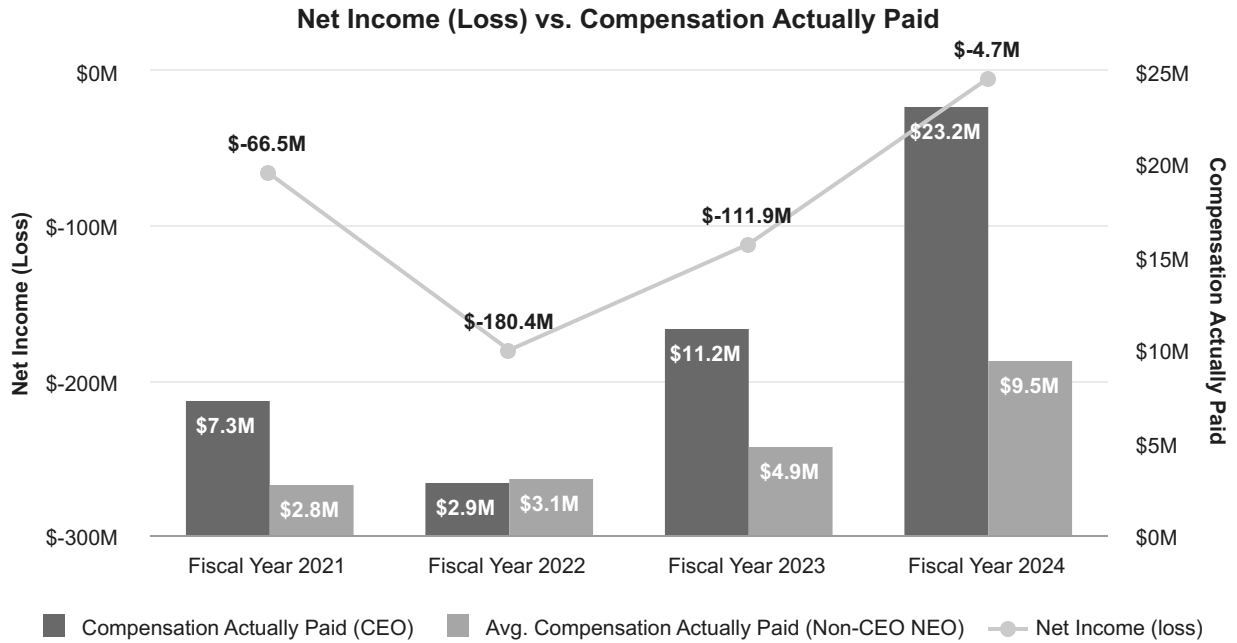
## Relationship Between Financial Performance Measures

As described above in the section titled “Compensation Discussion and Analysis,” the Company’s compensation program is designed to attract and retain high-performing talent in our industry, motivate our NEOs to create long-term, enhanced shareholder value, and provide a fair reward for executive effort and stimulate professional and personal growth. The Company uses several performance measures to align executive compensation with Company performance. The graphs below compare the compensation actually paid to our CEO and the average of the compensation actually paid to our remaining NEOs, with (i) our cumulative total stockholder return and the Peer Group total stockholder return, (ii) our Annual Recurring Revenue, and (iii) our net income (loss), in each case, for the fiscal years ended July 31, 2021, July 31, 2022, July 31, 2023 and July 31, 2024.

Total stockholder return amounts reported in the graph below assume an initial fixed investment of \$100 invested on July 31, 2020 in stock or index, including reinvestment of dividends.







### Pay Versus Performance Measures

We believe the following performance measures represent the most important measures used by us to link compensation actually paid to the performance of our NEOs for the fiscal year ended July 31, 2024:

- Annual Recurring Revenue;
- Adjusted Non-GAAP Operating Income (Loss);
- Strategic Scorecard Performance; and
- Stock Price (for Messrs. Rosenbaum and Mullen)\*.

\* Stock price is a driver of CAGR for Messr. Rosenbaum's and Mullen's PSU Kickers.

For additional details regarding our important performance measures, please see the sections titled “*Compensation Program Design*” and “*Executive Compensation Program Elements*” in our Compensation Discussion and Analysis as set forth above in this Proxy Statement.

# Equity Compensation Plan Information

The following table provides information as of July 31, 2024 regarding shares of common stock that may be issued under the Company's 2011 Stock Plan and 2020 Stock Plan.

Plan category	Number of securities to be issued upon exercise of outstanding options, warrants, and rights (a)	Weighted average exercise price of outstanding options, warrants, and rights (b)	Number of securities remaining available for future issuance under equity compensation plan (excluding securities referenced in column (a)) (c)
Equity compensation plans approved by security holders <sup>(1)</sup> :	3,368,904	65.63 <sup>(2)</sup>	5,450,102
Equity compensation plans not approved by security holders:	—	—	—
<b>Total</b>	<b>3,368,904</b>		<b>5,450,102</b>

- (1) Includes the following plans: our 2011 Stock Plan and 2020 Stock Plan. The number under the 2020 Stock Plan will be subject to adjustment in the event of a stock split, stock dividend or other change in our capitalization. The shares of Company common stock underlying any awards that are forfeited, cancelled, held back upon exercise or settlement of an award to satisfy the exercise price or tax withholding, reacquired by us prior to vesting, satisfied without the issuance of stock, expire or are otherwise terminated (other than by exercise), under the 2020 Stock Plan and the 2011 Stock Plan will be added to the shares of stock available for issuance under the 2020 Stock Plan. The Company no longer makes grants under the 2011 Stock Plan. As of July 31, 2024, shares under the 2011 Stock Plan and 2020 Stock Plan are outstanding.
- (2) Excludes 3,202,066 shares subject to RSUs outstanding as of July 31, 2024, as such shares have no exercise price.

# Ownership of Guidewire Software, Inc. Common Stock

The following table sets forth, as of October 21, 2024, the record date, the shares of our common stock beneficially owned by:

- Each person known by us to own beneficially more than 5% of our common stock;
- Each of our NEOs for fiscal year 2024;
- Each of our directors; and
- All of our executive officers and directors as a group.

Beneficial ownership is determined in accordance with SEC rules, which generally attribute beneficial ownership of securities to each person who possesses, either solely or shared with others, the power to vote or dispose of those securities. We have deemed shares of our common stock subject to options and RSUs outstanding as of October 21, 2024 that were exercisable or issuable or will become exercisable or issuable within 60 days of October 21, 2024 to be outstanding and to be beneficially owned by the person holding the option or RSU for the purpose of computing the percentage ownership of that person, but have not treated them as outstanding for the purpose of computing the percentage ownership of any other person. The percentage of beneficial ownership for the following table is based on 83,519,129 shares of common stock outstanding as of the record date. To our knowledge, except as indicated in the footnotes to this table and subject to applicable community property laws, the persons named in the table have sole voting and investment power with respect to all shares of common stock.

Name and Address <sup>(1)</sup>	Shares Beneficially Owned	
	Number of Shares of Common Stock (#)	Percent of Class (%)
<b>5% Stockholders:</b>		
The Vanguard Group <sup>(2)</sup>	8,339,815	9.99
Baron Capital Group, Inc. <sup>(3)</sup>	6,361,042	7.62
BlackRock, Inc. <sup>(4)</sup>	5,913,506	7.08
<b>Named Executive Officers and Directors:</b>		
Mike Rosenbaum <sup>(5)</sup>	184,889	*
John Mullen <sup>(6)</sup>	67,575	*
Jeff Cooper <sup>(7)</sup>	28,093	*
Winston King <sup>(8)</sup>	22,084	*
Priscilla Hung <sup>(9)</sup>	13,526	*
Michael C. Keller <sup>(10)</sup>	14,846	*
Mark V. Anquillare <sup>(11)</sup>	309	*
David Bauer <sup>(12)</sup>	6,692	*
Margaret Dillon <sup>(13)</sup>	13,986	*
Paul Lavin <sup>(14)</sup>	12,585	*
Catherine P. Lego <sup>(15)</sup>	13,986	*
Rajani Ramanathan <sup>(16)</sup>	8,650	*
Marcus S. Ryu <sup>(17)</sup>	10,555	*
All directors and executive officers as a group (13 persons) <sup>(18)</sup>	397,776	*

\* Less than 1%.

(1) Unless noted otherwise in the footnotes, all addresses are c/o Guidewire Software, Inc., 970 Park Pl, Suite 200, San Mateo, California 94403.

- (2) Based solely on information reported on a Schedule 13G amendment filed with the SEC on July 10, 2024, by The Vanguard Group ("Vanguard"), consists of 8,339,815 shares beneficially held by Vanguard, 31,518 shares for which Vanguard possesses shared voting power, 8,216,917 shares for which Vanguard possesses sole dispositive power and 122,898 shares for which Vanguard possesses shared dispositive power. The principal business address for Vanguard is 100 Vanguard Boulevard, Malvern, PA 19355.
- (3) Based solely on information reported on a Schedule 13G amendment filed with the SEC on February 14, 2024 by BAMCO, Inc. ("BAMCO"), Baron Capital Group, Inc. ("BCG"), Baron Capital Management, Inc. ("BCM") and Ronald Baron, consists of 6,361,042 shares beneficially held by BCG, 6,269,042 shares for which BCG possesses shared voting power and 6,361,042 shares for which BCG possesses shared dispositive power. BAMCO and BCM are subsidiaries of BCG and Ronald Baron owns a controlling interest in BCG. The principal business address of BAMCO, BCG, BCM and Mr. Baron is 767 Fifth Avenue, 49th Floor, New York, NY 10153.
- (4) Based solely on information reported on a Schedule 13G amendment filed with the SEC on October 22, 2024, with the date of event being September 30, 2024, by BlackRock, Inc. ("BlackRock"), consists of 5,913,506 shares beneficially held by BlackRock, no shares for which BlackRock possesses sole voting power and 5,913,506 shares for which BlackRock possesses sole dispositive power. The principal business address for BlackRock is 50 Hudson Yards, New York, NY 10001.
- (5) Includes 11,467 RSU shares that will be vested and released within 60 days of the record date.
- (6) Includes 15,842 RSU shares that will be vested and released within 60 days of the record date.
- (7) Includes 5,464 RSU shares that will be vested and released within 60 days of the record date.
- (8) Includes 2,913 RSU shares that will be vested and released within 60 days of the record date.
- (9) Includes 2,895 RSU shares that will be vested and released within 60 days of the record date.
- (10) Includes 2,280 RSU shares that will be vested and released within 60 days of the record date.
- (11) Includes 309 RSU shares that will be vested and released within 60 days of the record date.
- (12) Includes 2,280 RSU shares that will be vested and released within 60 days of the record date.
- (13) Includes 2,280 RSU shares that will be vested and released within 60 days of the record date.
- (14) Includes 2,280 RSU shares that will be vested and released within 60 days of the record date.
- (15) Includes 2,280 RSU shares that will be vested and released within 60 days of the record date.
- (16) Includes 2,280 RSU shares that will be vested and released within 60 days of the record date.
- (17) Includes 2,280 RSU shares that will be vested and released within 60 days of the record date.
- (18) Includes 54,850 RSU shares that will be vested and released to such directors and executive officers within 60 days of the record date.

# Certain Relationships and Related Party Transactions

## Transactions with Our Executive Officers and Directors

### Stock Option and RSU Awards

The grants of certain stock options and RSUs to our directors and executive officers and related equity compensation policies are described above in the sections titled *“Information Regarding Compensation of Directors and Executive Officers”* and *“Compensation Discussion and Analysis.”*

### Employment Agreements

We have entered into agreements containing compensation, termination and change of control provisions, among others, with certain of our executive officers as described above in the section titled *“Compensation Discussion and Analysis-Executive Agreements and Termination of Employment Arrangements.”*

The Company participated in one transaction (including employment and compensation associated therewith) since the beginning of fiscal year 2024 in which a director, director nominee, executive officer, or one of their immediate family members had a material interest and the amount involved exceeded \$120,000. Annie Lavin, the daughter of Paul Lavin, our independent director, is employed by us as a Director, Product Operations in the Product Strategy Operations Department. In fiscal year 2024, the aggregate compensation paid to Ms. Lavin, including salary, incentive compensation, the grant date value of long-term incentive awards and the value of any health and other benefits contributed to or paid for by us, was less than \$250,000. Ms. Lavin's aggregate compensation is similar to the aggregate compensation of other employees holding equivalent positions.

### Indemnification of Officers and Directors

We have also entered into indemnification agreements with each of our directors and executive officers. The indemnification agreements and our amended and restated certificate of incorporation and amended and restated bylaws require us to indemnify our directors and executive officers to the fullest extent permitted by Delaware law.

Our amended and restated certificate of incorporation and amended and restated bylaws contain provisions that limit the personal liability of our directors and officers for monetary damages to the fullest extent permitted by Delaware law. Consequently, our directors and officers will not be personally liable to us or our stockholders for monetary damages for any breach of fiduciary duties as directors, except liability for:

- Any breach of the director's or officer's duty of loyalty to us or our stockholders;
- Any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- Unlawful payments of dividends or unlawful stock repurchases or redemptions as provided in Section 174 of the Delaware General Corporation Law; or
- Any transaction from which the director or officer derived an improper personal benefit.

Each of our amended and restated certificate of incorporation and amended and restated bylaws provide that we indemnify our directors and officers to the fullest extent permitted by Delaware law. In addition, our amended and restated bylaws provide that we shall advance expenses incurred by a director or officer in advance of the final disposition of any action or proceeding. However, our amended and restated bylaws provide that no indemnification shall be made when such director or officer shall have been adjudged to be liable to us unless and only to the extent that the Delaware Court of Chancery (or the court in which such action or suit was brought) shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses. Further, our amended and restated bylaws permit us to secure insurance on behalf of any officer, director, employee, or other agent for any liability arising out of his or her actions in that capacity, regardless of whether we would otherwise be permitted to indemnify him or her under the provisions of Delaware law. We have entered and expect to continue to enter into agreements to indemnify our directors, executive officers, and other employees as determined by the Board. With certain exceptions, these agreements provide for indemnification for related expenses including, among others, attorneys' fees, judgments, fines, and settlement amounts incurred by any of these individuals in any action or proceeding. We believe that these bylaw provisions and indemnification agreements are necessary to attract and retain qualified persons as directors and officers. We also maintain directors' and officers' liability insurance.

## Policies and Procedures for Related Party Transactions

We have adopted a formal written policy that our executive officers, directors, and principal stockholders, including their immediate family members and affiliates, are not permitted to enter into a related party transaction with us that must be reported under applicable rules of the SEC without the prior consent of our Audit Committee or other independent members of our Board in the case it is inappropriate for our Audit Committee to review such transaction due to a conflict of interest. All of our directors, executive officers, and certain employees are required to report to our Audit Committee any such related party transaction. In approving or rejecting the proposed agreement, our Audit Committee shall consider the relevant facts and circumstances available to and deemed relevant by the Audit Committee, including, but not limited to the risks, costs and benefits to us, the terms of the transaction, the availability of other sources for comparable services or products, and, if applicable, the impact on a director's independence. Our Audit Committee shall approve only those agreements that, in light of known circumstances, are in, or are not inconsistent with, our best interests, as our Audit Committee determines in the good faith exercise of its discretion.

# Additional Information

## Other Matters

We know of no other matters to be submitted at the 2024 annual meeting of stockholders. If any other matters properly come before the annual meeting of stockholders, it is the intention of the proxy holders to vote the shares they represent as the Board may recommend.

THE BOARD OF DIRECTORS

A handwritten signature in black ink, appearing to read 'MR', is positioned above the name and title of the signatory.

**MIKE ROSENBAUM**

*Chief Executive Officer*

Dated: November 1, 2024

# Appendix A

## Non-GAAP Financial Measures Information

Set forth below in this Appendix A is important information about the Adjusted Non-GAAP Operating Income (Loss) metric used for compensation purposes and discussed in this proxy statement.

### Adjusted Non-GAAP Operating Income (Loss)

As discussed in this proxy statement, annual bonuses paid to our executive officers under our Bonus Plan are partially conditioned upon the achievement of specified levels of Adjusted Non-GAAP Operating Income (Loss). We believe that the Adjusted Non-GAAP Operating Income (Loss) financial measure provides useful information to management and investors regarding the results of our operations. We also believe that this Adjusted Non-GAAP Operating Income (Loss) metric provides an additional tool for investors to use in evaluating ongoing operating results and trends. The principal limitation of Adjusted Non-GAAP Operating Income (Loss) is that it excludes significant expenses that are required by GAAP to be recorded in our financial statements. In addition, it is subject to inherent limitations as it reflects the exercise of judgment by management about which expenses are excluded or included in determining Adjusted Non-GAAP Operating Income (Loss). This non-GAAP metric used for compensation purposes utilizes different reconciling items than a similarly titled non-GAAP metric (“Non-GAAP Income (Loss) from Operations”) that we report in our quarterly and annual earnings releases.

Adjusted Non-GAAP Operating Income (Loss) was calculated as income (loss) from operations under GAAP exclusive of:

- Amortization of acquired intangibles;
- Acquisition consideration holdback; and
- Corporate bonus accrual exceeding 100%.

### GUIDEWIRE SOFTWARE, INC. AND SUBSIDIARIES

#### Reconciliation of GAAP Income (Loss) from Operations to Adjusted Non-GAAP Operating Income (Loss) (unaudited, in thousands)

The following table reconciles the specific items excluded from GAAP income (loss) from operations in the calculation of Adjusted Non-GAAP Operating Income (Loss) for the fiscal year ended July 31, 2024 (in thousands):

Adjusted Non-GAAP Operating Income (Loss) reconciliation:		Fiscal Year Ended July 31, 2024
GAAP income (loss) from operations		(\$52,573)
<b>Non-GAAP adjustments:</b>		
Amortization of intangibles		\$5,468
Acquisition consideration holdback		\$143
Corporate bonus accrual exceeding 100%		\$12,870
<b>Adjusted Non-GAAP Operating Income (Loss)</b>		<b>(\$34,092)</b>



# Appendix B

## GUIDEWIRE SOFTWARE, INC. 2024 EMPLOYEE STOCK PURCHASE PLAN

(Adopted by the Board of Directors on September 12, 2024, subject to approval by the Company's Stockholders on December 17, 2024)

1. Purpose. The purpose of the Plan is to provide Eligible Employees of the Company and its Designated Companies with an opportunity to purchase shares of Common Stock. The Plan permits the Company to grant a series of Purchase Rights to Eligible Employees under an Employee Stock Purchase Plan. In addition, the Plan permits the Company to grant a series of Purchase Rights to Eligible Employees that do not meet the requirements of an Employee Stock Purchase Plan. The Plan includes two components: a 423 Component and a Non-423 Component. The Company intends for the 423 Component to qualify as an Employee Stock Purchase Plan but makes no undertaking or representation to maintain the qualification of the Plan as an Employee Stock Purchase Plan. The provisions of the 423 Component, accordingly, will be construed in a manner that is consistent with the requirements of Section 423 of the Code. Except as otherwise provided in the Plan or determined by the Administrator, the Non-423 Component will operate and be administered in the same manner as the 423 Component.

2. Definitions.

(a) "423 Component" means the part of the Plan, which excludes the Non-423 Component, pursuant to which Purchase Rights that satisfy the requirements for an Employee Stock Purchase Plan may be granted to Eligible Employees.

(b) "Administrator" means the Committee or, subject to Applicable Laws, a subcommittee of the Committee or one or more of the Company's officers or management team appointed by the Board or Committee to administer the day-to-day operations of the Plan pursuant to Section 13.

(c) "Affiliate" means any entity, other than a Subsidiary, whether now or subsequently established, controlled by, controlling or under common control with, the Company.

(d) "Applicable Exchange" means the New York Stock Exchange or such other securities exchange as may at the applicable time be the principal market for the Common Stock.

(e) "Applicable Laws" means the Code and any applicable U.S. and non-U.S. securities, federal, state, material local or municipal or other law, statute, constitution, principle of common law, resolution, ordinance, code, edict, decree, rule, listing rule, regulation, judicial decision, ruling or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any Governmental Body.

(f) "Board" means the Board of Directors of the Company.

(g) "Capitalization Adjustment" means any change that is made in, or other events that occur with respect to, the Common Stock subject to the Plan or subject to any Purchase Right after the date the Plan is adopted by the Board without the receipt of consideration by the Company through merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, stock split, liquidating dividend, combination of shares, exchange of shares, change in corporate structure or other similar equity restructuring transaction, as that term is used in Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor thereto). Notwithstanding the foregoing, the conversion or exchange of any convertible or exchangeable securities of the Company will not be treated as a Capitalization Adjustment.

(h) "Change in Control" means (i) the sale of all or substantially all of the assets of the Company on a consolidated basis to an unrelated person or entity, (ii) a merger, reorganization or consolidation pursuant to which the holders of the Company's outstanding voting power and outstanding stock immediately prior to such transaction do not own a majority of the outstanding voting power and outstanding stock or other equity interests of the resulting or successor entity (or its ultimate parent, if applicable) immediately upon completion of such transaction, (iii) the sale of all of the Common Stock of the Company to an unrelated person, entity or group thereof acting in concert, or (iv) any other transaction in which the owners of the

Company's outstanding voting power immediately prior to such transaction do not own at least a majority of the outstanding voting power of the Company or any successor entity immediately upon completion of the transaction other than as a result of the acquisition of securities directly from the Company.

- (i) "Code" means the U.S. Internal Revenue Code of 1986, as amended from time to time, and any successor thereto, the U.S. Treasury Regulations thereunder and other relevant interpretive guidance issued by the U.S. Internal Revenue Service or the Treasury Department. Reference to any specific section of the Code shall be deemed to include such regulations and guidance, as well as any successor provision of the Code.
- (j) "Committee" means the compensation committee of the Board or a similar committee performing the functions of the compensation committee and any properly delegated subcommittee thereof appointed in accordance with Section 13 hereof.
- (k) "Common Stock" means common stock, par value US\$0.0001 per share, of the Company.
- (l) "Company" means Guidewire Software, Inc., a Delaware corporation, or any successor thereto.
- (m) "Compensation" means an Eligible Employee's regular cash compensation, consisting of base salary or base wage rate, including (as applicable) shift differentials, overtime pay and the value of amounts elected to be deferred by an Eligible Employee under any 401(k) plan or other deferred compensation program or arrangement established by the Company, a Subsidiary or an Affiliate, but excluding all of the following: commissions, bonuses, and all other cash remuneration paid directly to the Eligible Employee, including, without limitation, profit sharing contributions, the cost of employee benefits paid for by the Company, a Subsidiary or an Affiliate, education or tuition reimbursements, imputed income (whether or not arising under any Company, Subsidiary or Affiliate group insurance or benefit program), short-term and long-term disability payments, traveling expenses, business expense reimbursements, moving expense reimbursements, housing, living, vacation and position allowances, income received, reported or otherwise recognized in connection with stock options and other equity awards, contributions made by the Company, a Subsidiary or an Affiliate under any employee benefit or pension plan and other similar items of compensation. In advance of any Offering, the Administrator, in its discretion, may establish a different definition of Compensation. Further, the Administrator shall have the discretion to determine the application of this definition to Participants outside the United States.
- (n) "Contributions" means the payroll deductions, other contributions permitted by the Administrator and made by Participants in case payroll deductions are not permissible or are problematic under Applicable Laws, and other additional payments specifically provided for in the Offering that a Participant contributes to fund the exercise of a Purchase Right. A Participant may make additional payments into his or her account if specifically provided for in the Offering, and then only if the Participant has not already had the maximum permitted amount withheld during the Offering through payroll deductions or other contributions.
- (o) "Designated 423 Company" means any Subsidiary selected by the Administrator to participate in the 423 Component.
- (p) "Designated Company" means any Designated Non-423 Company or Designated 423 Company; provided, however, that at any given time a Subsidiary participating in the 423 Component shall not be a Subsidiary participating in the Non-423 Component. Notwithstanding the foregoing, if any Affiliate or Subsidiary is disregarded for U.S. federal income tax purposes in respect of the Company or any Designated Company participating in the 423 Component, then such disregarded Affiliate or Subsidiary shall automatically be a Designated Company participating in the 423 Component. If any Affiliate or Subsidiary is disregarded for U.S. federal income tax purposes in respect of any Designated Company participating in the Non-423 Component, the Administrator may exclude such Affiliate or Subsidiary from participating in the Plan, notwithstanding that the Designated Company in respect of which such Affiliate or Subsidiary is disregarded may participate in the Plan.
- (q) "Designated Non-423 Company" means any Subsidiary or Affiliate selected by the Administrator to participate in the Non-423 Component.
- (r) "Director" means a member of the Board.
- (s) "Effective Date" means the date the Plan is adopted by the Board, subject to approval of the Company's stockholders.

(t) “Eligible Employee” means any individual who is treated as an employee in the records of the Company or a Designated Company; provided, however, that the Administrator retains the discretion to determine which Eligible Employees may participate in an Offering (for the 423 Component, pursuant to and consistent with U.S. Treasury Regulation Section 1.423-2(e) and (f)). For purposes of the Plan, the employment relationship will be treated as continuing intact while the individual is on sick leave or other leave of absence that the Company or a Designated Company approves or is legally protected under Applicable Laws with respect to the Participant’s participation in the Plan. Where the period of leave exceeds three (3) months and the individual’s right to reemployment is not guaranteed either by contract or Applicable Laws, the employment relationship will be deemed to have terminated three (3) months and one (1) day following the commencement of such leave. Without limiting the foregoing, the Administrator may, in its discretion and from time to time, determine in advance of an Offering that the definition of Eligible Employee will not include an individual if they: (i) are not employed by the Company or a Designated Company on the first day of the month preceding the month during which the Offering Date occurs (or by such other date as may be determined by the Administrator in its discretion), (ii) customarily work twenty (20) hours or less per week (or such lesser period of time as may be determined by the Administrator in its discretion), (iii) customarily work five (5) months or less per calendar year (or such lesser period of time as may be determined by the Administrator in its discretion), (iv) are an officer or subject to the disclosure requirements of Section 16(a) of the Exchange Act, or (v) do not meet any other eligibility requirements that the Administrator may choose to impose in its sole discretion from time to time (subject to Applicable Laws and, for the 423 Component, subject to the requirements of Section 423 of the Code). Each exclusion will be applied with respect to an Offering under the 423 Component in a manner complying with U.S. Treasury Regulation Section 1.423-2(e)(2)(ii) and Section 1.423-2(f). Such exclusions may be applied with respect to an Offering under the Non-423 Component if permitted under Applicable Laws and without regard to the limitations of U.S. Treasury Regulation Section 1.423-2. For purposes of clarity, the term “Eligible Employee” shall not include any individual performing services for the Company or a Designated Company under an independent contractor or consulting agreement, a purchase order, a supplier agreement, or any other agreement that the Company or a Designated Company entered into for services, regardless of any subsequent reclassification of that individual by any Governmental Body as an employee of the Company or a Designated Company.

(u) “Employee Stock Purchase Plan” means a plan that grants Purchase Rights intended to be options issued under an “employee stock purchase plan,” as that term is defined in Section 423(b) of the Code.

(v) “Enrollment Date” means the end of the applicable enrollment period, as determined by the Administrator in advance of any Offering Period.

(w) “Exchange Act” means the U.S. Securities Exchange Act of 1934, as amended, including the rules and regulations promulgated thereunder.

(x) “Exercise Date” means the last Trading Day of the Purchase Period on which Purchase Rights will be exercised and on which purchases of shares of Common Stock will be carried out in accordance with an Offering. Notwithstanding the foregoing, in the event that an Offering Period is terminated prior to its expiration pursuant to Section 17 hereof, the Administrator, in its sole discretion, may determine that any Purchase Period also terminating under such Offering Period will terminate without Purchase Rights being exercised on the Exercise Date that otherwise would have occurred on the last Trading Day of such Purchase Period.

(y) “Fair Market Value” means, as of any date, the value of a share of Common Stock determined as follows:

(i) The Fair Market Value will be the closing sales price for Common Stock on the relevant date, as quoted on the Applicable Exchange on the date of determination (or the closing bid, if no sales were reported), as reported in The Wall Street Journal or such other source as the Administrator deems reliable. If the relevant date occurs on a non-Trading Day (i.e., a weekend or holiday), the Fair Market Value will be such price on the immediately preceding Trading Day, unless otherwise determined by the Administrator; or

(ii) In the absence of an established market for the Common Stock, the Fair Market Value thereof will be determined in good faith by the Administrator.

The determination of fair market value for purposes of withholding or reporting of Tax-Related Items may be made in the Administrator’s discretion subject to Applicable Laws and is not required to be consistent with the determination of Fair Market Value for other purposes.

- (z) “Governmental Body” means any: (i) nation, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature; (ii) U.S. or non-U.S. federal, state, local, municipal or other government; (iii) governmental or regulatory body, or quasi-governmental body of any nature (including any governmental division, department, administrative agency or bureau, commission, authority, instrumentality, official, ministry, fund, foundation, center, organization, unit, body or entity and any court or other tribunal, and for the avoidance of doubt, any tax authority) or other body exercising similar powers or authority; or (iv) self-regulatory organization (including the NYSE Stock Market and the Financial Industry Regulatory Authority).
- (aa) “New Exercise Date” means a new Exercise Date if the Administrator shortens any Offering Period then in progress.
- (ab) “Non-423 Component” means the part of the Plan, which excludes the 423 Component, pursuant to which Purchase Rights that are not intended to satisfy the requirements for an Employee Stock Purchase Plan may be granted to Eligible Employees.
- (ac) “Offering” means an offer under the Plan of Purchase Rights that may be exercised during an Offering Period as further described in Section 4. For purposes of the Plan, the Administrator may designate separate Offerings under the Plan (the terms of which need not be identical) in which Eligible Employees of one or more Designated Companies will participate, even if the dates of the applicable Offering Periods of each such Offering are identical and the provisions of the Plan will separately apply to each Offering.
- (ad) “Offering Date” means the first day of an Offering Period on which Purchase Rights are granted to Participants.
- (ae) “Offering Period” means a six-month period beginning on January 6 or July 6 of each calendar year during which Purchase Rights shall be granted to Participants. The Administrator, in its discretion, from time to time may, in advance of an Offering, determine a different duration and/or timing for an Offering Period, which may consist of one or more Purchase Periods. Notwithstanding the foregoing, in no event may an Offering Period exceed 27 months.
- (af) “Parent” means a “parent corporation” of the Company, whether now or hereafter existing, as defined in Section 424(e) of the Code.
- (ag) “Participant” means an Eligible Employee who has elected to participate in the Plan and now holds an outstanding Purchase Right.
- (ah) “Plan” means this Guidewire Software, Inc., Inc. 2024 Employee Stock Purchase Plan, as amended from time to time, including both the 423 Component and the Non-423 Component.
- (ai) “Purchase Period” means one or more periods within an Offering Period, as determined by the Administrator in its sole discretion. The duration and timing of Purchase Periods may be established or changed by the Administrator at any time, in its sole discretion. Notwithstanding the foregoing, in no event may a Purchase Period exceed the duration of the Offering Period under which it is established.
- (aj) “Purchase Price” means the purchase price of a share of Common Stock hereunder as provided in Section 7(a) hereof.
- (ak) “Purchase Right” means an option to purchase shares of Common Stock granted pursuant to the Plan.
- (al) “Section 409A” means Section 409A of the Code and the regulations and guidance thereunder, as may be amended or modified from time to time.
- (am) “Subsidiary” means a “subsidiary corporation” of the Company, whether now or hereafter existing, as defined in Section 424(f) of the Code.
- (an) “Tax-Related Items” means any U.S. and non-U.S. federal, provincial, state and/or local taxes (including, without limitation, income tax, social insurance contributions, fringe benefit tax, employment tax, stamp tax and any employer tax liability which has been transferred to a Participant) for which a Participant is liable in connection with his or her participation in the Plan.
- (ao) “Trading Day” means a day that the Applicable Exchange is open for trading.

(ap) “U.S. Treasury Regulations” means the Treasury Regulations of the Code. Reference to a specific Treasury Regulation or Section of the Code shall include such Treasury Regulation or Section, any valid regulation promulgated under such Section, and any comparable provision of any future legislation or regulation amending, supplementing, or superseding such Section or regulation.

### 3. Eligibility.

(a) Generally. Any Eligible Employee on a given Enrollment Date shall be eligible to participate in the Plan during such Offering Period, subject to the restrictions of Sections 3(b) and (c) hereof, and, for the 423 Component, the limitations imposed by Section 423(b) of the Code.

(b) Non-U.S. Employees. Eligible Employees who are citizens or residents of a non-U.S. jurisdiction (without regard to whether they also are citizens or residents of the United States or resident aliens (within the meaning of Section 7701(b)(1)(A) of the Code)) may be excluded from participation in the Plan or an Offering if the participation of such Eligible Employees is prohibited under Applicable Laws or if complying with Applicable Laws would cause the Plan or an Offering to violate Section 423 of the Code. In the case of the Non-423 Component, Eligible Employees may be excluded from participation in the Plan or an Offering if the Administrator determines that participation of such Eligible Employees is not advisable or practicable.

(c) Limitations. Any provisions of the Plan to the contrary notwithstanding, no Eligible Employee will be granted a Purchase Right under the Plan (i) to the extent that, immediately after the grant, such Eligible Employee (or any other person whose stock would be attributed to such Eligible Employee pursuant to Section 424(d) of the Code) would own capital stock of the Company or any Parent or Subsidiary and/or hold outstanding options to purchase such stock possessing five percent (5%) or more of the total combined voting power or value of all classes of the capital stock of the Company or of any Parent or Subsidiary, or (ii) to the extent that his or her rights to purchase stock under all Employee Stock Purchase Plans of the Company or any Parent or Subsidiary accrues at a rate, which exceeds twenty-five thousand dollars (US\$25,000) worth of stock (determined at the Fair Market Value of the stock at the time such Purchase Right is granted) for each calendar year in which such Purchase Right is outstanding at any time, as determined in accordance with Section 423 of the Code and U.S. Treasury Regulations.

### 4. Grant of Purchase Rights; Offering.

(a) The Administrator may from time to time grant or provide for the grant of Purchase Rights to Eligible Employees under an Offering (consisting of one or more Purchase Periods) on an Offering Date or Offering Dates selected by the Administrator. Each Offering will be in such form and will contain such terms and conditions as the Administrator will deem appropriate, and, with respect to the 423 Component, will comply with the requirement of Section 423(b)(5) of the Code that all Eligible Employees granted Purchase Rights will have the same rights and privileges. The first Offering Period under the Plan will begin on July 6, 2025 and end on January 5, 2026. Unless otherwise determined by the Administrator in its discretion, all subsequent Offerings will begin every July 6 and January 6, respectively and end on January 5 and July 5, respectively. The terms and conditions of an Offering shall be incorporated by reference into the Plan and treated as part of the Plan.

(b) If a Participant has more than one Purchase Right outstanding under the Plan, unless they otherwise indicate in forms delivered to the Company or a third party designated by the Company (each, a “Company Designee”): (i) each form will apply to all of his or her Purchase Rights under the Plan, and (ii) a Purchase Right with a lower Purchase Price (or an earlier-granted Purchase Right, if different Purchase Rights have identical Purchase Prices) will be exercised to the fullest possible extent before a Purchase Right with a higher Purchase Price (or a later-granted Purchase Right if different Purchase Rights have identical Purchase Prices) will be exercised.

(c) If an Offering Period consists of more than one Purchase Period, the Administrator may determine, in advance of an Offering, that if the Fair Market Value of a share of Common Stock on the first Trading Day of a new Purchase Period within that Offering Period is less than or equal to the Fair Market Value of a share of Common Stock on the Offering Date for that Offering Period, then (i) that Offering Period will terminate immediately as of that first Trading Day, and (ii) the Participants in such terminated Offering Period will be automatically enrolled in a new Offering Period beginning on that first Trading Day. For the avoidance of doubt, the foregoing will be irrelevant if the Offering Period consists of only one Purchase Period.

5. Participation. During such period determined by the Administrator prior to an applicable Enrollment Date, an Eligible Employee may elect to participate in the Plan by submitting to the Company or a Company Designee a properly completed subscription agreement or by following an electronic or other enrollment procedure determined by the Administrator, in each case authorizing payroll deductions as the means of making Contributions (the “Enrollment Election”). If payroll deductions

are not permissible or problematic under Applicable Laws or if specifically provided in the Offering, in addition to or instead of making Contributions by payroll deductions, a Participant, if permitted by the Administrator and only on terms to be determined by the Administrator, may make Contributions through the payment by cash, check or wire transfer prior to an Exercise Date.

## 6. Contributions.

(a) At the time a Participant enrolls in the Plan pursuant to Section 5 hereof, they will elect to have Contributions made on each pay day during the Offering Period or during such other period as determined by the Administrator. The Enrollment Election will specify the amount of Contributions as a (whole) percentage from 1% to 15% of the Participant's Compensation, or such other amount determined by the Administrator in advance of an Offering. Each Participant's Contributions will be credited to a bookkeeping account for such Participant under the Plan and will be deposited with the general funds of the Company except where Applicable Laws require that Contributions be held separately or deposited with a third party. A Participant's Enrollment Election will remain in effect for successive Offering Periods unless modified in accordance with this Section 6 or unless terminated as provided in Sections 9 or 10 hereof.

(b) Unless otherwise determined by the Administrator in advance of an Offering:

(i) During any Offering Period, a Participant may not increase the rate of his or her Contributions.

(ii) During any Offering Period, a Participant may decrease the rate of his or her Contributions once, including decreasing the rate of his or her Contributions to zero percent (0%). Any such decrease or suspension shall be effective as soon as practicable after the Company's receipt of the new Enrollment Election. In the event that a Participant suspends his or her Contributions (by decreasing the rate of his or her Contributions to zero percent (0%)), such Participant's Contributions prior to the suspension shall remain in his or her account and shall be applied to the purchase of shares of Common Stock on the next occurring Exercise Date and shall not be paid to such Participant unless his or her participation in the Plan terminates pursuant to Sections 9 or 10 hereof.

(iii) During such period determined by the Administrator prior to an applicable Enrollment Date, a Participant may increase or decrease the rate of his or her Contributions to become effective as of the beginning of the respective Offering Period, subject to the limitations of the Plan and applicable Offering.

(iv) Any increase or decrease in a Participant's rate of Contributions requires the Participant to submit a new Enrollment Election on or before a date determined by the Administrator. If a Participant has not followed the prescribed procedures to change the rate of Contributions, the rate of his or her Contributions will continue at the originally elected rate throughout the then current Offering Period and future Offering Periods (unless the Participant's participation in the Plan is terminated as pursuant to Sections 9 or 10 hereof).

(c) Notwithstanding the foregoing, to the extent necessary to comply with Section 423(b)(8) of the Code and Section 3(c) hereof, a Participant's Contributions may be decreased by the Administrator to zero percent (0%) at any time during a Purchase Period. Subject to Section 423(b)(8) of the Code and Section 3(c) hereof, Contributions will recommence at the rate last elected by the Participant prior to such suspension effective as of the beginning of the first Purchase Period scheduled to end in the calendar year immediately following the calendar year in which such suspension occurred (unless the Participant's participation in the Plan is terminated pursuant to Sections 9 or 10 hereof). Further, a Participant's Contributions may be decreased by the Administrator to zero percent (0%) if a Participant has reached other Contribution limits imposed under Section 6(a) hereof.

## 7. Exercise of Purchase Right.

(a) The Purchase Price shall equal eighty-five percent (85%) of the lesser of the Fair Market Value of a share of Common Stock on (a) the applicable Offering Date or (b) the applicable Exercise Date, rounded up to the nearest cent, or such other price designated by the Administrator in advance of an Offering.

(b) Unless a Participant withdraws from the Plan as provided in Section 9 or the Participant's participation in the Plan terminates pursuant to Section 10, his or her Purchase Right for the purchase of shares of Common Stock will be exercised automatically on each Exercise Date, and the maximum number of shares of Common Stock subject to the Purchase Right will be purchased for such Participant at the applicable Purchase Price with the accumulated Contributions from his or her account; provided, however, that in no event shall a Participant be permitted to purchase on each Exercise Date more than 1,000 shares of Common Stock (subject to any adjustment pursuant to Section 16(a) hereof). The Administrator may,

for future Offering Periods, increase or decrease, in its absolute discretion, the maximum number of shares of Common Stock that a Participant may purchase on any Exercise Date. Unless otherwise determined by the Administrator, (i) no fractional shares of Common Stock will be purchased and (ii) any amount remaining in a Participant's account after the Exercise Date that is not applied to the purchase of shares of Common Stock shall be promptly refunded without interest (unless required by Applicable Law). During a Participant's lifetime, a Participant's Purchase Right hereunder is exercisable only by them.

(c) If the Administrator determines that, on a given Exercise Date, the number of shares of Common Stock with respect to which Purchase Rights are to be exercised may exceed the number of shares of Common Stock that are available for sale under the Plan, the Administrator may in its sole discretion provide that the Company will make a pro rata allocation of the shares of Common Stock available for purchase in as uniform a manner as will be practicable and as it will determine in its sole discretion to be equitable among all Participants exercising Purchase Rights on such Exercise Date. The Company may make a pro rata allocation of the shares of Common Stock pursuant to the preceding sentence, notwithstanding any authorization of additional shares for issuance under the Plan by the Company's stockholders subsequent to such Exercise Date. Any fractional share resulting from such pro rata allocation to any Participant shall be disregarded and shares shall be rounded down to the next whole share of Common Stock.

8. Delivery. As soon as reasonably practicable after each Exercise Date on which a purchase of shares of Common Stock occurs, the Company will arrange the delivery to each Participant of the shares of Common Stock purchased upon exercise of his or her Purchase Right in a form determined by the Administrator (in its sole discretion) and pursuant to rules established by the Administrator. The Company may permit or require that shares be deposited directly with a broker designated by the Company or with a designated agent of the Company, and the Company may utilize electronic or automated methods of share transfer. The Company may require that shares of Common Stock be retained with such broker or agent for a designated period of time and/or may establish other procedures to permit tracking of disqualifying or other dispositions of such shares. No Participant will have any voting, dividend, or other stockholder rights with respect to shares of Common Stock subject to any Purchase Right granted under the Plan until such shares of Common Stock have been purchased and delivered to the Participant as provided in this Section 8.

9. Withdrawal.

(a) A Participant may elect to withdraw from participation in the Plan by submitting to the Company or a Company Designee a written or electronic notice of withdrawal in the form determined by the Administrator for such purpose (the "Withdrawal Notice"). The Withdrawal Notice may be submitted up to ten (10) calendar days prior to an Exercise Date to take effect for the respective Purchase Period, or by such date as may be determined by the Administrator in advance of an Offering. If the Participant has properly withdrawn from the Plan, all of the Participant's Contributions credited to his or her account will be paid to such Participant as soon as administratively practicable without interest (unless otherwise required by Applicable Laws) after receipt of the Withdrawal Notice and such Participant's Purchase Right for the respective Offering Period will be automatically terminated, and no further Contributions for the purchase of shares of Common Stock will be made for such Offering Period.

(b) A Participant's withdrawal from an Offering Period will not have any effect on his or her eligibility to participate in future Offering Periods, provided the Participant enrolls in the Plan in accordance with the provisions of Section 5 hereof.

10. Termination and Transfer of Employment. Upon a Participant's ceasing to be an Eligible Employee, for any reason, they will be deemed to have elected to withdraw from the Plan and the Contributions credited to such Participant's account during the Offering Period but not yet used to purchase shares of Common Stock under the Plan will be returned to such Participant as soon as administratively practicable without interest (unless otherwise required by Applicable Laws), and such Participant's Purchase Right will be automatically terminated. A Participant who transfers employment between the Company and a Designated Company or between Designated Companies during an Offering Period will be treated as terminated under the Plan as of the date of transfer, notwithstanding that the Participant may otherwise continue to qualify as an Eligible Employee, and the Contributions credited to such Participant's account during the Offering Period but not yet used to purchase shares of Common Stock under the Plan will be returned to such Participant as soon as administratively practicable without interest (unless otherwise required by Applicable Laws), and such Participant's Purchase Right will be automatically terminated. Notwithstanding the foregoing, the Administrator may establish different rules to govern transfers of employment during an Offering Period, consistent with the applicable requirements of Section 423 of the Code.

11. Interest. No interest will accrue on the Contributions of a Participant in the Plan, except as may be required by Applicable Laws, as determined by the Company, and if so required by Applicable Laws, will apply to all Participants in the

relevant Offering under the 423 Component, except to the extent otherwise permitted by U.S. Treasury Regulation Section 1.423-2(f).

12. Stock.

(a) Subject to adjustment upon a Capitalization Adjustment as provided in Section 16(a) hereof, 3,000,000 shares of Common Stock may be sold pursuant to the Plan. Such shares of Common Stock may be authorized but unissued shares, treasury shares or shares purchased in the open market. For avoidance of doubt, up to the maximum number of shares reserved under this Section 12 may be used to satisfy purchases of shares of Common Stock under the 423 Component and any remaining portion of such maximum number of shares may be used to satisfy purchases of shares under the Non-423 Component.

(b) If any Purchase Right granted under the Plan shall for any reason terminate without having been exercised, the shares of Common Stock not purchased under such Purchase Right shall again become available for issuance under the Plan.

13. Administration.

(a) Committee as Administrator. The Plan shall be administered by the Committee. Notwithstanding anything in the Plan to the contrary, subject to Applicable Laws, any authority or responsibility that, under the terms of the Plan, may be exercised by the Committee may alternatively be exercised by the Board. Subject to Applicable Laws, no member of the Board or Committee (or its delegates) shall be liable for any good faith action or determination made in connection with the operation, administration or interpretation of the Plan. In the performance of its responsibilities with respect to the Plan, the Committee shall be entitled to rely upon, and no member of the Committee shall be liable for any action taken or not taken in reliance upon, information and/or advice furnished by the Company's officers or employees, the Company's accountants, the Company's counsel and any other party that the Committee deems necessary.

(b) Powers of the Administrator. The Administrator will have full and exclusive discretionary authority to construe, interpret and apply the terms of the Plan, to designate separate Offerings under the Plan, to designate Subsidiaries and Affiliates as participating in the 423 Component or Non-423 Component, to determine eligibility, to adjudicate all disputed claims filed under the Plan and to establish such procedures that it deems necessary or advisable for the administration of the Plan (including, without limitation, to adopt such rules, procedures, sub-plans, and appendices to the subscription agreement as are necessary or appropriate to permit the participation in the Plan by Eligible Employees who are non-U.S. nationals or employed outside the U.S., the terms of which rules, procedures, sub-plans and appendices may take precedence over other provisions of this Plan, with the exception of Section 12(a) hereof, but unless otherwise superseded by the terms of such rules, procedures, sub-plan or appendix, the provisions of this Plan will govern the operation of such sub-plan or appendix). Unless otherwise determined by the Administrator, the Eligible Employees eligible to participate in each sub-plan will participate in a separate Offering under the 423 Component, or if the terms would not qualify under the 423 Component, in the Non-423 Component, in either case unless such designation would cause the 423 Component to violate the requirements of Section 423 of the Code. Without limiting the generality of the foregoing, the Administrator is specifically authorized to adopt rules and procedures regarding eligibility to participate, the definition of Compensation, handling of Contributions, making of Contributions to the Plan (including, without limitation, in forms other than payroll deductions), establishment of bank or trust accounts to hold Contributions, payment of interest, conversion of local currency, obligations to pay payroll tax, withholding procedures and handling of stock certificates that vary with applicable local requirements. The Administrator also is authorized to determine that, to the extent permitted by U.S. Treasury Regulation Section 1.423-2(f), the terms of a Purchase Right granted under the Plan or an Offering to citizens or residents of a non-U.S. jurisdiction will be less favorable than the terms of Purchase Rights granted under the Plan or the same Offering to employees resident solely in the U.S. Every finding, decision, and determination made by the Administrator will, to the full extent permitted by law, be final and binding upon all parties.

(c) Binding Authority. All determinations by the Administrator in carrying out and administering the Plan and in construing and interpreting the Plan and any Enrollment Election or other instrument or agreement relating to the Plan shall be made in the Administrator's sole discretion and shall be final, binding and conclusive for all purposes and upon all interested persons.

(d) Delegation of Authority. To the extent not prohibited by Applicable Laws, the Committee may, from time to time, delegate some or all of its authority under the Plan to a subcommittee or subcommittees of the Committee, to one or more of the other parties comprising the "Administrator" hereunder, or to other persons or groups of persons as it deems necessary, appropriate or advisable under conditions or limitations that it may set at or after the time of the delegation. For



purposes of the Plan, reference to the Administrator shall be deemed to include any subcommittee, subcommittees, or other persons or groups of persons to whom the Committee delegates authority pursuant to this Section 13(d)).

14. Transferability. Neither Contributions credited to a Participant's account nor any Purchase Rights under the Plan may be assigned, transferred, pledged or otherwise disposed of in any way (other than by will, the laws of descent and distribution) by the Participant. Any such attempt at assignment, transfer, pledge or other disposition will be without effect, except that the Company may treat such act as an election to withdraw from the Plan in accordance with Section 9 hereof.

15. Use of Funds. The Company may use all Contributions received or held by it under the Plan for any corporate purpose, and the Company will not be obligated to segregate such Contributions except under Offerings or for Participants in the Non-423 Component for which Applicable Laws require that Contributions to the Plan by Participants be segregated from the Company's general corporate funds and/or deposited with an independent third party; provided, however, that, if such segregation or deposit with an independent third party is required by Applicable Laws, it will apply to all Participants in the relevant Offering under the 423 Component, except to the extent otherwise permitted by U.S. Treasury Regulation Section 1.423-2(f).

16. Adjustments; Dissolution or Liquidation; Change in Control.

(a) Adjustments. In the event of a Capitalization Adjustment, the Administrator, in order to prevent diminution or enlargement of the benefits or potential benefits intended to be made available under the Plan, will, in such manner as it may deem equitable, adjust the number and class of Common Stock that may be delivered under the Plan, the Purchase Price per share, the class and the number of shares of Common Stock covered by each Purchase Right under the Plan that has not yet been exercised, and any limitations related to shares of Common Stock imposed under the Plan.

(b) Dissolution or Liquidation. In the event of the proposed dissolution or liquidation of the Company, any Offering Period then in progress will be shortened by setting a New Exercise Date, and will terminate immediately prior to the consummation of such proposed dissolution or liquidation, unless provided otherwise by the Administrator. The New Exercise Date will be before the date of the Company's proposed dissolution or liquidation. The Administrator will notify each Participant in writing or electronically, prior to the New Exercise Date, that the Exercise Date for the Participant's Purchase Right has been changed to the New Exercise Date and that the Participant's Purchase Right will be exercised automatically on the New Exercise Date (unless the Participant's participation in the Plan is terminated pursuant to Sections 9 or 10 hereof).

(c) Change in Control. In the event of a Change in Control, each outstanding Purchase Right will be assumed or an equivalent Purchase Right substituted by the successor corporation or a Parent or Subsidiary of the successor corporation. In the event that the Change in Control does not include or result in a successor corporation or the successor corporation refuses to assume or substitute for any Purchase Right, the Offering Period with respect to which such Purchase Right relates will be shortened by setting a New Exercise Date on which such Offering Period will end, unless provided otherwise by the Administrator. The New Exercise Date will occur before the date of the Company's proposed Change in Control. The Administrator will notify each Participant in writing or electronically prior to the New Exercise Date, that the Exercise Date for the Participant's Purchase Right has been changed to the New Exercise Date and that the Participant's Purchase Right will be exercised automatically on the New Exercise Date (unless the Participant's participation in the Plan is terminated pursuant to Sections 9 or 10 hereof).

17. Amendment or Termination. The Administrator, in its sole discretion, may amend, suspend, or terminate the Plan, or any part thereof, at any time and for any reason. Unless the Administrator terminates the Plan earlier, the Plan will remain in effect until all shares of Common Stock subject to it will have been distributed pursuant to the Plan. If the Plan is terminated, the Administrator, in its discretion, may elect to terminate all outstanding Offering Periods either immediately or upon completion of the purchase of shares of Common Stock on the next Exercise Date (which may be sooner than originally scheduled, if determined by the Administrator in its discretion), or may elect to permit Offering Periods to expire in accordance with their terms. If the Offering Periods are terminated prior to expiration, all Contributions then credited to Participants' accounts that have not been used to purchase shares of Common Stock will be returned to the Participants (without interest, except as otherwise required under Applicable Laws) as soon as administratively practicable.

18. Notices. All notices or other communications by a Participant to the Company under or in connection with the Plan will be deemed to have been duly given when received in the form and manner specified by the Company at the location, or by the person, designated by the Company for the receipt thereof.

19. Conditions Upon Issuance of Shares. Shares of Common Stock will not be issued with respect to any Purchase Right unless the exercise of such Purchase Right and the issuance and delivery of such shares of Common Stock

pursuant thereto will comply with Applicable Laws, including, without limitation, the U.S. Securities Act of 1933, as amended, the Exchange Act, the rules and regulations promulgated thereunder, and the requirements of any Applicable Exchange, and will be further subject to the approval of counsel for the Company with respect to such compliance. As a condition to the exercise of a Purchase Right, the Company may require the Participant exercising such Purchase Right to satisfy any qualifications that may be necessary or appropriate to evidence compliance with any Applicable Laws, and to make any representation or warranty with respect thereto as may be requested by the Company

20. Section 409A. The 423 Component is intended to be exempt from the application of Section 409A, and, to the extent not exempt, is intended to comply with Section 409A and any ambiguities herein will be interpreted to be exempt from, or comply with, Section 409A. In furtherance of the foregoing and notwithstanding any provision in the Plan to the contrary, if the Administrator determines that an option granted under the Plan may be subject to Section 409A or that any provision in the Plan would cause an option under the Plan to be subject to Section 409A, the Administrator may amend the terms of the Plan and/or of an outstanding Purchase Right granted under the Plan, or take such other action the Administrator determines is necessary or appropriate, in each case, without the Participant's consent, to exempt any outstanding Purchase Right or future Purchase Right that may be granted under the Plan from or to allow any such Purchase Rights to comply with Section 409A, but only to the extent any such amendments or action by the Administrator would not violate Section 409A. Notwithstanding the foregoing, the Company and any of its Parent or Subsidiaries shall have no obligation to reimburse, indemnify, or hold harmless a Participant or any other party if the Purchase Right under the Plan that is intended to be exempt from or compliant with Section 409A is not so exempt or compliant or for any action taken by the Administrator with respect thereto. The Company makes no representation that the Purchase Right under the Plan is compliant with Section 409A.

21. Tax Qualification; Tax Withholding.

(a) Although the Company may endeavor to (i) qualify a Purchase Right for special tax treatment under the laws of the United States or jurisdictions outside of the United States or (ii) avoid adverse tax treatment, the Company makes no representation to that effect and expressly disavows any covenant to maintain special or to avoid unfavorable tax treatment, notwithstanding anything to the contrary in this Plan. The Company will be unconstrained in its corporate activities without regard to the potential negative tax impact on Participants.

(b) Each Participant will make arrangements, satisfactory to the Company and any applicable Subsidiary or Affiliate, to enable the Company, the Subsidiary or the Affiliate to fulfill any withholding obligation for Tax-Related Items. Without limitation to the foregoing, in the Company's sole discretion and subject to Applicable Laws, such withholding obligation may be satisfied in whole or in part by (i) withholding from the Participant's salary or any other cash payment due to the Participant from the Company, a Subsidiary or an Affiliate; (ii) withholding from the proceeds of the sale of shares of Common Stock acquired under the Plan, either through a voluntary sale or a mandatory sale arranged by the Company; or (iii) any other method deemed acceptable by the Administrator. The Company shall not be required to issue any shares of Common Stock under the Plan until such obligations are satisfied.

22. Stockholder Approval. The Plan will be subject to approval by the stockholders of the Company within twelve (12) months after the Effective Date. Such stockholder approval and stockholder approval for any amendments to the Plan will be obtained in the manner and to the degree required under Applicable Laws.

23. Governing Law. The Plan and all actions taken thereunder shall be governed by, and construed in accordance with, the General Corporation Law of the State of Delaware as to matters within the scope thereof, and as to all other matters shall be governed by and construed in accordance with the internal laws of the State of California, applied without regard to conflict of law principles. The captions of this Plan are not part of the provisions hereof and shall have no force or effect.

24. No Right to Employment. Participation in the Plan by a Participant will not be construed as giving a Participant the right to be retained as an employee of the Company or any Subsidiary or Affiliate. Furthermore, the Company or a Subsidiary or Affiliate, as applicable, may dismiss a Participant from employment at any time, free from any liability or any claim under the Plan.

25. Severability. If any provision of the Plan is or becomes or is deemed to be invalid, illegal, or unenforceable for any reason in any jurisdiction or as to any Participant, such invalidity, illegality or unenforceability will not affect the remaining parts of the Plan, and the Plan will be construed and enforced as to such jurisdiction or Participant as if the invalid, illegal or unenforceable provision had not been included.

26. Compliance with Applicable Laws. The terms of this Plan are intended to comply with all Applicable Laws and will be construed accordingly.

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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**FORM 10-K**

**(Mark one)**

- ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**  
For the fiscal year ended July 31, 2024  
**OR**  
 **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**  
For the transition period from \_\_\_\_\_ to \_\_\_\_\_  
Commission file number: 001-35394

**Guidewire Software, Inc.**

(Exact name of registrant as specified in its charter)

Delaware  
(State or other jurisdiction of  
incorporation or organization)

36-4468504  
(I.R.S. Employer  
Identification No.)

970 Park Pl., Suite 200, San Mateo, California, 94403  
(Address of principal executive offices, including zip code)

(650) 357-9100  
(Registrant's telephone number, including area code)

**Securities registered pursuant to Section 12(b) of the Act:**

<u>(Title of each class)</u>	<u>(Trading Symbol(s))</u>	<u>(Name of each exchange on which registered)</u>
Common Stock, \$0.0001 par value	GWRE	New York Stock Exchange

**Securities registered pursuant to Section 12(g) of the Act:**

None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes  No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to § 240.10D-1(b).

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

The aggregate market value of common stock held by non-affiliates of the registrant, computed by reference to the closing price at which the common stock was sold on January 31, 2024, the last business day of the registrant's most recently completed second fiscal quarter, as reported on the New York Stock Exchange, was approximately \$6.6 billion. Shares of common stock held by each executive officer, director and holder of 5% or more of the outstanding common stock have been

excluded in that such persons may be deemed to be affiliates. This determination of affiliate status does not reflect a determination that such persons are affiliates of the registrant for any other purpose.

On August 30, 2024, the registrant had 83,025,888 shares of common stock issued and outstanding.

### **DOCUMENTS INCORPORATED BY REFERENCE**

Portions of the registrant's definitive Proxy Statement relating to its 2024 Annual Meeting of Stockholders are incorporated by reference into Part III of this report where indicated. Such Proxy Statement will be filed with the U.S. Securities and Exchange Commission within 120 days after the end of the fiscal year to which this report relates.

# Guidewire Software, Inc.

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## FORWARD-LOOKING STATEMENTS

*The sections titled “Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” as well as other parts of this Annual Report on Form 10-K and certain information incorporated herein by reference contain forward-looking statements within the meaning of the Securities Act of 1933, as amended (the “Securities Act”), and the Securities Exchange Act of 1934, as amended (the “Exchange Act”), which are subject to risks and uncertainties. The forward-looking statements may include statements concerning, among other things, our business strategy (including anticipated trends and developments in, and management plans for, our business and the markets in which we operate), financial results, results of operations, revenue, gross margins, operating expenses, services, products, projected costs and capital expenditures, research and development programs, cloud operations, cybersecurity effectiveness, sales and marketing initiatives, and competition. In some cases, you can identify these statements by forward-looking words, such as “will,” “may,” “might,” “should,” “could,” “estimate,” “expect,” “suggest,” “believe,” “anticipate,” “intend,” “plan” and “continue,” the negative or plural of these words and other comparable terminology. Actual events or results may differ materially from those expressed or implied by these statements due to various factors, including, but not limited to, the matters discussed below, in the section titled “Risk Factors,” and elsewhere in this Annual Report on Form 10-K. Many of the forward-looking statements are located in “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”*

*Forward-looking statements are not guarantees of future performance and involve risks and uncertainties. The forward-looking statements contained in this Annual Report on Form 10-K are based on information available to us as of the filing date of this Annual Report on Form 10-K and our current expectations about future events, which are inherently subject to change and involve risks and uncertainties. You should not place undue reliance on these forward-looking statements.*

*We do not undertake any obligation to update any forward-looking statements in this Annual Report on Form 10-K or in any of our other communications, except as required by law. All such forward-looking statements should be read as of the time the statements were made and with the recognition that these forward-looking statements may not be complete or accurate at a later date.*

## SUMMARY OF MATERIAL RISKS ASSOCIATED WITH OUR BUSINESS

The principal risks and uncertainties affecting our business include (but are not limited to) the following:

- our quarterly and annual results may fluctuate significantly due to economic conditions, customer behavior, contract changes, operational costs, seasonality, and other uncertainties, which could impact our stock price;
- the market for cloud services, including the migration of our existing term license customers to cloud-based offerings on a subscription basis, and the long-term pricing commitments in our customer contracts that are based on available information and estimates about our future costs that may change;
- our reliance on orders from a relatively small number of customers in the property and casualty (“P&C”) insurance industry for a substantial portion of our revenue and Annual Recurring Revenue (“ARR”) and the related substantial negotiating leverage of these customers, as well as our dependence on customer renewals and expansions of their contracts for our products, which may not occur;
- lengthy and variable sales and implementation cycles, with factors beyond our control including competitive pressures, potentially causing expenditure of significant time and resources prior to revenue generation;
- competitive attributes of our applications, including the need to continuously develop and enhance our products to satisfy customer demands, maintain market acceptance, respond to competitive pressures, and meet local requirements of international markets;
- failure to grow our business and manage our expanding operations, including internationally, effectively;
- exposure to risks in relation to data security breaches of our cloud-based products, unauthorized access to our customers’ or employees’ data, or breaches of third-party technologies and systems we rely on and the related impact on our ability to effectively operate our cloud environment for our customers;
- issues in the development and use of artificial intelligence (“AI”), as well as the use of AI by our workforce, combined with an uncertain regulatory environment, may result in reputational harm, liability, or other adverse consequences to our business operations;
- retaining existing and hiring new personnel, including managing personnel in a hybrid work environment;

- errors or failures in our products or services, as well as service interruptions or failure of the third-party service providers we rely on, could impair the availability of our products, harm our reputation, lead to customer loss, increase liability claims, or harm our future financial results;
- dependence on the quality and effectiveness of our professional services, technical support, and system integrator (“SI”) partners, and successful development of our global direct sales force and the expansion of our relationships with SI partners;
- factors that could affect our gross and operating margins, including revenue mix and costs related to operating, securing, and enhancing our subscription services;
- pursuing acquisitions or partnerships may lead to management distractions, integration challenges, increased costs, and stockholder dilution, with risks including unforeseen difficulties, capital investment needs, and competitive pressures;
- exposure to market risks, including geographical and global events, supply chain disruptions, inflation, political and regional conflicts, interest rates, foreign currency exchange rates, and financial markets’ volatility and their impact on our stock price and its volatility and our customers, partners, vendors, or our business operations; and
- required compliance with current and evolving local data privacy and cybersecurity laws and regulations in all jurisdictions where we have customers, and our ability to maintain the security of our customers’ data and our cloud-based products, appropriately limit the use of information, and manage related costs and liabilities incurred.

The summary risk factors described above should be read together with the text of the Risk Factors included in Item 1A of Part I of this Annual Report on Form 10-K and the other information set forth in this Annual Report on Form 10-K, including our consolidated financial statements and related notes thereto, as well as in other documents that we file with the U.S. Securities and Exchange Commission (the “SEC”). Additional risks and uncertainties, beyond those summarized above or discussed elsewhere in this Annual Report on Form 10-K may apply to our business, activities, or operations as currently conducted or as we may conduct them in the future or in the markets in which we operate or may in the future operate.

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Unless the context requires otherwise, we are referring to Guidewire Software, Inc. together with its subsidiaries when we use the terms “Guidewire,” the “Company,” “we,” “our,” or “us.” When using the term “products,” we are generally referring to both our subscription services and term license software.



## **Item 1. Business**

### **Overview and Purpose**

Guidewire is the platform that P&C insurers trust to engage, innovate, and grow efficiently. Our core systems leverage data and analytics, digital, and AI. As a partner to our customers, we continually evolve to enable their success and assist them in navigating a rapidly changing insurance market. We were founded in 2001.

Our core products are InsuranceSuite Cloud, InsuranceNow, and InsuranceSuite for self-managed installations. These products are transactional systems of record that support the entire insurance lifecycle, including insurance product definition, distribution, underwriting, policyholder services, and claims management. We also sell digital engagement and analytics products. Our digital engagement products enable digital sales, omnichannel service, and enhanced claims experiences for policyholders, agents, vendor partners, and field personnel. Our analytics offerings enable insurers to manage data more effectively, gain insights into their business, drive operational efficiencies, and underwrite new and evolving risks. To support P&C insurers globally, we have localized, and will continue to localize, our suite of products for use in a variety of international regulatory, language, and currency environments.

Our customers range from some of the largest global insurance companies or their subsidiaries to predominantly national or local insurers that serve specific states and/or regions. Our customer engagement is led by our direct sales team and supported by our SI partners. We maintain and continue to grow our sales and marketing efforts globally, and maintain regional sales centers throughout the world.

Because our platform is critical to our new and existing customers' businesses, their decision-making and product evaluation process is thorough, which often results in an extended sales cycle. These evaluation periods can extend further if a customer purchases multiple products or is considering a move to a cloud-based subscription for the first time. Sales to new customers also involve extensive customer due diligence and reference checks. The success of our sales efforts relies on continued improvements and enhancements to our current products, the introduction of new products, efficient operation of our cloud infrastructure, continued development of relevant local content and automated tools for updating content, content in the Guidewire Marketplace to improve efficiencies, accelerate integration, and provide access to innovation, and successful implementations and migrations.

We sell our suite of products through subscription services for our platform and cloud-delivered products and term licenses for our self-managed products. We generally price our products based on the amount of Direct Written Premium ("DWP") that will be managed by our products. Our subscription, term license, and support fees are typically invoiced annually in advance. Subscription services are generally sold with an initial term of between three and five years with optional annual renewals commencing after the initial term. Subscription revenue is recognized on a ratable basis over the committed term, once all revenue recognition criteria are met including providing access to the service. Term licenses are primarily sold to existing on-premise customers and are typically an initial commitment with optional annual renewals thereafter. We may enter into term license arrangements with our customers that have an initial term of more than one year or may renew license arrangements for longer than one year. Term license revenue is typically recognized when software is made available to the customer, provided that all other revenue recognition criteria have been met. Our support revenue is generally recognized ratably over the committed support term of the licensed software. Our support fees are typically priced as a fixed percentage of the associated license fees. We also offer professional services, both directly and through SI partners, to help our customers deploy, migrate, and utilize our platform and suite of products. A majority of our services revenue is billed monthly on a time and materials basis.

### **Industry Background**

The P&C insurance industry is large, fragmented, highly regulated, and complex. It is also highly competitive, with insurers competing primarily on product differentiation, pricing options, customer service, marketing and advertising, affiliate programs, and channel strategies.

P&C insurers modernize their transactional core systems to manage key functional areas of P&C insurance, including product definition, underwriting and policy administration, claims management, and billing. Product definition specifies the insurance coverage, pricing, and financial and legal terms of insurance policies. Underwriting and policy administration includes collecting information from potential policyholders, determining appropriate coverages and terms, pricing policies, issuing policies, and updating and maintaining policies over their lifetimes. Claims management includes loss intake, investigation and evaluation of incidents, settlement negotiation, vendor management, litigation management, and payment processing. Billing includes policyholder invoicing, payment collection, and agent commission calculation. We believe insurers

that adopt modern core systems can enhance customer experience, operate more efficiently, and introduce innovative products more rapidly.

We believe the P&C insurance industry is experiencing accelerating change in how insurers engage with, sell to, and manage relationships with consumers and businesses. Today, P&C insurers are striving to respond to significant changes in their competitive marketplace and the character of the risks they underwrite. The most significant changes include:

- an industry rapidly going through change that requires agility and efficiency from its core systems;
- an increase in catastrophes and natural disasters impacting the P&C insurance industry that requires agility and efficiency from its core systems;
- a rise in customer expectations for digital, mobile, and omnichannel interaction rather than the traditional agent model;
- a need for 100% digital engagement capabilities;
- a growth in demand for personalized services and products;
- an increase in technology and market-driven changes in vehicular risk, including usage and driving habit based insurance;
- an increase in consolidation of providers of insurance products and associated rationalization of markets served given recent claims ratio trends and developments;
- demand for coverage of emerging risks such as terrorism, cybersecurity, pandemic, and reputational risk;
- a wealth of data and desire to harness data to improve and grow business;
- advances in the use of data and analytics to better market to and engage with customers, price policies, and manage claims;
- development of opportunities to compete or partner with non-traditional players that offer disruptive technology-based value propositions;
- established industry leaders are facing increased competition from new entrants in the market, including insurtech companies; and
- the introduction and leveraging of new technologies, such as drones, generative AI, large language models, the “Internet of Things,” chatbots, and telematics.

Many of these trends have increased in importance following the COVID-19 pandemic and the resulting change to a more hybrid world. In response to these trends, changes, challenges, and opportunities, we believe that P&C insurers need a core system that can increase agility and enhance digital engagement and analytics offerings.

While each insurer may have different goals and priorities when pursuing new technology investments, there are several major themes that we believe guide these investments:

- Digital Engagement Models. We believe that insurers will need to provide a more intuitive, digital user experience to reduce the risk of customer dissatisfaction and loss. Investment in digital user experience will allow insurers to deepen their engagement with customers and transition from passive and transactional customer interactions to active and advisory relationships. This transition will require investments in software services and products that are designed to model user journeys and enable more frequent, informed, and dynamic interactions between insurers and their customers. We believe these efforts can improve financial performance for insurers through increased lead conversions and lower customer churn.
- Cloud-Delivered Solutions. We believe that increased recognition of the compelling economic benefits of deploying software solutions on public infrastructure combined with increased confidence in the security and reliability of such platforms will cause more insurers to consider cloud-deployed solutions. Insurers benefit from an optimized division of labor and risk and allowing third parties to manage their infrastructure as they focus on competitively differentiating activities.
- Data Driven Decision-Making. Insurers are seeking to explore, visualize, and analyze proprietary and third-party data to optimize decision-making across the insurance lifecycle. We believe that such predictive analytical solutions are most effective when they provide predictive scores and other analytical insights to insurers’ employees as they perform their underwriting and claims management activities. Insurers may also apply data and machine learning or AI to automate certain tasks whenever possible, thereby enabling efficiencies, such as straight-through processing, that lessen the burden on subject matter experts.

- Innovation. Insurers are under pressure to innovate across their product lifecycle in order to grow their business and improve service quality. Examples of focus areas include creating services and products to target under-insured risks such as cyber, supply chain disruption, and reputational risk and partnering with insurtech providers to streamline operations and improve service to policyholders and agents.
- Legacy System Modernization. A significant portion of the market continues to rely on legacy systems. We believe new claims, policy management, and billing systems will continue to be adopted as insurers that rely on legacy systems seek to gain operating efficiencies, expand into new markets and lines of business, and introduce new digital and data offerings.

## Products

The Guidewire ecosystem is designed so that insurers can increase revenue, reduce operational costs and losses, improve pricing, and engage with a customer base that increasingly demands convenience and automated forms of self-service and communication. We are investing in research and development to accelerate improvements in our platform and suite of products to better serve our customers.

### *Core Operational Products*

We offer the following core products: Guidewire InsuranceSuite Cloud, Guidewire InsuranceNow, and Guidewire InsuranceSuite for Self-Managed.

#### *Guidewire InsuranceSuite Cloud*

Guidewire InsuranceSuite Cloud is a highly configurable and scalable product, delivered as a service, and primarily comprised of three core applications (PolicyCenter Cloud, BillingCenter Cloud, and ClaimCenter Cloud) that can be subscribed to separately or together. These applications are built on and optimized for our Guidewire Cloud Platform (“GWCP”) architecture and leverage our in-house cloud operations team. GWCP is a Guidewire-developed infrastructure layer enabled by and hosted on Amazon Web Services (“AWS”). GWCP’s architecture consists of three primary layers. Specialized cloud infrastructure services and tools are centered around maximizing service and resource availability, optimizing performance, scalability, and cost efficiency, maintaining data security, privacy and regulatory compliance, as well as offering a high degree of service observability to provide customers with better insight and control consistent with their operational needs. The Data Platform layer provides access to core and predictive analytics data to allow creation of curated datasets that can be used to drive delivery of actionable insights across the insurance lifecycle. The App Platform layer contains modular, cloud-native services decoupled from the InsuranceSuite core that can be used individually or interconnected to enhance existing applications and empower creation of new business applications. GWCP was developed to meet the specialized needs of the P&C insurance industry, providing a scalable cloud architecture that combines multi-tenant cloud services and tools with the ability to isolate each customer’s system of record and database instances. This approach provides our customers with the benefits of cloud-native infrastructure and services and the flexibility to provide differentiated services to their customers.

InsuranceSuite Cloud is designed to support multiple releases each year to ensure that cloud customers remain on the latest version and gain fast access to our innovation efforts. Additionally, InsuranceSuite Cloud embeds digital and analytics capabilities natively into our platform. Most new sales and implementations are for InsuranceSuite Cloud.

Guidewire PolicyCenter Cloud is our flexible underwriting and policy administration application that serves as a comprehensive system-of-record supporting the entire policy lifecycle, including product definition, underwriting, quoting, binding, issuance, endorsements, audits, cancellations, and renewals. Guidewire BillingCenter Cloud automates the billing lifecycle, enables the design of a wide variety of billing and payment plans, manages agent commissions, and integrates with external payment systems. Guidewire ClaimCenter Cloud is a complete end-to-end claims management solution that offers core claims functionality. These primary applications also include predictive analytics that drive smart decisions, digital engagement, and an ecosystem of partners and insurtechs.

#### *Guidewire InsuranceNow*

Guidewire InsuranceNow is a complete, cloud-based application that offers policy, billing, and claims management functionality, plus pre-integrated document production, analytics, and other capabilities, that increases agility without adding complexity. InsuranceNow is hosted on AWS and managed by our internal cloud operations team.

#### *Guidewire InsuranceSuite for Self-Managed*

Guidewire InsuranceSuite for self-managed installations is comprised of three core applications (PolicyCenter, BillingCenter, and ClaimCenter) that can be licensed separately or together and can be deployed and updated by our customers and their implementation partners.

### ***Guidewire InsuranceSuite: Complementary Capabilities and Applications***

We offer several complementary capabilities and applications, some of which are included in the core operational services and products, and all of which are designed to work seamlessly with our core operational services and products, including:

#### *Guidewire Rating Management*

Guidewire Rating Management enables P&C insurers to manage the pricing of their insurance services and products.

#### *Guidewire Reinsurance Management*

Guidewire Reinsurance Management enables P&C insurers to use rules-based logic to execute their reinsurance strategy through their underwriting and claims processes.

#### *Guidewire Client Data Management*

Guidewire Client Data Management helps P&C insurers capitalize on customer information more coherently, overcoming traditional siloed practices that impair efficiency and customer service.

#### *Guidewire Advanced Product Designer*

Guidewire Advanced Product Designer is a cloud-native application for insurance product design and management across the complete insurance lifecycle. It enables insurers to launch and update products quickly by providing visual product development tools, prebuilt product model templates, product management capability, and auto generated product code.

#### *Guidewire Product Content Management*

Guidewire Product Content Management provides software tools and standards-based, line-of-business templates to enable insurers to more rapidly introduce and modify services and products by reducing product configuration and maintenance efforts. Any such product introduction or modification must connect to and incorporate regulatory or industry-standard data and content, such as Insurance Services Office (“ISO”) or National Council on Compensation Insurance content.

#### *Guidewire Underwriting Management*

Guidewire Underwriting Management is a cloud-based, integrated business application designed for commercial and specialty line insurers to drive premium growth and profit from better underwriting. This feature-rich workstation delivers straight-through processing, exception-based underwriting, real-time collaboration, and knowledge management in one integrated solution. Guidewire Underwriting Management is typically sold alongside Guidewire PolicyCenter, although it functions with other policy administration systems as well.

#### *Guidewire AppReader*

Guidewire AppReader is a submission intake management solution that enables P&C insurers to process Association for Cooperative Operations Research and Development forms faster and more accurately than with manual processes or traditional upload solutions. AppReader is available for both Guidewire Underwriting Management and Guidewire PolicyCenter.

#### *Guidewire ClaimCenter Package for the London Market*

Guidewire ClaimCenter Package for the London Market supports the claims workflow used by London Market insurers and brokers. Integration of London Market Electronic Claims File Write-Back lets insurers perform tasks and interact with the central industry market Claims Loss and Advice Settlement system directly from Guidewire ClaimCenter through message queues.

### ***Digital Engagement***

#### *Guidewire Digital Engagement Applications*

Our Digital Engagement Applications enable insurers to provide digital experiences to customers, agents, vendors, and field personnel through their device of choice. As consumers increasingly use self-service functions on the internet and on mobile devices, we believe that many of them prefer to interact with their insurance providers digitally and that they expect to have a consistent and efficient transactional experience through multiple channels, whether online, in-person or by phone. Our Digital Engagement Applications also benefit agents and brokers who are seeking to automate business processes with insurers to improve customer service and productivity. Digital engagement applications are enabled by the Jutro Digital Platform (“Jutro”), allowing insurers to strengthen customer relationships and brand loyalty while reducing operational cost through easy-to-use, self-service interactions. The focus of Jutro is on empowering “digital native users,” or those who understand and expect to interact with their insurers through digital experiences that are seamless, intuitive, user-friendly, mobile-ready, and omnichannel. In order to provide a holistic experience, Digital Applications are unified with InsuranceSuite.

### ***Data and Analytics***

We offer a variety of applications that allow insurers to uncover hidden opportunities and write more profitable business by enabling a seamless path from data to value.

#### *Guidewire Predict*

Guidewire Predict is a P&C-specific machine-learning platform that empowers insurers to make intelligent data-driven decisions throughout the insurance lifecycle. By building (or importing) predictive models built from multiple data sets, designing comprehensive solutions, and operationalizing the predictive insights, Predict allows insurers to rapidly turn any model into business value by delivering guidance to frontline decision makers. Predict for Claims helps customers to better manage claim indemnity and loss-adjustment expenses. Predict for Profitability improves pricing accuracy and customer satisfaction.

#### *Guidewire HazardHub*

Guidewire HazardHub allows insurers to understand, assess, price, and manage property risk quickly and intelligently. HazardHub provides a single source of geospatial risk data, and provides access to more than 950 risk variables, including perils from air, water, earth, and fire. HazardHub is a cloud-native solution delivered through an Application Programming Interface that provides access to this information for any personal or commercial property located in 19 countries, including, among others, Australia, France, Germany, New Zealand, South Africa, the United Kingdom (“U.K.”), and the United States, and has the ability to evaluate an entire portfolio for property risk.

#### *Guidewire Canvas*

Guidewire Canvas is a cloud-native application included with ClaimCenter Cloud. It features an interactive map that enables claims management and catastrophe response teams to geo-visualize claims to help improve customer satisfaction and reduce indemnity by proactively responding to storm events.

#### *Guidewire Compare*

Guidewire Compare is a cloud-native application included with ClaimCenter Cloud that monitors key claims measures and gives feedback on how those compare against peer insurers in the Guidewire community, or within a single insurer across regions or over time. Compare allows claims organizations to increase their processing efficiency by monitoring key claims measures such as indemnity, expenses, cycle times, reserves, salvage, subrogation, percentage closed, catastrophe, and litigated.

#### *Guidewire Explore*

Guidewire Explore is a cloud-native application that gathers and curates InsuranceSuite data in near real-time to augment decision making inside and outside InsuranceSuite. Explore includes free-form search across the data set, along with visualizations and dashboards for common business metrics. It allows business users to examine operational claims data, underwriting management data, and operational policy data.

## *Guidewire Cyence*

Guidewire Cyence is a cyber-risk economic modeling product that helps P&C insurers accurately measure the financial impact of cyber risk on their customers. It does this by capturing data about cyber threats from more than 400 sources, including public, open-source, proprietary, and third-party data. Cyence then curates and analyzes the data through AI and machine-learning statistical models to extract meaningful signals. Based on these models, Cyence produces insights delivered through reports that will predict the likelihood and economic impact of cyber attacks on a target company or individual. This can be used for underwriting, pricing, and developing cyber insurance products.

## *Guidewire DataHub and InfoCenter*

Guidewire DataHub is an operational data store that unifies, standardizes, and stores data from the patchwork of insurer's systems as well as from external sources. It is available for self-managed and InsuranceSuite Cloud customers.

Guidewire InfoCenter is a business intelligence warehouse for P&C insurers that provides information in easy-to-use formats for business intelligence, analysis, and enhanced decision making. With Guidewire InfoCenter, insurers gain flexible operational insights as well as the ability to optimize their business.

## **Guidewire Marketplace**

The Guidewire Marketplace is where insurers find trusted applications and content that complement the Guidewire platform from our PartnerConnect partners, as well as from Guidewire product and services teams. These applications and content help insurers to rapidly innovate and differentiate their businesses by allowing them to leverage capabilities provided by the Guidewire ecosystem to meet their business goals. The Guidewire Marketplace also empowers customers pursuing innovation initiatives by providing access to a curated collection of insurtech applications. Additionally, we promote innovation through our Insurtech Vanguard which is a community of select startups and technology providers, bringing transformative solutions to the P&C industry and making innovation more accessible. Nine Insurtech Vanguard have been promoted to our PartnerConnect program. As of July 31, 2024, the Guidewire Marketplace had over 215 partner-developed integrations that have been awarded *Ready for Guidewire* validation and hundreds of Guidewire-developed resources available for download. We are continually expanding the breadth of functionality and depth of partnerships in the Guidewire Marketplace.

## **Technology**

We have increased the scope of our platform, products, and business through internal development and acquisitions. This growing scope has required greater investment in the development of application interfaces and shared services necessary to unify the operations and user experience across our applications. The prioritization of cloud-delivered solutions has also required significant focus in improving our ability to manage, secure, and operate our applications since our cloud-based deployments, unlike our self-managed implementations, shift many operational responsibilities to us.

Our cloud infrastructure is designed to maximize the security, stability, scalability and efficiency of our applications. Our cloud infrastructure leverages AWS, provides services hosted in AWS regions worldwide, and is tailored to provide both the benefit of cloud subscription services delivered in a cloud-native multi-tenant model while still providing insurers with the ability to configure and extend their applications via single-tenant environments which are easily managed via Guidewire Cloud Console. All of our cloud services and products comply with standards set by ISO, American Institute of Certified Public Accountants, and Payment Card Industry Security Standards Council.

Finally, we continue to improve the scalability of our service, which performs millions of complex, business-critical transactions daily. The accuracy and availability of our services must be maintained not only during normal business operations, but also during extraordinary events such as catastrophes, which may result in extremely high transaction volume in a short period of time.

## **Services**

We provide implementation, cloud migration, and integration services to help our customers realize the benefits of our products. Our delivery services teams assist customers in building implementation or migration plans, integrating our software with their existing systems, and defining business rules and specific requirements unique to each customer. We also partner with leading SI consulting firms, certified on our software, to achieve scalable, cost-effective implementations for our customers.

Our investments in services and partners are designed to ensure customer success by committing appropriate resources to both cloud-based and self-managed implementation projects.

## Customer Support

We provide support for our subscription customers as part of our subscription services and to our license customers for an annual fee based on a percentage of the license fees. Subscription services also include regular updates to Guidewire software to ensure that Guidewire Cloud customers can easily access our latest innovations. New capabilities are often toggled-off so that customers can activate them at the right time for their businesses. This enables our customers to deliver improvements at a steady pace, optimized for their employees and customers.

Our subscriptions include Guidewire Cloud Assurance Services, which provides for review of all configurations and integrations to ensure they follow published standards, best practices and required security methodologies. Furthermore, our internal cloud operations team monitors application performance and our customer success team works directly with customers to optimize adoption, user experience, and business requirements.

## Employees and Human Capital Resources

Our business requires attracting, developing, and retaining a motivated team of individuals who thrive in a culture based on integrity, rationality, and collegiality and that embraces diversity, inclusion, and belonging. Understanding and proactively anticipating the priorities and needs of our current and future employees is important to realizing our mission to be the platform P&C insurers trust to engage, innovate, and grow efficiently.

As of July 31, 2024, we had 3,469 employees, including 1,782 in global product development and operations (comprised of research and development, cloud operations, and technical support), 750 in professional services, 477 in sales and marketing, and 460 in general and administrative roles. As of July 31, 2024, we had 1,692 employees in the United States and 1,777 employees internationally.

### *Attracting, Developing, and Retaining Employees*

Our recruiting, development, and retention objectives focus on providing an optimal employee experience and culture across the employee life cycle from recruitment to retirement, and involve attracting skilled and engaged employees who contribute the talent and diverse perspectives critical to our innovative, forward-looking, and inclusive workforce. Our recruiting process actively sources diverse talent and is designed to reduce bias, supporting our ability to hire candidates with professional qualifications, personal potential, and differing perspectives. Our flexible work policies expand our ability to hire for certain roles and retain talent in geographies where we do not have physical offices. Fostering career progression by encouraging regular professional education empowers our employees to pursue their professional goals, which is critical to developing and retaining our employees. We invest in broad-based development by providing diverse growth opportunities, including cutting-edge skills training, on-demand AI learning platforms, dynamic mentorship, and transformative leadership programs. We gauge progress and efficacy, identify opportunities for change, and pursue solutions through tracking and analyzing data from various sources such as annual talent reviews, employee feedback, and our progress toward hiring and promotion goals.

### *Diversity, Inclusion, and Belonging*

We believe that understanding and respecting another's perspective, experience, background, and beliefs provides an opportunity to expand horizons, increase innovation, challenge complacency, and foster empathy. Diversity of perspective, experience, background, and beliefs fuel our innovative, collaborative, and engaged workplace. We aim for the highest standards of fairness and equal opportunity in recruitment, hiring, promotions, job assignments, and compensation. Initiatives to create greater diversity and belonging among our employees include inclusive recruiting and outreach programs for diverse candidates, employee resource groups ("ERGs"), and management-led listening circles. Our ERGs are employee-led and comprised of volunteers who represent common interests, experiences, backgrounds, or demographics. As of the end of fiscal year 2024, we had eight ERGs including African Ancestry, Asian and Pacific Islander, Early Career Professionals, LatinX and Hispanic, LGBTQ+ and Allies, Veterans and Allies, Visible or Invisible Disabilities, and Women's Leadership.

Guidewire Gives Back ("GGB") is a program focused on investing in local communities where we operate by encouraging employee volunteerism, philanthropy, and social impact investment. The GGB program is centered around employee engagement and community impact through volunteer hours from the Guidewire community and financial donations, both of which are geared toward making a measurable difference. The GGB strategy, programs, and collaborative partnerships reflect employees' passions and embody Guidewire's corporate mission, as well as our customers' purpose.

### *Corporate Culture*

Our employees are critical to our success, and we believe creating an inclusive culture is essential to attracting and retaining engaged employees. Our values of integrity, rationality, and collegiality are the foundation of how we work with one another. We incorporate a wide variety of communication and training activities to encourage collaboration amongst our colleagues around the world. We measure the program's efficacy and identify opportunities for improvements through an engagement survey distributed annually, with the last survey completed in August 2024, and periodic pulse surveys to elicit feedback.

### *Health and Wellness*

We believe a healthy, engaged, and high-performing workforce is part of our competitive advantage. We want all of our employees to thrive, and we regularly re-evaluate how to best support our employees' wellness, health, and safety through management systems, policies, and programs that encompass our global operations. Our current benefit and wellness programs drive engagement that positively impacts our culture, job satisfaction, recruiting, and retention programs. We increased our commitment to well-being by expanding our physical, mental, and family health programs. We enhanced our support through professional development, by launching virtual skill-building workshops, providing a connection point to the community as well as continued growth opportunities for remote roles. We also prioritized personal empowerment, wellness initiatives, safe and flexible workspaces, and comprehensive benefits — ensuring our team stays healthy, supported, and connected. Additionally, we have transitioned to a hybrid work environment in which a significant portion of our workforce works in-person on a part-time basis.

### *Employee Relations*

Our employees in the United States are not represented by a labor union; however, in certain foreign locations, there are workers' councils that represent our employees. We have not experienced any work stoppages, and we consider our relations with our employees to be good. We recognize the critical role that our supervisors and managers play in fostering a productive, inclusive and respectful work environment, and we encourage employees to work directly with their supervisors, where possible, to efficiently and effectively resolve workplace concerns. We also respect our employees' rights to voluntarily establish and join unions and similar associations without unlawful interference. We strive to work collaboratively with the councils and associations that represent our workers.

## **Customers**

We market and sell our products to a wide variety of global P&C insurers ranging from some of the largest global insurers to national, regional, and state companies. We believe strong customer relationships are a key driver of our success given the long-term nature of our customer engagements and importance of customer references for new sales. We focus on developing and maintaining our customer relationships through customer service and account management. Customers are defined as entities that have placed orders for our services or products. In some instances, a parent corporation can have multiple entities, or insurance brands, that place orders for our services or products and, in other instances, customers are in industries adjacent to the insurance industry and do not have an insurance brand. As of July 31, 2024, we had approximately 470 customers representing approximately 570 insurance brands in 42 countries. We have updated our customer definition to exclude customers that pay us less than \$10,000 per year, which primarily represents customers of our HazardHub product.

## **Strategic Relationships**

We have extensive relationships with SI, consulting, technology, and industry partners. Our network of partners has expanded as interest in and adoption of our platform has grown. We encourage our partners to co-market, pursue joint sales initiatives, obtain certifications related to our products, and drive broader adoption of our technology, helping us grow our business more efficiently and enabling us to focus our resources on continued innovation and further enhancement of our solutions.

We work closely with our network of third-party SI partners to facilitate new sales and implementations of our products. Our partnerships with leading SI partners allow us to increase efficiency and scale while reducing customer implementation and migration costs. We continue to invest time and resources to increase the number of qualified consultants employed by our SI partners, develop relationships with new partners in existing and new markets, and ensure that all SI partners are qualified to assist with implementing our products. We believe this model will continue to serve us well, and we intend to continue to expand our network of partners and the number of certified consultants with whom we work so we can leverage our SI partners more effectively, especially for future subscription migrations and implementations.

As part of our PartnerConnect alliance program, we have a community of solution partners developing integrations that enable software and insurance business solutions to interoperate with our products, many of which are in the Guidewire



Marketplace. These integrations help customers reduce implementation risk and effort, and lower the total cost of implementation and operation.

## **Sales and Marketing**

Consistent with our industry focus and the mission-critical needs our products address, our sales and marketing efforts are tailored to communicate effectively to senior executives within the P&C insurance industry. Our sales, marketing, customer success, and executive teams work together to cultivate long-term relationships with current and prospective customers in each of the geographies in which we are active.

Our direct sales team serves as both our exclusive sales channel and our account management function and is organized by geographic region across the Americas, EMEA, and APAC. We augment our sales professionals with a pre-sales team possessing insurance domain and technical expertise, who engage customers to understand their specific business needs and then represent our products through demonstrations tailored to address those needs.

Our marketing team supports sales with competitive analysis and sales tools, while investing to strengthen our brand name and reputation. We participate at industry conferences, are published frequently in the industry press, and have active relationships with all of the major industry analysts. We also host Connections, our annual customer conference, where customers both participate in and deliver presentations on a wide range of Guidewire and insurance technology topics. We invite potential customers and partners to our customer conference, as we believe customer references are a key component of driving new sales. Our strong relationships with leading system integrators enhance our direct sales through co-marketing efforts and by providing additional market validation of the distinctiveness and quality of our offerings.

## **Research and Development**

Our research and development efforts focus on enhancing our platform, services, and products to meet the complex requirements of P&C insurers with particular emphasis on capabilities, operational efficiency, data analytics, security, and privacy in the cloud. These efforts are intended to help our customers improve their operations; drive greater digital engagement with their customers, agents, and brokers; and gather, store and analyze data to improve business decisions. We also invest significantly in developing our products and necessary integrations to meet the market requirements, including regulations, language, currency, and local terminology, of each country or state in which our customers operate. This market-segment specific functionality must be updated regularly in order to stay current with regulatory changes in each market. We rely on a multi-national engineering team, which has grown organically and through acquisitions.

Our investments in cloud operations are focused on managing the infrastructure for our cloud-based customers in a secure, efficient, and cost-effective manner.

## **Competition**

The software market that caters to the P&C insurance industry is highly competitive and fragmented. Increased spending by insurers on software solutions and the emergence of new platforms that have broadened from core system modernization to new digital engagement and data and analytics solutions have generated significant interest among investors and entrepreneurs. Increased capital allows market participants, or potential market participants such as insurtech companies, to adopt more aggressive go-to-market strategies, improve existing products, introduce new products, develop innovative solutions that disrupt the market, and consolidate with other vendors. This market is also subject to changing technology preferences, shifting customer needs, and the adoption of cloud deployed solutions. These factors create an environment of increasing competition. Our current and future competitors vary in size and in the breadth and scope of the products they offer. As we expand our product portfolio, we may begin to compete with software and service providers we have not traditionally competed against. Our current competitors include, but are not limited to, customers' internally developed proprietary solutions; P&C insurance software vendors such as Duck Creek, EIS Group, Insurity, Majesco, Origami Risk, and Sapiens; and horizontal software vendors such as SAP SE and Salesforce.

Competitive factors in our industry depend on the product being offered and the size, geographic market, and line of business of potential customers. The principal competitive factors include product functionality, performance, customer references, total cost of ownership, solution completeness, implementation track record, security and in-depth knowledge of the P&C insurance industry. We typically compete favorably on the basis of these factors in most geographies.

## **Intellectual Property**

The software industry is characterized by the existence of a large number of patents and frequent claims and related litigation regarding patent and other intellectual property rights. Our success and ability to compete depend in part upon our ability to protect our proprietary technology, to establish and adequately protect our intellectual property rights, and to protect against third-party claims and litigation related to intellectual property. To accomplish these objectives, we rely on a combination of patent, trademark, copyright, and trade secret laws in the United States and other jurisdictions, as well as license agreements and other contractual protections. We own or have pending patents and patent applications, which generally apply to our software. Our owned patents have expiration dates starting in 2026. We also rely on several registered and unregistered trademarks, as well as pending applications for such registrations, in order to protect our brand both in the United States and internationally.

### **Information about Segment and Geographic Revenue**

Information about geographic revenue is set forth in Note 2 “Revenue” and information about segment reporting is set forth in Note 12 “Segment Information” to our consolidated financial statements included in this Annual Report on Form 10-K.

### **Seasonality**

We have experienced seasonal variations in our license revenue and, to a lesser extent, in our subscription revenue as a result of increased customer orders in our fourth fiscal quarter due to efforts by our sales team to achieve annual incentives. Because we recognize revenue upfront for term licenses compared to over time for subscription services, changes in the mix between term license and subscription services may impact our quarterly results. Additionally, any significant multi-year term license renewal or non-renewal could impact quarterly results. Subscription sales now represent the significant majority of total sales and, as a result when compared to term license sales, the revenue we recognize in the initial fiscal year of an order is lower, deferred revenue is higher, and our total reported revenue growth may be adversely affected in the near term due to the ratable nature of these arrangements. Over time, this ratable revenue dynamic has and will dampen the impact of seasonality on our revenue.

Our services revenue is also subject to seasonal fluctuations, though to a lesser degree than our license revenue and subscription revenue. Our services revenue is impacted by the number of billable days in a given fiscal quarter. The fiscal quarter ending January 31 usually has fewer billable days due to the impact of calendar year end holidays in the United States. Our fourth fiscal quarter usually has fewer billable days due to the impact of vacations taken by our services professionals. Because we pay our services professionals the same amount throughout the year, our gross margins on our services revenue are usually lower in these quarters. This seasonal pattern, however, may be absent in any given year.

### **WHERE YOU CAN FIND MORE INFORMATION**

The following filings are available to view and download free of charge on our investor relations website as soon as reasonably practicable after we file them with the SEC: Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, and our Proxy Statement for our annual meeting of stockholders. Our website is located at [www.guidewire.com](http://www.guidewire.com), and our investor relations website is located at [ir.guidewire.com](http://ir.guidewire.com). We also provide a link to the section of the SEC’s website at [www.sec.gov](http://www.sec.gov) that has all of our public filings, including periodic reports, proxy statements, and other information.

We provide access to a recording of our earnings calls and certain events we participate in or host with members of the investment community on our investor relations website. Additionally, we also provide notifications on our investor relations website of news or announcements regarding our financial performance, including SEC filings, investor events, press releases, and earnings releases. Investors and others can receive notifications of new information posted on our investor relations website in real time by signing up for email alerts and RSS feeds. Corporate governance information, including our governance guidelines and code of business conduct and ethics, is also available on our investor relations website under the heading “Corporate Governance.” Corporate sustainability information, including our approach and progress in respect of environmentally and socially responsible business practices, is available on our website and is located at [www.guidewire.com/corporate-sustainability](http://www.guidewire.com/corporate-sustainability). The contents of our websites, including any information contained in reports or other resources found on such websites, are not intended to be incorporated by reference into this Annual Report on Form 10-K or in any other report or document we file with the SEC. Any references to our websites are intended to be inactive, textual references only.

## **Item 1A. Risk Factors**

*A description of the risks and uncertainties associated with our business is set forth below. You should carefully consider such risks and uncertainties, together with the other information contained in this Annual Report on Form 10-K, and in our other public filings. The risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties may also become important factors that adversely affect our business. If any of such risks and uncertainties actually occurs, our business, results of operations, or financial condition could differ materially from the plans, projections and other forward-looking statements included in the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in this Annual Report on Form 10-K and in our other public filings. In addition, if any of the following risks and uncertainties, or if any other risks and uncertainties, actually occurs, our business, results of operations, or financial condition could be harmed substantially, which could cause the market price of our stock to decline, perhaps significantly.*

### **Risks Related to our Business and Industry**

*We may experience significant quarterly and annual fluctuations in our results of operations due to a number of factors.*

Our quarterly and annual results of operations may fluctuate significantly due to a variety of factors, many of which are outside of our control. This variability may lead to volatility in our stock price as investors and research analysts respond to quarterly fluctuations. In addition, comparing our results of operations on a period-to-period basis, particularly on a sequential quarterly basis, may not be meaningful. You should not rely on our past results as an indication of our future performance.

Factors that may affect our results of operations include:

- the impact of economic downturns and related market volatility caused by economic volatility, inflation, bank failures and associated financial instability and crises, or other national and worldwide events on our business and the businesses of our customers, partners, and vendors;
- our ability to attract new domestic and international customers and renew existing customers;
- seasonal buying patterns of our potential customers and our ability to sell additional software and services to existing customers;
- the proportion and timing of subscription sales as opposed to term software licenses, and the variations in revenue recognition between these contract types;
- changes in contract durations of term software licenses and renewals or modifications of customer contracts;
- increases in costs related to cloud operations, cybersecurity, product development, and services;
- our ability to develop and achieve market adoption of cloud-based services, including the impact of our customers transitioning from term software licenses to subscription services;
- erosion in services margins or significant fluctuations in services revenue caused by changing customer demand, negotiated professional services billing rates, investments in customer implementation and migration projects, or fixed fee contracts;
- our ability to enter into contracts on favorable terms, including terms related to price, payment timing, service levels, acceptance, and product delivery, especially with customers and prospects that possess substantial negotiating leverage and procurement expertise;
- the incurrence of penalties or having to renegotiate contract terms for failing to meet certain contractual obligations, including service levels, product development cycles and functionality, and implementation times and objectives;
- security and privacy concerns related to employee data, customer data, and systems that are accessed or otherwise used by our hybrid workforce and customers;
- employee retention, the ability to hire and onboard appropriate personnel, and the timing of hiring personnel and employee related expenses;
- our ability to realize expected benefits from our acquisitions and other strategic business transactions;
- reductions in our customers’ budgets for information technology purchases and delays in their purchasing decisions;

- the impact of a recession or any other adverse global economic condition on our business, including public health crises, such as epidemics and pandemics, geographic and political conflicts, trade tariffs, trade agreements, and other uncertainties that may cause a delay in entering into, a failure to enter into, or cancel significant customer agreements or the fulfillment of professional service arrangements;
- adverse litigation judgments, dispute-related settlement payments, or litigation-related costs;
- future accounting pronouncements, changes in accounting rules, new tax laws or regulations, or tax interpretations and our related accounting policies, interpretations, and controls;
- fluctuations in foreign currency exchange rates; and
- the effects of inflation or deflation in the economies in which we operate, and their impact on interest rates, collection timeframes, and our revenue given the multi-year term of most customer agreements.

The foregoing factors are difficult to forecast, and these, as well as other factors, could materially adversely affect our quarterly and annual results of operations. Further, due to multi-year term licenses and multi-year term license renewals, increased cloud-based subscription services, timing of and billing rates for professional services engagements, and other ongoing changes to our business, it is challenging to forecast our quarterly and annual results.

We believe our ability to adjust spending quickly enough to compensate for a potential revenue shortfall is limited and our inability to do so could magnify the adverse impact of a potential revenue shortfall on our results of operations. If we fail to achieve our quarterly forecasts, if our forecasts fall below the expectations of investors or research analysts, or if our actual results fail to meet the expectations of investors or research analysts, our stock price may decline.

***If we do not receive customer or market acceptance of our business model focused on delivering cloud-based offerings on a subscription basis, or if we fail to meet stipulated service levels with our subscription services, our results of operations could be harmed.***

To address demand trends in the P&C insurance industry, we offer customers the use of our software products through a cloud-based offering sold on a subscription basis in addition to our self-managed offering. Our subscription business model has required a considerable investment of technical, operational, financial, legal, and sales resources. Our software and cloud services involve the storage and transmission of customer data, including in some cases, personal data, and security breaches could result in the loss of this information, which in turn could result in litigation, breach of contract claims, indemnity obligations, harm to our reputation, and other liabilities for us. Our cloud offerings will continue to be the focus of existing resources, require us to hire additional resources, and increase costs, especially in cost of subscription and support revenue, cost of services revenue, and research and development, in any given period. We may not be able to efficiently scale such investments to meet customer demand and expectations, which may impact our long-term growth and results of operations. Further, the increase in some costs associated with our cloud services, such as the cost of third-party infrastructure in which we rely to host our subscription services, may be difficult to predict over time. Furthermore, we may assume greater responsibilities for implementation of subscription services due to our operating and maintaining the cloud environment for our customers. As a result, we may face risks associated with new and complex implementations or migrations, the cost of which may differ from original estimates. Our subscription contracts also contain penalty clauses, for matters such as failing to meet stipulated service levels or other contractual provisions. Should these penalties be triggered, our results of operations may be adversely affected. These penalties and costs could take the form of monetary credits for current or future service engagements, reduced fees for additional services or products or upon renewal of existing agreements, and a customer's renegotiation or refusal to pay its contractually obligated subscription or service fees.

Revenue under our cloud-based subscription model is generally recognized ratably over the term of the contract. Ratable revenue recognition results in lower revenue than we otherwise would have recognized in the initial period of the customer agreement under term license agreements. This effect on recognized revenue may be magnified in any fiscal year due to the concentration of our orders in the fourth fiscal quarter. Additionally, the timing of our customers' decision to transition from self-managed licenses to cloud-based subscription services could negatively affect our ability to forecast the timing and amount of our revenue in any period.

Acceptance of our cloud-based solutions may not develop as anticipated and could be affected by a variety of factors, including, but not limited to, cost, security, reliability, performance, customer preference, perceived value associated with such offerings, public concerns regarding privacy, and the enactment of restrictive laws or regulations. If the market for our cloud-based solutions generally does not evolve as expected, it could result in reduced customer purchases, reduced renewal rates, and decreased revenue, any of which will adversely affect our business, results of operations, or financial condition. Further, for any of our existing customers that have not yet transitioned to our cloud-based offering, any perceived negative impacts or

incremental costs associated with the transition, or an accelerated transition schedule, may lead to customer dissatisfaction and provide our competitors with an opportunity to acquire these customers.

We are continually updating our existing products and developing new products in an effort to offer customers greater choices on how they utilize our software. As our business practices in this area develop and evolve over time, we may be required to revise our current subscription agreements, which may result in revised terms and conditions that impact how we recognize revenue and the costs and risks associated with these offerings. Whether our product development efforts or business model will prove successful and accomplish our business objectives is subject to numerous uncertainties and risks, including, but not limited to, customer demand, our ability to further develop, manage, and scale infrastructure, our ability to include functionality and usability in such offerings that address customer requirements, our customers' ability to successfully migrate to and implement our subscription services, tax and accounting implications, and our costs.

In addition, the metrics we and our investors use to evaluate our business model may evolve over the course of time as significant trends emerge. It may be difficult, therefore, to accurately determine the impact on our business on a contemporaneous basis, or to clearly communicate the appropriate metrics to our investors. If we are unable to sell our cloud offerings in light of the foregoing risks and uncertainties, our reputation could suffer and our results of operations could be harmed, which may cause our stock price to decline.

***We have relied and expect to continue to rely on orders from a relatively small number of customers in the P&C insurance industry for a substantial portion of our revenue and ARR, and the loss of any of these customers would significantly harm our business, results of operations, and financial condition.***

Our revenue and ARR are dependent on orders from customers in the P&C insurance industry, which may be adversely affected by worldwide economic, environmental, public health, and political conditions. A relatively small number of customers have historically accounted for a significant portion of our revenue. The composition of our individual top customers has and will vary from year to year. In fiscal years 2023 and 2024, our ten largest customers accounted for 23% and 22% of our revenue, respectively. Additionally, our ten largest customers based on ARR accounted for 22% of total ARR at July 31, 2024. Customers for these metrics are calculated at the parent corporation level, while our total customer count is based on entities that have placed orders for our services or products. While we expect this reliance to decrease over time as our revenue, customer base, and subscription services as a percentage of revenue grows, we expect that we will continue to depend upon a relatively small number of customers for a significant portion of our revenue and ARR for the foreseeable future. As a result, if we fail to successfully sell our products to one or more of these anticipated customers in any particular period or fail to identify additional potential customers or such customers purchase fewer of our products or professional services, defer or cancel orders, fail to renew their license or subscription agreements or otherwise terminate or reduce their relationship with us, our business, results of operations, and financial condition would be harmed. Additionally, if one or more of these anticipated customers enters into or transitions to a subscription agreement in any particular period, or if we fail to achieve the required performance or acceptance criteria for one or more of this relatively small number of customers, our quarterly and annual results of operations may fluctuate significantly.

***Our sales and implementation cycles are lengthy and variable, depend upon factors outside our control, and could cause us to expend significant time and resources prior to generating revenue.***

The typical sales cycle for our products is lengthy and unpredictable, requires pre-purchase evaluation by a significant number of employees in our customers' organizations, often involves a significant operational decision by our customers, and could be affected by factors outside of our control. Our sales efforts involve educating our customers about the use and benefits of our products, including the technical capabilities of our products, the potential cost savings achievable by organizations deploying our products, and the benefits and risks associated with cloud-based services. Customers typically undertake a significant evaluation process, which frequently involves not only our products, but also those of our competitors. We spend substantial time, effort, and money in our sales efforts without any assurance that our efforts will produce sales, and our customers have significant negotiating power during the sales process which may result in a lengthy sales cycle and significant contractual complexity. Additionally, we may be unable to predict the size and terms of the initial contract until very late in the sales cycle, which affects our ability to accurately forecast revenue and ARR. In addition, if we commit to include specific features in our base product offering at the request of a customer or group of customers, we may be unable to recognize revenue until the specific features have been delivered with our products. Providing this additional functionality may be time consuming and may involve factors that are outside of our control. Customers may also insist that we commit to certain time frames in which systems built around our products will be operational or that once implemented our products will be able to meet certain operational requirements. Our ability to meet such timeframes and requirements may involve factors that are outside of our control, and failure to meet such timeframes and requirements could result in us incurring penalties and costs and/or making additional resource commitments, which would adversely affect our business and results of operations.

The implementation and testing of our products by our customers typically lasts six to 24 months or longer and unexpected implementation delays and difficulties can occur. Implementing our products typically involves integration with our customers' and third parties' systems and creating or updating the digital experience, as well as adding customer and third-party data to our platform. This process can be complex, time consuming, and expensive for our customers and can result in delays in the implementation and deployment of our products. Failing to meet the expectations of our customers during the implementation of our products could result in a loss of customers and negative publicity about us and our products. Such failure could result from deficiencies in our product capabilities, performance issues, or inadequate service engagements by us, our SI partners, or our customers' employees, the latter two of which are beyond our direct control. The consequences of such failure could include, and have included, monetary credits for current or future service engagements, reduced fees for additional products or upon renewal of existing products, potential reversals of previously recognized revenue, renegotiating existing customers' contractual terms, and a customer's refusal to pay their contractually obligated license, subscription, support, or service fees. In addition, time-consuming and delayed implementations may also increase the amount of services personnel we must allocate to the implementation for it to be successful, thereby increasing our costs and adversely affecting our business, results of operations, and financial condition.

Furthermore, our sales and implementation cycles could be interrupted or affected by other factors outside of our control. We have had, and may in the future have, restrictions on travel, which are in accordance with recommendations by the U.S. government, The Centers for Disease Control and Prevention, and other equivalent agencies in the locations in which we operate, and our customers, SI partners, and prospects have likewise enacted their own preventative policies and travel restrictions. Widespread restrictions on travel and in-person meetings have affected and could, in the future, affect services delivery, delay implementations, and interrupt sales activity. We cannot predict the duration or the extent of adverse impacts from pandemics and other global events on our business, results of operations, and financial condition.

***We face intense competition in our market, which could negatively impact our business, results of operations, and financial condition and cause our market share to decline.***

The market for our products is intensely competitive. The competitors we face in any sale opportunity may change depending on, among other things, the line of business purchasing the software, the application or service being sold, the geography in which the customer is operating, and the size of the insurance carrier to which we are selling. For example, we are more likely to face competition from small independent firms when addressing the needs of small insurers. These competitors may compete on the basis of price, the time and cost required for implementation, custom development, or unique product features or functions. Outside of the United States, we are more likely to compete against vendors that may differentiate themselves based on local advantages in language, market knowledge, and pre-built content applicable to that jurisdiction. We also compete with vendors of horizontal software products that may be customized to address needs of the P&C insurance industry.

Additionally, many of our prospective customers operate firmly entrenched legacy systems, some of which have been in operation for decades. Our implementation cycles may be lengthy, variable, and require the investment of significant time and expense by our customers. These expenses and associated operating risks attendant on any significant process re-engineering and new technology implementation, may cause customers to prefer maintaining legacy systems. Also, maintaining these legacy systems may be so time consuming and costly for our potential customers that they do not have adequate resources to devote to the purchase and implementation of our products. We also compete against technology consulting firms that either helped create such legacy systems or may own, in full or in part, subsidiaries that develop software and systems for the P&C insurance industry.

As we expand our product portfolio, we may begin to compete with software and service providers we have not competed against previously. Such potential competitors offer data and analytics tools that may, in time, become more competitive with our offerings.

If our competitors' products, services, or technologies become more accepted than our solutions, if they are successful in bringing their products or services to market earlier than we are, if their products or services are more technologically capable than ours (including, without limitation, as a result of new or better use of evolving AI technologies, such as generative AI), or if customers replace our solutions with custom-built software, then our revenue could be adversely affected.

We expect the intensity of competition to remain high in the future, as the amount of capital invested in current and potential competitors, including insurtech companies, has increased significantly in recent years. As a result, our competitors or potential competitors may develop improved product or sales capabilities, or even a technology breakthrough that disrupts our market. Continuing intense competition could result in increased pricing pressure, increased sales and marketing expenses, and greater investments in research and development, each of which could negatively impact our profitability. In addition, the failure to increase, or the loss of, market share would harm our business, results of operations, financial condition, and/or future prospects. Our larger current and potential competitors may be able to devote greater resources to the development, promotion, and sale of their services and products than we can devote to ours, which could allow them to respond more quickly than we can to new technologies and changes in customer needs, thus leading to their wider market acceptance. We may not be able to compete effectively and competitive pressures may prevent us from acquiring and maintaining the customer base necessary for us to increase our revenue and profitability.

In addition, the insurance industry is evolving rapidly, and we anticipate the market for cloud-based solutions will become increasingly competitive. If our current and potential customers move a greater proportion of their data and computational needs to the cloud, new competitors may emerge that offer services either comparable or better suited than ours to address the demand for such cloud-based solutions, which could reduce demand for our offerings. To compete effectively we will likely be required to increase our investment in research and development, as well as the personnel and third-party services required to improve reliability and security and lower the cost of delivery of our cloud-based solutions. New competitors are able to develop cloud-based solutions without the cost of maintaining or migrating existing solutions and satisfying existing customer requirements, which may allow them to introduce new services and products more quickly and on more efficient technologies than us. This may increase our costs more than we anticipate and may adversely impact our results of operations.

Our current and potential competitors may also establish cooperative relationships among themselves or with third parties to further enhance their resources and offerings. Current or potential competitors may be acquired by other vendors or third parties with greater available resources. As a result of such acquisitions, our current or potential competitors might be more able than we are to adapt quickly to new technologies and customer needs, to devote greater resources to the promotion or sale of their products, to initiate or withstand substantial price competition, or to take advantage of emerging opportunities by developing and expanding their product offerings more quickly than we can. Additionally, they may hold larger portfolios of patents and other intellectual property rights as a result of such relationships or acquisitions. If we are unable to compete effectively with these evolving competitors for market share, our business, results of operations, and financial condition could be materially and adversely affected.

***Failure to manage our expanding operations effectively could harm our business.***

We have experienced consistent growth and expect to continue to expand our operations, including the number of employees and the locations and scope of our international operations. In particular, we have been expanding and plan to continue to expand our operations in India. Additionally, we operate a hybrid work environment in which a large portion of our workforce works either in-person on a part-time basis or remotely on a permanent basis, which brings challenges to managing our business and workforce. This expansion and hybrid work environment has placed, and will continue to place, a significant strain on our operational and financial resources and our personnel. To manage our anticipated future operational expansion effectively, we must continue to maintain and may need to enhance our information technology and cybersecurity infrastructure and financial and accounting systems and controls, and manage expanded operations and employees in geographically distributed locations. Our growth could require significant capital expenditures and may divert financial resources from other projects, such as the development of new, enhanced, or more secure products or investments in cloud operations. If we increase the size of our organization without experiencing an increase in sales of our products, we will experience reductions in our gross and operating margins and net income. If we are unable to effectively manage our expanding operations or hybrid work environment, our expenses may increase more than expected, our revenue could decline or grow more slowly than expected, and we may be unable to implement our business strategy.

***Our large customers have substantial negotiating leverage, which may require that we agree to terms and conditions that result in increased cost of sales, decreased revenue, and lower average selling prices and gross margins, all of which could harm our results of operations.***

Some of our customers include the world's largest P&C insurers. These customers have significant bargaining power when negotiating new licenses or subscriptions or renewals of existing agreements, and have the ability to buy similar products from other vendors or develop such systems internally. These customers have and may continue to seek advantageous pricing and other commercial and performance terms that may require us to develop additional features in the products we sell to them or add complexity to our customer agreements. These customers may also delay making payments under existing agreements, or at renewal, in an attempt to obtain more favorable terms from us. We have been required to, and may again be required to, reduce the average selling price and ARR of our products, along with agreeing to steeper ramps that delay reaching fully

ramped ARR, in response to these pressures. If we are unable to avoid reducing our average selling prices or ARR, our results of operations could be harmed.

***Issues in the development and use of AI, combined with an uncertain regulatory environment, may result in reputational harm, liability, or other adverse consequences to our business operations.***

We use, and are continuously incorporating, machine learning and AI technologies in our offerings and business, and we are making investments in expanding our AI capabilities in our products, professional services, and tools, including the ongoing deployment and improvement of existing machine learning and AI technologies, as well as developing new product features using generative and other AI technologies. AI technologies are complex, and generative AI technologies, in particular, are rapidly evolving. We face significant competition from other companies as well as an evolving regulatory landscape in relation to these technologies. The introduction of AI technologies, including generative AI, into new or existing products may result in new or enhanced governmental or regulatory scrutiny, litigation, confidentiality or security risks, privacy concerns, ethical challenges, or other complications that could adversely affect our business, reputation, or financial results.

The complexity of our products that incorporate machine learning and AI technologies could result in unforeseen delays or expenses, or undetected defects, bugs, or security vulnerabilities, which may harm the market acceptance of new products, damage our reputation with current or prospective customers, cause significant remediation expenses, and may harm our business, results of operations, and financial condition. Our products may contain defects when they are first introduced or as new versions or enhancements are released, or their release may be delayed due to unforeseen difficulties during development. Additionally, our products may have undiscovered vulnerabilities that could be exploited by hackers or other malicious actors, potentially exposing our customers to adverse consequences.

The intellectual property ownership and license rights, including without limitation, copyright, surrounding AI technologies generally, and generative AI technologies specifically, has not been fully addressed by competent legal tribunals or applicable laws or regulations. Further, the use or adoption of third-party AI technologies, including generative AI technologies, into our products may result in exposure to claims of copyright infringement or other intellectual property-related causes of action.

The uncertainty around new and emerging AI technologies, such as generative AI, may require additional investment in the development and maintenance of proprietary datasets and machine learning models, development of new approaches and processes to provide attribution or remuneration to creators of training data, and development of appropriate protections and safeguards for handling the use of customer data with such technologies, which may be costly and could impact our expenses if we decide to expand AI technologies, including generative AI, into our product offerings. AI technologies, including without limitation generative AI, may create content that appears facially correct but is factually inaccurate or flawed. Our customers, employees, or others may rely on or use such factually incorrect or flawed content to their detriment, which may expose us to brand or reputational harm, competitive harm, and/or legal liability. In all events, the development, marketing and use of AI technologies, including, in particular, generative AI, presents emerging ethical and social issues, and if we enable or offer solutions that draw scrutiny or controversy due to their perceived or actual impact on customers or on society as a whole, we may experience brand or reputational harm, competitive harm, additional costs, and/or legal liability. If our AI development, deployment, content labeling or governance is ineffective or inadequate, it may result in incidents that impair the public acceptance of AI solutions or cause harm to individuals, customers or society, or result in our offerings not working as intended or producing unexpected outcomes.

Further, the development of next-generation solutions that utilize new and advanced features, including AI and machine learning, involves making predictions regarding the willingness of the market to adopt such technologies over legacy solutions. We may be required to commit significant resources to developing new products before knowing whether such investment will result in products that the market will accept.

***We may fail to set the optimal pricing and packaging of our products, which could negatively impact our growth strategy and ability to effectively compete in the market.***

We may face challenges in selling our solutions to insurers that have internally developed their own proprietary software solutions, and we face competition from emerging and established vendors. As a result, these companies may offer lower prices, additional products or services, or other incentives that may impact our ability to maintain our prices.

The market for our products is constantly evolving, and our pricing and packaging decisions are made based on the best information available at the time, but may change significantly in the future from our expectations. We are continually analyzing and refining our pricing and packaging models to adapt to this dynamic environment. For example, we may need to change our pricing in future periods in response to market demands, the inflation and interest rate environment or increased



costs. Our contracts are often multi-year in duration and our inability to foresee changing events could impact the profitability of certain contracts. Further, as competitors introduce new products that compete with ours or reduce their prices, we may be unable to attract new customers or retain existing customers based on our historical pricing. As we expand internationally, we also must determine the appropriate price to enable us to compete effectively in each market. In addition, if our mix or bundle of products sold changes, then we may need to, or choose to, revise our pricing. As a result, we may be required or choose to reduce our prices or change our pricing model, which could harm our business, results of operations, and financial condition. In addition, we cannot predict whether our current or prospective customers, or the market in general, will accept these changes. If these adjustments do not gain acceptance, our business and operational results could be adversely affected. Failure to identify an optimal pricing and packaging strategy may harm our business and operational outcomes. Should customers reject our new or modified pricing plans, we may face increasing challenges in attracting new customers and retaining existing ones, particularly if we apply new pricing models to current customer subscriptions.

***Our business depends on customers renewing and expanding their license, support, and subscription contracts for our products. A decline in our customer renewals and expansions could harm our future results of operations.***

Our customers have no obligation to renew their term licenses or subscriptions after their contract period expires, and these licenses and subscriptions, if renewed, may be done so on less favorable terms. Moreover, under certain circumstances, our customers have the right to cancel their licenses or subscriptions before they expire. We may not accurately predict future trends in customer renewals. Our customers' renewal rates may fluctuate or decline because of several factors, including their satisfaction or dissatisfaction with our products, the prices of our products, the prices of products offered by our competitors, reduction in our customers' business including their DWP, reductions in our customers' spending levels due to the macroeconomic environment or other factors, or the sale of their operations to a buyer that is not a current customer.

Also, in some cases, our customers have a right to exercise a perpetual buyout of their term licenses at the end of the initial contract term, which if exercised would eliminate future term license revenue. If our customers do not renew their term licenses or subscriptions for our solutions or renew on less favorable terms, our revenue may decline or grow more slowly than expected and our profitability may be harmed.

***Seasonal sales patterns may cause significant fluctuations in our results of operations and cash flows and may prevent us from achieving our quarterly or annual forecasts, which may cause our stock price to decline.***

We generally see increased new orders in our fourth fiscal quarter, which is the quarter ending July 31, due to efforts by our sales team to achieve annual incentives. As a result, a significantly higher percentage of our annual license revenue and cash receipts have historically been recognized in our fourth fiscal quarter. Since a substantial majority of our license revenue has annual renewals after the initial term of the contract, we expect to continue to experience this seasonality effect in subsequent years. Because of the upfront nature of revenue recognition for new multi-year term licenses and multi-year term license renewals, any quarter in which a significant agreement of this nature is signed, renewed, cancelled, or not renewed when scheduled to do so may be impacted.

We currently anticipate that sales of, and revenue from, subscription services will continue to increase in the future. Subscriptions are recognized ratably over the term of the agreement after provisioning of the service. Over time, this may reduce the impact of our historic revenue seasonality, but in the near term the introduction of proportionally more subscription services into our revenue stream, together with their delayed and ratable recognition, will likely impact quarter-over-quarter and year-over-year revenue growth comparisons. Cash flow expectations and comparisons will most likely remain concentrated in the fourth fiscal quarter and could also be impacted because of the ramped nature of the annual installments of these multi-year subscription services arrangements. Additionally, ARR, which reflects the annualized recurring value of active customer contracts at the end of a reporting period, will be impacted by the seasonality of new sales orders, even if the revenue is recognized ratably.

Our quarterly growth in revenue or ARR also may not coincide with new orders or cash flows in a given quarter, which could mask the impact of seasonal variations. This mismatch is primarily due to the following reasons:

- our subscription arrangements are recognized ratably and only a portion, if any, of the revenue from an order is recognized in the same fiscal period of the order;
- subscription arrangements generally have ramped invoicing schedules over the initial term, which affects ARR and cash flows, but revenue is recognized ratably over the initial term;
- our term license agreements and multi-year term license renewals generally have annual billing arrangements even though revenue is recognized upfront for the entire committed term;
- as customers enter into a subscription agreement to migrate from an existing term license agreement or as we invest in certain cloud implementations to assist our customers with their migration to our cloud services, the

timing of revenue recognition may be impacted by the allocation of revenue between different performance obligations;

- we may enter into agreements with future product delivery requirements, specified terms for product upgrades or functionality, acceptance terms, early termination rights, or unconditional return rights, which may require us to delay revenue recognition for a period of time; and
- revenue recognition may not occur in the period when the order is placed due to certain revenue recognition criteria not being met, such as delivery of the software or providing access to the subscription services.

Additionally, seasonal patterns may be affected by the timing of particularly large transactions and the number of renewals in a given quarter. Seasonal and other variations may cause significant fluctuations in our revenue, ARR, results of operations and cash flows, may make it challenging for an investor to predict our performance on a quarterly basis, and may prevent us from achieving our quarterly or annual forecasts or meeting or exceeding the expectations of research analysts or investors, which in turn may cause our stock price to decline.

***If we are unable to develop, introduce, and market new and enhanced versions of our products, we may be put at a competitive disadvantage.***

Our success depends on our continued ability to develop, introduce, and market new and enhanced versions of our products to meet evolving customer requirements. Because our products are complex and require rigorous testing, new features, new functionality, and updates to our existing products can take significant time and resources to develop and bring to market. As we expand internationally, our products must be modified and adapted to comply with regulations and other requirements of the countries in which our customers do business. Additionally, market conditions may dictate that we change the delivery method of our products or the technology platform underlying our existing products or that new products be developed on different technology platforms, potentially adding material time and expense to our development cycles. The nature of these development cycles may cause us to experience delays between the time we incur expenses associated with research and development and the time we generate revenue, if any, from such expenses.

If we fail to develop new products, enhance our existing products, or manage our products in the cloud, our business could be adversely affected, especially if our competitors are able to introduce products with enhanced functionality in the cloud. It is critical to our success for us to anticipate changes in technology, industry standards and regulations, and customer requirements and to successfully introduce new, enhanced, and competitive products to meet our customers' and prospective customers' needs on a timely basis. We have invested and intend to increase investments in research and development and cloud operations to meet these challenges. Revenue may not be sufficient to support the future product development that is required for us to remain competitive. If we fail to develop products in a timely manner that are competitive in technology and price or develop products that fail to meet customer demands, our market share will decline and our business and results of operations could be harmed. If our development efforts do not develop services, products or features that our customers find valuable, then we might incur impairment charges related to our capitalized software development costs.

***We operate a hybrid in-person and remote workforce, which will subject us to certain operational challenges and risks and potential harm to our business.***

We operate a hybrid work environment in which a significant portion of our workforce works either in-person on a part-time basis or remotely on a permanent basis. As a result, we are subject to the challenges and risks of having a remote and hybrid workforce. For example, certain security systems in homes or other remote workplaces may be less secure than those used in our offices, which may subject us to increased security risks, including cybersecurity-related events, and expose us to risks of data or financial loss and associated disruptions to our business operations. Members of our workforce who work remotely may not have access to technology that is as robust as that in our offices, which could cause the networks, information systems, applications, and other tools available to those remote workers to be more limited or less reliable than in our offices. We may also be exposed to risks associated with the locations of remote workers, including compliance with local laws and regulations or exposure to compromised internet infrastructure. Allowing members of our workforce to work remotely may create intellectual property risk if employees create intellectual property on our behalf while residing in a jurisdiction with unenforced or uncertain intellectual property laws. Further, if employees fail to inform us of changes in their work location, we may be exposed to additional risks without our knowledge. Hybrid in-person as well as remote working may also subject us to other operational challenges and risks. For example, hybrid working arrangements may adversely affect our ability to recruit and retain personnel who prefer a fully remote or fully in-person work environment. Operating our business with both remote and in-person workers, or workers who work in flexible locations and on flexible schedules, could have a negative impact on our corporate culture, decrease the ability of our workforce to collaborate and communicate effectively, decrease innovation and productivity, or negatively affect workforce morale and retention rates. In addition, we expect to incur costs related to a hybrid workforce including, among other things, facilitating permanent remote work for a portion of our workforce and updating our offices to offer more collaborative workspaces. If we are unable to effectively operate a hybrid workforce, manage the cybersecurity and other risks of remote work, and maintain our corporate culture and workforce morale, our business could be harmed or otherwise negatively impacted.

***Real or perceived errors or failures in our products and professional services, including implementation and cloud support services, may affect our reputation, cause us to lose customers, and reduce sales and renewal rates, which may harm our business and results of operations and subject us to liability for breach of warranty claims.***

Because we offer complex products, undetected errors or failures may exist or occur, especially when products are first introduced or when new versions or updates are released. Our products are often installed and used in large-scale computing environments with different operating systems, system management software, and equipment and networking configurations, which may cause errors or failures in our products or may expose undetected errors, failures, or bugs in our products. Despite testing by us, we may not identify all errors, failures, or bugs in new products or releases until after commencement of commercial sales or installation. In the past, we have discovered software errors, failures, and bugs in some of our offerings after their introduction. While we have implemented, and continually improve, a breadth of industry standard technology controls designed to ensure system stability and availability, we may introduce errors, design flaws, software bugs, and other issues into the environment, and fail to remediate them in a timely manner, which may cause serious or prolonged service interruptions to our customers. Additionally, our Guidewire cloud offerings rely on third-party services including, but not limited to, AWS and Okta. Any material disruption, failure or slowdown in these services or the systems of third parties who we depend upon could cause outages or delays in our products, which could harm our reputation and adversely affect our results of operations.

We provide our customers with upfront estimates regarding the duration, resources, and costs associated with the migration and implementation of our products. Failure to meet these upfront estimates and the expectations of our customers could result from our product capabilities or professional service engagements performed by us, our SI partners, or our customers' employees, the latter two of which are beyond our direct control. The consequences could include, and have included, monetary credits for current or future service engagements, reduced fees for additional products or upon renewal of existing products, renegotiation or modification of existing contracts that could potentially result in reversals of previously recognized revenue, or a customer's refusal to pay its contractually obligated fees. In addition, time-consuming or difficult migrations and implementations may also increase the amount of services personnel we must allocate to the project, potentially without commensurate compensation, thereby increasing our costs, lowering our services margin, and adversely affecting our business, results of operations, and financial condition.

The license, subscription, and support of our products creates the risk of significant liability claims against us. Our license and subscription agreements with our customers contain provisions designed to limit our exposure to potential liability claims. It is possible, however, that the limitation of liability provisions contained in such agreements may not be enforced as a result of international, federal, state, and local laws or ordinances or unfavorable judicial decisions. Breach of warranty or damage liability, or injunctive relief resulting from such claims, could harm our results of operations and financial condition.

***Our ability to sell our products is highly dependent on the quality of our professional services and technical support services and the support of our SI partners, and the failure of us or our SI partners to offer high-quality professional services or technical support services could damage our reputation and adversely affect our ability to sell our products to new customers and renew agreements with our existing customers.***

If we or our SI partners do not effectively assist our customers in deploying our products, successfully help our customers quickly resolve post-deployment issues, assist our customers in migrating from self-managed licenses to subscription services, and provide effective ongoing support, our ability to renew existing agreements and sell additional products to existing customers would be adversely affected and our reputation with potential customers could be damaged. Once our products are deployed and integrated with our customers' existing information technology environment, our customers may depend on our technical support services and/or the support of SI partners or internal resources to resolve any issues relating to our products. High-quality support is critical for the continued successful marketing and sale of our products. In addition, as we continue to expand our operations internationally, our support organization will face additional challenges, including those associated with delivering support, training, and documentation in multiple languages. Many enterprise customers require higher levels of support than smaller customers. If we fail to meet the requirements of our larger customers, it may be more difficult to sell additional products to these customers or to transition existing license customers to subscription services, a key strategy for the growth of our revenue and profitability. In addition, as we further expand our cloud-based products, our professional services, cloud operations and support organizations will face new challenges, including hiring, training, and integrating a large number of new personnel with experience in delivering high-quality services and support for cloud-based offerings. Further, as we continue to rely on SIs to provide deployment, migration, and on-going services, our ability to ensure a high level of quality in addressing customer issues and providing a maintainable and efficient cloud environment could be diminished as we may be unable to control the quality or timeliness of the implementation of our products by our SI partners. Our failure to maintain high-quality implementation and support services, or to ensure that SIs provide the same, could have a material adverse effect on our business, results of operations, financial condition, and growth prospects.

***The use of AI by our workforce may present risks to our business.***

Our workforce is exposed to and uses AI technologies for certain tasks related to our business. We have guidelines and policies specifically directed at the use of AI tools in the workplace. Nevertheless, the use of these AI tools, whether authorized or unauthorized, by our workforce, poses potential risks relating to the protection of data, including cybersecurity risk, exposure of our proprietary confidential information to unauthorized recipients, and the misuse of our or third-party intellectual property. Use of AI technology by our workforce, even when used consistently with our guidelines, may result in allegations or claims against us related to violation of third-party intellectual property rights, unauthorized access to or use of proprietary information, or failure to comply with open source software requirements. In addition, our employees may use AI tools for various design and engineering tasks, such as writing code and building content, and these AI technology tools may produce facially correct but factually inaccurate or flawed responses that could lead to errors in our decision-making, solution development, or other business activities, which could have a negative impact on our business, operating results and financial condition. Our ability to mitigate these risks will depend on our continued effective training, monitoring and enforcement of appropriate policies, guidelines and procedures governing the use of AI technology, and compliance by our workforce.

***Revenue mix, as well as declines in our subscription and support gross margin or our services gross margin, could adversely affect our overall gross margin and profitability.***

Our subscription and support revenue was 56% and 48% of total revenue for fiscal years 2024 and 2023, respectively. Our subscription and support revenue produces lower gross margins than our license revenue. The gross margin of our subscription and support revenue was 63% and 51% for fiscal years 2024 and 2023, respectively, while the gross margin for license revenue was 98% and 98% for fiscal years 2024 and 2023, respectively. We expect that subscription revenue will continue to increase as a percentage of total revenue as we contract with new cloud customers and existing customers migrate from term licenses to subscription services. Additionally, we are incurring expenses to operate our cloud services and manage our cloud operations which may not result in an improvement of our subscription and support gross margin. These trends, along with other factors, some of which may be beyond our control, may adversely affect our overall gross and operating margins. These other factors include the percentage of new customers that enter into subscription services agreements as compared to term license agreements, the revenue impact of allocating total contract consideration between license revenue and subscription and support revenue when existing customers transition from term license to subscription services agreements, investments in certain cloud implementations to assist our customers with their migration to our cloud services, continued growth and efficiency of our cloud operations and technical support teams, and the impact on the global economy as a result of economic volatility, inflation, or other global events and disasters.

Further, our services revenue was 18% and 23% of total revenue for fiscal years 2024 and 2023, respectively. Our services revenue produces lower gross margin than either our license revenue or our subscription and support revenue. The gross margin

of our services revenue was negative in both fiscal years 2024 and 2023. If we experience an increase in the percentage of total revenue represented by services revenue, due to acquisitions or other factors, such increase could reduce our overall gross and operating margins. Fluctuation in our services revenue can result from several factors, some of which may be beyond our control, including change in customer demand for our services team's involvement in the implementation of and migration to new products, the rates we charge or discounts we offer for our services, our ability to bill our customers for all time incurred to complete a project, the extent and quality of implementations and migrations provided by our SI partners, the extent to which we subcontract services to those SI partners, and the impact on the global economy as a result of economic volatility, inflation, or other global events and disasters. Additionally, the failure to improve, or the erosion of, our services margin, whether due to discounts related to encouraging customers to enter into cloud agreements or otherwise, particularly in combination with any increase in services revenue, could adversely affect our overall gross and operating margins. Our services margin may erode if we hire and train additional services personnel to support cloud-based services or markets prior to having customer engagements, if we make investments in customer migrations from self-managed term licenses to subscription services, if we enter into fixed fee services arrangements, if our services personnel are underutilized, if we subcontract out services without an adequate markup, or if we require additional personnel on unexpectedly difficult projects to ensure customer success, perhaps without receiving commensurate compensation.

***Failure of any of our established products to satisfy customer demands or to maintain market acceptance could harm our business, results of operations, financial condition, and growth prospects.***

We derive a significant majority of our revenue and cash flows from our established product offerings, including Guidewire InsuranceSuite Cloud, Guidewire InsuranceNow, Guidewire InsuranceSuite for self-managed installations, and our digital and data products. We expect to continue to derive a substantial portion of our revenue from these sources. As such, continued market acceptance of these products is critical to our growth and success. Demand for our products is affected by a number of factors, some of which are beyond our control, including the successful implementation of our products, the timing of development and release of product upgrades, enhancements, and new products by us and our competitors, the cost and effort to migrate from self-managed products to subscription services, the ease of integrating our software to third-party software and services, technological advances that reduce the appeal of our products, changes in the regulations that our customers must comply with in the jurisdictions in which they operate, and the growth or contraction in the worldwide market for technological solutions for the P&C insurance industry. If we are unable to continue to meet customer demands, to achieve and maintain a technological advantage over competitors, or to maintain market acceptance of our products, our business, results of operations, financial condition and growth prospects may be adversely affected.

***If we are unable to continue the successful development of our global direct sales force and the expansion of our relationships with our strategic partners, sales of our products will suffer and our growth could be slower than we project.***

We believe that our future growth will depend on the continued recruiting, retention, and training of our global direct sales force and their ability to obtain new customers, both large and small P&C insurers, and to manage our existing customer base. New hires require significant training and may, in some cases, take more than a year before becoming productive, if at all. If we are unable to hire and develop sufficient numbers of productive global direct sales personnel, sales of our products will suffer and our growth will be impeded.

Our SI partners help us reach additional customers. We believe our future growth also will depend on the retention and expansion of successful relationships with SI partners, including with SI partners that will focus on products we may acquire in the future. Our growth in revenue, particularly in international markets, will be influenced by the development and maintenance of relationships with SI partners, including regional and local SI partners. Although we have established relationships with some of the leading SI partners, our products may compete directly against products that such leading SI partners support or market. Additionally, we are unable to control the quantity or quality of resources that our SI partners commit to migrating or implementing our products, the quality or timeliness of such migrations and implementations, or the effects of global events on our SI partners. If our partners do not commit sufficient or qualified resources to these activities, our customers will be less satisfied, be less supportive with references, or may require the investment of our resources at discounted rates. These, and other failures by our partners to successfully implement our products, would have an adverse effect on our business and our results of operations could fail to grow in line with our projections.

***Our international sales and operations subject us to additional risks that can adversely affect our business, results of operations, and financial condition.***

We sell our products to customers located outside the United States, and we are continuing to expand our international operations as part of our growth strategy. In fiscal years 2024, 2023, and 2022, \$347.9 million, \$331.5 million, and \$296.2 million of our revenue, respectively, was from customers outside of the United States. Our current international operations and our plans to expand our international operations subject us to a variety of risks, including:

- increased management, travel, infrastructure, legal, and compliance costs associated with having multiple international operations;
- unique terms and conditions in contract negotiations imposed by customers in foreign countries;
- longer payment cycles and difficulties in enforcing contracts and collecting accounts receivable;
- the need to localize our contracts and our products for international customers;
- lack of familiarity with and unexpected changes in foreign regulatory requirements;
- increased exposure to fluctuations in currency exchange rates, especially on revenue and ARR;
- highly inflationary international economies and related governments;
- geographic and political conflicts, such as the wars between Israel and Hamas and between Russia and Ukraine and the escalating tensions in the South China Sea;
- the burdens and costs of complying with a wide variety of foreign laws and legal standards, including without limitation any new or evolving laws and regulations relating to the use of data in AI, generative AI, machine learning technologies, climate-related disclosures, and the General Data Protection Regulation in the European Union (“EU”) and the U.K.;
- compliance with the U.S. Foreign Corrupt Practices Act of 1977, as amended, the U.K. Bribery Act of 2010 and other anti-corruption regulations, particularly in emerging market countries;
- compliance by international staff with accounting practices generally accepted in the United States, including adherence to our accounting policies and internal controls;
- import and export license requirements, tariffs, taxes and other trade barriers;
- increased financial accounting, tax and reporting burdens and complexities;
- weaker protection of intellectual property rights in some countries;
- multiple and possibly overlapping tax regimes, including certain Organization for Economic Cooperation and Development (“OECD”) proposals, including the implementation of the global minimum tax under the Pillar Two model rules;
- government sanctions that may interfere with our ability to sell into particular countries, such as Russia;
- disruption to our operations caused by public health crises, such as epidemics and pandemics; and
- political, social, and economic instability abroad, terrorist attacks, and security concerns in general.

As we increase the number of products we offer, increase the number of countries in which we operate, and incorporate new technologies and capabilities into our products (including, without limitation, the use of AI, generative AI and machine learning technologies), the complexity of adjusting our offerings to comply with legal and regulatory changes will increase.

As we continue to expand our business globally, our success will depend, in large part, on our ability to anticipate and effectively manage these and other risks associated with our international operations. Any of these risks could harm our international operations and reduce our international sales, adversely affecting our business, results of operations, financial condition and growth prospects.

***We may expand through acquisitions or partnerships with other companies, which may divert our management’s attention and result in unexpected operating and technology integration difficulties, increased costs, and dilution to our stockholders.***

Our business strategy includes the potential acquisition of shares or assets of companies with software, cloud-based services, technologies, or businesses complementary to ours. Our strategy also includes alliances with such companies. For example, we have made several acquisitions in the past, including most recently in August 2021, we acquired HazardHub, Inc., a leading insurtech provider of property risk insights. Acquisitions and alliances, such as our strategic partnerships with One

Inc. and Smart Communications, may result in unforeseen operating difficulties and expenditures, be dilutive to earnings, and may not result in the benefits anticipated by such corporate activity. In particular, we may fail to assimilate or integrate the businesses, technologies, services, products, personnel, or operations of the acquired companies, retain key personnel necessary to favorably execute the combined companies' business plan, or retain existing customers or sell acquired products to new customers. Acquisitions and alliances may also disrupt our ongoing business, divert our resources, and require significant management attention that would otherwise be available for ongoing development of our current business. In addition, we may be required to make additional capital investments or undertake remediation efforts to ensure the success of our acquisitions, which may reduce the benefits of such acquisitions. We also may be required to use a substantial amount of our cash or issue debt or equity securities to complete an acquisition or realize the potential of an alliance, which could deplete our cash reserves and/or dilute our existing stockholders. Following an acquisition or the establishment of an alliance offering new products, the timing of revenue from the sale of products that we acquired or that result from the alliance, or from the sale of a bundle of products that includes such new products, may be different than the timing of revenue from existing products. In addition, our ability to maintain favorable pricing of new products may be challenging if we bundle such products with existing products. A delay in the recognition of revenue from sales of acquired or alliance products, or reduced pricing due to bundled sales, may cause fluctuations in our quarterly financial results, may adversely affect our operating margins, and may reduce the benefits of such acquisitions or alliances.

Additionally, competition within the software industry for acquisitions of businesses, technologies, and assets has been, and may continue to be, intense. As such, even if we are able to identify an acquisition that we would like to pursue, the target may be acquired by another strategic buyer or financial buyer such as a private equity firm, or we may otherwise not be able to complete the acquisition on commercially reasonable terms, if at all. Moreover, in addition to our failure to realize the anticipated benefits of any acquisition, including our revenue or return on investment assumptions, we may be exposed to unknown liabilities or impairment charges to acquired intangible assets and goodwill as a result of acquisitions we do complete.

***Incorrect or improper use of our products or our failure to properly train customers on how to utilize our products could result in customer dissatisfaction and negatively affect our business, results of operations, financial condition, and growth prospects.***

Our products are complex and are deployed in a wide variety of environments. The proper use of our products requires training of the customer. If our products are not used correctly or as intended, inadequate performance may result. Our products may also be intentionally misused or abused by customers or their employees or third parties who are able to access or use our products. Because our customers rely on our services, products, and support to manage a wide range of operations, the incorrect or improper use of our products, our failure to properly train customers on how to efficiently and effectively use our products, or our failure to properly provide services to our customers may result in negative publicity or legal claims against us. Also, any failure by us to properly provide training or other services to existing customers will likely result in lost opportunities for follow-on and increased sales of our products.

In addition, if there is substantial turnover of customer personnel responsible, especially at the executive level, for the use and support of our products, or if customer personnel are not well trained in the use and support of our products, customers may defer the deployment of our products, may deploy them in a more limited manner than originally anticipated, or may not deploy them at all. Further, if there is substantial turnover of the customer personnel responsible for use of our products, our ability to renew existing licenses and make additional sales may be substantially limited.

***We may not be able to obtain capital when desired on favorable terms, if at all, and we may not be able to obtain capital or complete acquisitions through the use of equity without dilution to our stockholders.***

We may need additional financing to execute on our current or future business strategies, including to develop new or enhance existing products, acquire businesses and technologies, service our existing debt, or otherwise to respond to competitive pressures.

If we raise additional funds through the issuance of equity or convertible debt securities, the percentage ownership of our existing stockholders could be significantly diluted, and newly issued securities may have rights, preferences, or privileges senior to those of existing stockholders. If we accumulate additional funds through debt financing, a substantial portion of our operating cash flow may be dedicated to the payment of principal and interest on such indebtedness, thus limiting funds available for our business activities. We cannot be assured that additional financing will be available on terms favorable to us, or at all. If adequate funds are not available, or are not available on acceptable terms, when we desire them, our ability to fund our operations, take advantage of unanticipated opportunities, develop or enhance our products, or otherwise respond to competitive pressures would be significantly limited. Any of these factors could harm our results of operations.

## **Risks Related to Data Security and Privacy, Intellectual Property, and Information Technology**

***If our products experience cybersecurity breaches, there is unauthorized access to our customers' data, or unauthorized use of our products or any of these events are perceived to happen, we may lose current or future customers and our reputation and business may be harmed.***

Our products involve the collection, storage and processing of customer data (including, in some cases, personal data), and may provide business critical software and analytics necessary for our customers' operations. As such, we may be an attractive target for data security attacks that threaten the confidentiality, integrity, and availability of our information technology systems and confidential information. Security breaches could result in public disclosure of confidential information, loss or modification of data affecting our customers' operations, fraud or theft, ransom demands, or other misuse of confidential information, which in turn could result in our cloud services being perceived as not being secure, a reduction in customers using our products, as well as litigation, breach of contract claims, indemnity obligations, additional reporting requirements and/or oversight, restrictions on processing customer data, and other liabilities for our Company, all of which could lead to loss of revenue, a diminished ability to retain or attract new customers due to reputational harm, fines, costs, or other penalties or sanctions. While we have taken, and are continually updating and enhancing, steps to protect the confidential information and customer data to which we have access, including confidential information we may obtain through our customer support services or customer usage of our cloud-based services, our security measures or the security measures of companies we rely on, such as AWS, could be breached. We rely on third-party technology and systems for a variety of services, including, without limitation, encryption and authentication technology, employee email, content delivery to customers, back-office support, and other functions. Our ability to control or prevent breaches of any of these systems may be beyond our control. Any failure by a third party to prevent or mitigate data security breaches or improper access to, or use, acquisition, disclosure, alteration or destruction of customer data could have adverse consequences for us. Because techniques used to obtain unauthorized access or infiltrate, sabotage, disable or degrade systems change frequently and generally are not identified until they are launched against a target, we may be unable to anticipate these techniques or to implement adequate preventative measures despite our efforts in implementing and deploying security measures. The use of constantly evolving technologies by diverse threat actors, such as the increased use of AI technologies, are sophisticated and complex and may increase the velocity of such threats, frequency of incident cases, and otherwise magnifying the risks associated with these types of attacks. These attack vectors may include social engineering/phishing, malware (including ransomware), malfeasance by insiders, human or technological error, and as a result of bugs, misconfigurations or exploited vulnerabilities in software or hardware. Although we have developed systems and processes designed to protect our and our customers' data, prevent loss or unauthorized modification of data, ensure only authorized use of services, and prevent other cybersecurity breaches, including systems and processes designed to reduce the impact of a security breach to a third-party vendor, such measures cannot provide absolute security, and our systems may be vulnerable to malware or physical or electronic break-ins that our security measures may not detect. There can also be no assurance that our cybersecurity risk management program and processes, including our policies, controls or procedures, will be fully implemented, complied with or effective in protecting our information technology systems or confidential information. Individuals, including trusted employees and contractors, who circumvent our security measures may misappropriate proprietary, confidential, or personal data held by or on behalf of us, disrupt our operations, damage our systems, or otherwise damage our business. In addition, we may need to expend significant resources to protect against data security breaches or mitigate the impact of any such breaches. Any or all of these issues could negatively impact our ability to attract new customers or to increase engagement with existing customers, could cause existing customers to elect not to renew their term licenses or subscription agreements, or could subject us to third-party lawsuits, regulatory fines or other action or liability, which could adversely affect our business, results of operations, financial condition, or reputation. We cannot guarantee that any costs and liabilities incurred in relation to an attack or incident will be covered by our existing insurance policies or that applicable insurance will be available to us in the future on economically reasonable terms or at all.

In addition, data security breaches could expose us to liability under various laws and regulations across jurisdictions, increase the risk of litigation and governmental or regulatory investigation, and increase our costs for compliance. For example, we may need to notify governmental authorities and/or affected individuals with respect to certain data security breach in light of a growing number of laws, including those in the European Economic Area ("EEA"), U.K., and the United States. Complying with such numerous and complex regulations in the event of a data security breach would be expensive and difficult, and failure to comply with these regulations could subject us to regulatory scrutiny and additional liability. We may also be contractually required to notify customers or other counterparties of a security incident, including a data security breach.

***Service interruptions or failures of our third-party service providers may impair the availability of our products, which may expose us to liability, damage our reputation, and harm our future financial results.***

We rely on services provided by third-parties to operate our products, any of which such services, if they encounter interruptions, failure, or slowdown for any reason, could cause outages or delays in our products, negatively affect our platform,



damage our reputation with current and potential customers, expose us to liability, cause us to lose customers, adversely affect our results of operations, or otherwise harm our business. For example, we host our platform using AWS data centers and all of our cloud products rely on resources operated by AWS. Our operations depend on protecting our virtual cloud infrastructure hosted by service providers; preserving the infrastructure's configuration, architecture, and interconnection specifications; and maintaining access to our products and the information stored in virtual data centers and transmitted over internet service providers. Although we have disaster recovery plans that use multiple virtual data center locations, any incident affecting our service providers' operations and infrastructure, including but not limited to those caused by power loss, telecommunications failures, unauthorized intrusion or malicious action, malware and disabling devices, natural catastrophes, terrorism, wars, and other similar events beyond our control, could negatively affect our products. A prolonged third-party service disruption affecting our platform for any of the foregoing reasons could be detrimental to our business. We may also incur significant costs for taking other actions in preparation for, or in reaction to, events that disrupt the third-party services we use.

Our platform is accessed by a large number of customers, often at the same time, and we do not control the operation of our third-party service providers. As we continue to expand the number of our customers and products available to our customers, we may not be able to scale our technology to accommodate the increased capacity requirements, which may result in interruptions or delays in our products. In addition, the failure of third-party virtual data centers, third-party internet service providers, or other third-party service providers whose services are integrated with our products, to meet our capacity requirements, could result in interruptions or delays in access to our products or impede our ability to scale our operations. In the event that our third-party service agreements are not renewed or are terminated, or there is a lapse of service, interruption of service provider connectivity or damage to such services, we could experience interruptions in access to our products as well as delays and additional expense in arranging new third-party service providers, all of which could harm our business.

***Evolving policy and regulatory responses to AI and machine learning and their potential implications for the fields of information technology, data privacy, and security may result in increased compliance costs and associated concerns for us.***

At present, multiple jurisdictions are taking a heightened interest in AI and machine learning. There has been a recent wave of policy and regulatory responses from various governments rolling out action plans for risk mitigation to legislation being introduced to generally oversee the use of AI. For example, in 2023, the President of the United States issued an executive order, promulgating guidelines to executive departments, and various states have enacted legislation relating to disclosure requirements for the use of AI, and in the EU, the EU AI Act, adopted in 2024, establishes a comprehensive, risk-based governance framework and applies to, amongst other entities, providers, importers, and distributors of AI systems or general-purpose AI models that are placed on the EU market or put into service or used in the EU. There is a risk that our current or future products may be subject to heightened obligations under the EU AI Act, which may impose additional costs on us, increase our risk of liability, or adversely affect our business. New or evolving regulations relating to rapidly evolving generative AI and machine learning technologies may impose additional rules and restrictions on the use of the AI in our products.

Compliance with such global laws and regulations, including but not limited to the EU AI Act and any new or evolving regulations relating to generative AI and machine learning technologies, has and will continue to require valuable management, operating expenses, and employee time and resources, and any actual or perceived failure to comply with these laws and regulations or other actual or asserted obligations relating to privacy, data protection, or cybersecurity could lead to inspections, audits, regulatory investigations and other proceedings, significant fines, severe penalties, and other relief imposed by governmental agencies and regulatory bodies, and claims, demands, and litigation by our customers or third parties, which may reduce demand for our products and result in reputational harm, substantial damages and other liabilities.

***Privacy concerns could result in regulatory changes and impose additional costs and liabilities on us, limit our use of information, and adversely affect our business.***

As adoption of our cloud-based products occurs, the amount of customer data, including customer personal data, that we manage, hold, and/or collect continues to increase. In addition, our products may collect, process, store, and use transaction-level data aggregated across insurers using our common data model. We anticipate that over time, we will continue to expand the use and collection of personal data as greater amounts of such personal data may be transferred from our customers to us. We recognize that privacy and data security has become a significant issue in the United States, Europe, the U.K., and many other jurisdictions where we operate.

Many federal, state, and foreign legislatures and government agencies have imposed, are considering imposing, or are considering changing restrictions and requirements about the collection, use, and disclosure of personal data. Changes to laws or regulations affecting privacy could impose additional costs and liabilities, including fines, on us and could limit our use of such information to add value for customers, including, for example, the California Consumer Privacy Act and the California Privacy Rights Act, which substantially went into effect on January 1, 2023 and other state privacy laws enacted in recent years. New EU laws related to the use of data, including in the Digital Services Act, the EU Data Act, and the EU Artificial Intelligence Act (“EU AI Act”), may impose additional rules and restrictions on the use of the data in our products. If we were required to change our business activities or revise or eliminate services, or to implement burdensome compliance measures, our business and results of operations could be harmed. We may be subject to fines, penalties, and potential litigation, including class action lawsuits, if we fail to comply with applicable privacy and/or data security laws, regulations, standards, and other requirements. The costs of compliance with and other burdens imposed by evolving privacy-related laws, regulations, and standards may limit the use and adoption of our products and reduce overall demand.

Furthermore, concerns regarding data privacy and/or security may cause our customers’ customers to resist providing the data and information necessary to allow our customers to use our products effectively. Even the perception that the privacy and/or security of personal data is not satisfactorily managed, or does not meet applicable legal, regulatory, and other requirements, could inhibit sales of our products, and could limit adoption of our solutions, resulting in a negative impact on our sales, reputation, and results of operations.

***Privacy concerns in the EU and the U.K. are evolving and we may face fines and other penalties, as well as reputational harm, if we fail to comply with these current and evolving laws, and compliance with these laws may increase our expenses and adversely affect our business and results of operations.***

On April 27, 2016, the EU adopted the European General Data Protection Regulation (the “GDPR”), that took effect on May 25, 2018. The GDPR applies to any company established in the EEA as well as to those outside the EEA if they carry out processing of personal data of individuals in the EEA that is related to the offering of goods or services to them or the monitoring of their behavior. The GDPR has enhanced data protection obligations for processors and controllers of personal data and non-compliance with the GDPR can trigger fines of up to €20 million, or 4% of total worldwide annual revenues, whichever is higher. Given the breadth and depth of changes in data protection obligations, we have previously invested significant resources to comply with GDPR requirements. While our expenditures have decreased in recent periods as we have improved our compliance efforts, we have in the past and may in the future need to allocate additional resources in response to new interpretations, regulatory guidance, and enforcement decisions, or ongoing negotiation of data processing agreements with our customers and business partners.

In addition, the GDPR restricts transfers of personal data outside the EEA to countries without adequate privacy protections, such as the United States, unless an appropriate safeguard specified by the GDPR such as the Standard Contractual Clauses is implemented. We expect the existing legal complexity and uncertainty regarding international personal data transfers to continue, with changes to the regulatory landscape recently adopted or anticipated from the EU and other jurisdictions such as Switzerland and the U.K. We (and many other companies) have and may in the future be required to adopt additional measures to accomplish and maintain legitimate means for the transfer and receipt of personal data from the EU to the United States and other countries. As data protection authorities continue to issue further guidance and orders on personal data export mechanisms and/or continue taking enforcement action, we could suffer additional costs, complaints and/or regulatory investigations or fines, and/or if we are otherwise unable to transfer personal data between and among countries and regions in which we operate, it could affect the manner in which we provide our services, the geographical location or segregation of our relevant systems and operations, and could adversely affect our financial results.

We may experience hesitancy, reluctance, or refusal by European or multi-national customers to continue to use our products due to the potential risk exposure to such customers as a result of such developments and the data protection obligations imposed on them by various data protection authorities. Such customers may also view any alternative approaches to the transfer of any personal data as being too costly, too burdensome, or otherwise objectionable, and therefore may decide not to do business with us.

Given the nature of our cloud-based products and the current data protection landscape in the EU, we may be subject to greater risk of potential inquiries and/or enforcement actions from regulators. We may find it necessary to establish alternative systems to maintain EEA personal data within the EEA, which may involve substantial expense and may cause us to need to divert resources from other aspects of our business, all of which may adversely affect our results from operations. Further, any inability to adequately address privacy concerns in connection with our cloud-based services, or comply with applicable privacy or data protection laws, regulations, and policies, could result in additional cost and liability to us, including fines and harm to our reputation, and adversely affect our ability to offer cloud-based services.

In addition, as we are subject to the supervision of relevant data protection authorities under both the GDPR and United Kingdom's General Data Protection Regulation ("U.K. GDPR"), we could be fined under each of those regimes independently in respect of the same breach. The U.K. GDPR mirrors the data protection obligations and fines under the GDPR, but there may be further developments causing the obligations and fines to diverge, which could cause our cost of and risks associated with compliance to increase. Anticipated further evolution of EU and U.K. regulations on data privacy and security and any related changes to the regulatory framework in these or other countries may increase substantially our risk exposure to the penalties to which we could be subject in the event of any non-compliance. We may incur substantial expense in complying with the new obligations to be imposed by new regulations and interpretations of existing regulations and we may be required to make significant changes to our software applications and expanding business operations, all of which may adversely affect our results of operations.

***Assertions by third parties of infringement or other violation by us of their intellectual property rights could result in significant costs and substantially harm our business and results of operations.***

The software industry is characterized by the existence of a large number of patents and frequent claims and related litigation regarding patents and other intellectual property rights. In particular, leading companies in the software industry own large numbers of patents, copyrights, trademarks, and trade secrets, which they may use to assert claims against us. From time to time, third parties holding such intellectual property rights, including leading companies, competitors, patent holding companies, and/or non-practicing entities, may assert patent, copyright, trademark, or other intellectual property claims against us, our customers and partners, and those from whom we license technology and intellectual property.

Although we believe that our products do not infringe upon the intellectual property rights of third parties, we cannot assure that we are not infringing or otherwise violating any third-party intellectual property rights or that third parties will not assert infringement or misappropriation claims against us with respect to current or future products, or that any such assertions will not require us to enter into royalty arrangements, result in costly litigation, or result in us being unable to use certain intellectual property. Infringement assertions from third parties may involve patent holding companies or other patent owners who have no relevant product revenue, and therefore our own issued and pending patents may provide little or no deterrence to these patent owners in bringing intellectual property rights claims against us.

If we are forced to defend against any infringement or misappropriation claims, whether they are with or without merit, are settled out of court, or are determined in our favor, we may be required to expend significant time and financial resources on the defense of such claims. Furthermore, an adverse outcome of a dispute may require us to pay damages, potentially including treble damages and attorneys' fees, if we are found to have willfully infringed a party's intellectual property; cease making, licensing, or using our products that are alleged to infringe or misappropriate the intellectual property of others; expend additional development resources to redesign our products; enter into potentially unfavorable royalty or license agreements in order to obtain the right to use necessary technologies or works; and to indemnify our partners, customers, and other third parties. Any of these events could seriously harm our business, results of operations, and financial condition.

***Failure to protect our intellectual property could substantially harm our business and results of operations.***

Our success depends in part on our ability to enforce and defend our intellectual property rights. We rely upon a combination of trademark, trade secret, copyright, patent, and unfair competition laws, as well as license agreements and other contractual provisions, to do so.

We have filed, and may in the future file, patent applications related to certain of our innovations. We do not know whether those patent applications will result in the issuance of a patent or whether the examination process will require us to narrow our claims. In addition, we may not receive competitive advantages from the rights granted under our patents and other intellectual property. Our existing patents and any patents granted to us or that we otherwise acquire in the future, may be contested, circumvented, or invalidated, and we may not be able to prevent third parties from infringing these patents. Therefore, the extent of the protection afforded by these patents cannot be predicted with certainty. In addition, given the costs, effort, risks, and downside of obtaining patent protection, including the requirement to ultimately disclose the invention to the public, we may choose not to seek patent protection for certain innovations; however, such patent protection could later prove to be important to our business.

We also rely on several registered and unregistered trademarks to protect our brand. Nevertheless, competitors may adopt service names similar to ours, or purchase our trademarks and confusingly similar terms as keywords in internet search engine advertising programs, thereby impeding our ability to build brand identity and possibly leading to confusion in the marketplace. In addition, there could be potential trade name or trademark infringement claims brought by owners of other registered trademarks or trademarks that incorporate variations of our trademarks. Any claims or customer confusion related to our trademarks could damage our reputation and brand and substantially harm our business and results of operations.

We attempt to protect our intellectual property, technology, and confidential information by generally requiring our employees and consultants to enter into confidentiality agreements and assignment of inventions agreements and third parties to enter into nondisclosure agreements, all of which offer only limited protection. These agreements may not effectively prevent unauthorized use or disclosure of our confidential information, intellectual property or technology and may not provide an adequate remedy in the event of unauthorized use or disclosure of our confidential information, intellectual property, or technology. Despite our efforts to protect our confidential information, intellectual property, and technology, unauthorized third parties may gain access to our confidential proprietary information, develop and market services or products similar to ours, or use trademarks similar to ours, any of which could materially harm our business and results of operations. In addition, others may independently discover our trade secrets and confidential information, and in such cases, we could not assert any trade secret rights against such parties. Existing United States federal, state, and international intellectual property laws offer only limited protection. The laws of some foreign countries do not protect our intellectual property rights to as great an extent as the laws of the United States, and many foreign countries do not enforce these laws as diligently as governmental agencies and private parties in the United States. Moreover, policing our intellectual property rights is difficult, costly, and may not always be effective.

From time to time, legal action by us may be necessary to enforce our patents and other intellectual property rights, to protect our trade secrets, to determine the validity and scope of the intellectual property rights of others, or to defend against claims of infringement or invalidity. Such litigation could result in substantial costs and diversion of resources and could negatively affect our business, reputation, results of operations, and financial condition. If we are unable to protect our technology and to adequately maintain and protect our intellectual property rights, we may find ourselves at a competitive disadvantage to others who need not incur the additional expense, time, and effort required to create the innovative products that have enabled us to be successful to date.

***We and our customers rely on technology and intellectual property of third parties, the loss of which could limit the functionality of our products and disrupt our business.***

We use technology and intellectual property licensed from unaffiliated third parties in certain of our products, and we may license additional third-party technology and intellectual property in the future. Any errors, defects, or security issues in this third-party technology and intellectual property or the integration of third-party technology and intellectual property with our products could result in errors that could harm our brand and business. Though we have not experienced resulting impact to date, recent industry incidents, such as the CrowdStrike incident, involving vulnerabilities in third-party technology, underscore the potential risks associated with the use of third-party technology and intellectual property. Moreover, licensed technology and intellectual property may not continue to be available on commercially reasonable terms, or at all, or otherwise will be subject to restrictions that under applicable law could adversely affect our proprietary software. The loss of the right to license and distribute this third-party technology could limit the functionality of our products and might require us to redesign our products.

In addition, our Guidewire cloud offerings rely on third-party hosting and infrastructure services provided by AWS and other service providers, for the continuous, reliable, and secure operation of servers, related hardware and software, and network infrastructure. A prolonged AWS service disruption or slowdown for any reason could damage our reputation with current and potential customers, expose us to liability, cause us to lose customers, or otherwise harm our business.

***Some of our products and technologies may use “open source” software, which may restrict how we use or distribute our services or require that we release the source code of certain products subject to those licenses.***

Some of our products and technologies may incorporate software licensed under so-called “open source” licenses. In addition to risks related to license requirements, usage of open source software can lead to greater risks than use of third-party commercial software, as open source licensors generally do not provide warranties or controls on origin of the software. Additionally, some open source licenses require that source code subject to the license be made available to the public and that any modifications or derivative works to open source software continue to be licensed under open source licenses. These open source licenses typically mandate that proprietary software, when combined in specific ways with open source software, become subject to the open source license. If we combine our proprietary software in such ways with open source software, we could be required to release the source code of our proprietary software. Further, this third-party technology and intellectual property has the potential for security-related concerns, given that we do not create or maintain such third-party technology and intellectual property that may be exposed to unknown future security risks.

We take steps to ensure that our proprietary software is not combined with, and does not incorporate, open source software in ways that would require our proprietary software to be subject to many of the restrictions in an open source license. However, few courts have interpreted open source licenses, and the manner in which these licenses may be interpreted and enforced is therefore subject to some uncertainty. Additionally, we rely on hundreds of software programmers to design our proprietary technologies, and although we take steps to prevent our programmers from including objectionable open source

software in the technologies and software code that they design, write and modify, we do not exercise complete control over the development efforts of our programmers and we cannot be certain that our programmers have not incorporated such open source software into our proprietary products and technologies or that they will not do so in the future. In the event that portions of our proprietary technology are determined to be subject to an open source license, we could be required to publicly release the affected portions of our source code, re-engineer all or a portion of our technologies, or otherwise be limited in the licensing of our technologies, each of which could reduce or eliminate the value of our services and technologies and materially and adversely affect our business, results of operations, and prospects.

***We may be obligated to disclose our proprietary source code to our customers, which may limit our ability to protect our intellectual property and could reduce the renewals of our support services.***

Our software license agreements typically contain provisions permitting the customer to become a party to, or a beneficiary of, a source code escrow agreement under which we place the proprietary source code for our applicable products in escrow with a third party. Under these escrow agreements, the source code to the applicable product may be released to the customer, typically for its use to maintain, modify, and enhance the product, upon the occurrence of specified events, such as our filing for bankruptcy, discontinuance of our support services, and breaching our representations, warranties, or covenants of our agreements with our customers. Additionally, in some cases, customers have the right to request access to our source code upon demand. Some of our customers have obtained the source code for certain of our products by exercising this right, and others may do so in the future.

Disclosing the content of our source code may limit the intellectual property protection we can obtain or maintain for that source code or the products containing that source code and may facilitate intellectual property infringement claims against us. It also could permit a customer to which a product's source code is disclosed to support and maintain that software product without being required to purchase our support services. Each of these could harm our business, results of operations, and financial condition.

#### **Risks Related to Legal, Regulatory, Accounting, and Tax Matters**

***The nature of our business requires the application of accounting guidance that requires management to make estimates and assumptions. Reported results under United States Generally Accepted Accounting Principles (“GAAP”) may vary from key metrics used to measure our business. Additionally, changes in accounting guidance may cause us to experience greater volatility in our quarterly and annual results. If we are unsuccessful in adapting to and interpreting the requirements of new guidance, or in clearly explaining to stockholders how new guidance affects reporting of our results of operations, our stock price may decline.***

We prepare our consolidated financial statements to conform to GAAP. These accounting principles are subject to interpretation by the SEC, Financial Accounting Standards Board (“FASB”), and various bodies formed to interpret and create accounting rules and regulations. Accounting standards, or the guidance relating to interpretation and adoption of standards, could have a significant effect on our financial results and could affect our business. Additionally, the FASB and the SEC are focused on the integrity of financial reporting, and our accounting policies are subject to scrutiny by regulators and the public.

We cannot predict the impact of future changes to accounting principles or our related accounting policies on our financial statements going forward. In addition, were we to change our accounting estimates, including those related to the timing of revenue recognition and those used to allocate revenue between various performance obligations, our reported revenue and results of operations could be significantly impacted. If we are unsuccessful in adapting to the requirements of any new standard, or if changes to our go-to-market strategy create new risks, then we may experience greater volatility in our quarterly and annual results, which may cause our stock price to decline.

In addition, GAAP requires management to make estimates and assumptions that affect the amounts reported in the consolidated financial statements. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets, liabilities, equity, revenue, and expenses that are not readily apparent from other sources.

Further, revenue recognition standards require significant judgment and estimates that impact our reported revenue and results of operations. Additionally, reported revenue has and will vary from ARR, a non-GAAP metric, and cash flow associated with each customer agreement. For example, for some arrangements with multiple performance obligations, a portion of recurring license and support or subscription contract value is allocated to services revenue for revenue recognition purposes, but does not get allocated for purposes of calculating ARR. This revenue allocation only impacts the initial term of the contract. This means that if we increase arrangements with multiple performance obligations that include services at discounted rates, more of the total contract value would be recognized as services revenue, but our reported ARR amount would

not be impacted. This potential difference and variability in the trends of reported amounts may cause volatility in our stock price.

***If we fail to maintain effective internal control over financial reporting or identify a material weakness in our internal control over financial reporting, our ability to report our financial condition and results of operations in a timely and accurate manner could be adversely affected, investor confidence in our Company could diminish, and the value of our common stock may decline.***

Preparing our consolidated financial statements involves a number of complex manual and automated processes, which are dependent upon individual data input or review and require significant management judgment. One or more of these processes may result in errors that may not be detected and could result in a material misstatement of our consolidated financial statements. The Sarbanes-Oxley Act of 2002 (the “Sarbanes-Oxley Act”) requires, among other things, that as a publicly traded company we disclose whether our internal control over financial reporting and disclosure controls and procedures are effective.

A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis.

While we continually undertake steps to improve our internal control over financial reporting as our business changes, we may not be successful in making the improvements and changes necessary to be able to identify and remediate control deficiencies or material weaknesses on a timely basis. If we are unable to successfully remediate any future material weaknesses in our internal control over financial reporting, the accuracy and timing of our financial reporting may be adversely affected; our liquidity, access to capital markets and perceptions of our creditworthiness may be adversely affected; we may be unable to maintain compliance with securities laws, stock exchange listing requirements and debt instruments covenants regarding the timely filing of periodic reports; we may be subject to regulatory investigations and penalties; investors may lose confidence in our financial reporting; we may suffer defaults under our debt instruments; and our stock price may decline.

***If tax laws change or we experience adverse outcomes resulting from examination of our income tax returns, it could adversely affect our results of operations.***

We are subject to federal, state, and local income taxes in the United States and in foreign jurisdictions. Our future effective tax rates and the value of our deferred tax assets could be adversely affected by changes in, interpretations of, and guidance regarding tax laws, including impacts of the Tax Cuts and Jobs Act of 2017, the Coronavirus Aid, Relief, Economic Security Act of 2020, the Inflation Reduction Act of 2022, and certain OECD proposals, including the implementation of the global minimum tax under the Pillar Two model rules.

In addition, we are subject to the examination of our income tax returns by the IRS and other tax authorities. We regularly assess the likelihood of adverse outcomes resulting from such examinations to determine the adequacy of our provision for income taxes. Significant judgment is required in determining our worldwide provision for income taxes. Although we believe we have made appropriate provisions for taxes in the jurisdictions in which we operate, changes in the tax laws or challenges from tax authorities under existing tax laws could adversely affect our business, results of operations, or financial condition.

### **Risks Related to Ownership of Our Common Stock**

***Our stock price may be volatile, which could result in securities class action litigation against us.***

The market price of our common stock could be subject to wide fluctuations in response to, among other things, the risk factors described in this report, the timing and amount of any share repurchases by us, and other factors beyond our control, such as fluctuations in the valuation of companies perceived by investors to be comparable to us and research analyst coverage about our business.

Furthermore, the stock markets have experienced price and volume fluctuations that have affected and continue to affect the market prices of equity securities of many companies. These fluctuations often have been unrelated or disproportionate to the operating performance of those companies. These broad market and industry fluctuations, as well as general economic, political, and market conditions, such as recessions, interest rate changes, inflation or deflation, armed conflict, international currency fluctuations, or other global events have and may continue to affect the market price of our common stock.

In the past, we and many companies that have experienced volatility in the market price of their stock have been subject to securities class action litigation and we may become the target of complaints of this type of litigation in the future. Securities litigation against us could result in substantial costs and divert our management’s attention from our business, which could seriously harm our business, results of operations, and financial condition.

***We currently do not intend to pay dividends on our common stock and, consequently, the only opportunity to achieve a return on investment is if the price of our common stock appreciates.***

We currently do not plan to declare dividends on shares of our common stock in the foreseeable future. Consequently, the only opportunity to achieve a return on investment in our Company will be if the market price of our common stock appreciates and shares are sold at a profit.

***Certain provisions of our certificate of incorporation and bylaws and of Delaware law could prevent a takeover that stockholders consider favorable and could also reduce the market price of our stock.***

Our amended and restated certificate of incorporation and our amended and restated bylaws contain provisions that could delay or prevent a merger, acquisition, or other change in control that stockholders may consider favorable, including transactions in which stockholders might otherwise receive a premium for their shares. These provisions may also prevent or delay attempts by stockholders to replace or remove our current management or members of our board of directors. These provisions include:

- not providing for cumulative voting in the election of directors, which limits the ability of minority stockholders to elect director candidates;
- authorizing our board of directors to issue, without stockholder approval, preferred stock rights senior to those of common stock, which could be used to significantly dilute the ownership of a hostile acquirer;
- prohibiting stockholder action by written consent, which forces stockholder action to be taken at an annual or special meeting of our stockholders;
- limiting the persons who may call special meetings of stockholders, which could delay the ability of our stockholders to force consideration of a proposal or to take action, including the removal of directors; and
- requiring advance notification of stockholder nominations and proposals, which may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain control of us.

The affirmative vote of the holders of at least a majority of our shares of capital stock entitled to vote is generally necessary to amend or repeal the above provisions that are contained in our amended and restated certificate of incorporation. Also, absent approval of our board of directors, our amended and restated bylaws may only be amended or repealed by the affirmative vote of the holders of at least 50% of our shares of capital stock entitled to vote.

In addition, we are subject to the provisions of Section 203 of the Delaware General Corporation Law. These provisions may prohibit large stockholders, in particular those owning 15% or more of our outstanding common stock, from engaging in certain business combinations without approval of substantially all of our stockholders for a certain period of time.

These and other provisions in our amended and restated certificate of incorporation, our amended and restated bylaws, and under Delaware law could discourage potential takeover attempts, reduce the price that investors might be willing to pay for shares of our common stock in the future, and result in the market price of our shares being lower than it would be without these provisions.

***Our amended and restated bylaws designate certain state or federal courts as the exclusive forum for certain litigation that may be initiated by our stockholders, which could limit stockholders' ability to obtain a favorable judicial forum for disputes with us.***

Our amended and restated bylaws provide that, unless we consent in writing to the selection of an alternative forum, to the fullest extent permitted by law, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for any state law claim for:

- any derivative action or proceeding brought on our behalf;
- any action asserting a claim of breach of a fiduciary duty owed by any of our directors, officers, or other employees to us or our stockholders;
- any action asserting a claim arising pursuant to the Delaware General Corporation Law, our amended and restated certificate of incorporation or our amended and restated bylaws; or
- any action asserting a claim that is governed by the internal affairs doctrine (the "Delaware Forum Provision").

The Delaware Forum Provision will not apply to any causes of action arising under the Securities Act or the Exchange Act. Further, our amended and restated bylaws provide that, unless we consent in writing to the selection of an alternative forum, the

United States District Court for the Northern District of California will be the sole and exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act (the “Federal Forum Provision”), as we are based in the State of California. In addition, our amended and restated bylaws provide that any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock is deemed to have notice of and consented to the Delaware Forum Provision and the Federal Forum Provision; provided, however, that stockholders cannot and will not be deemed to have waived our compliance with the U.S. federal securities laws and the rules and regulations thereunder.

The Delaware Forum Provision and the Federal Forum Provision in our amended and restated bylaws may impose additional litigation costs on stockholders in pursuing any such claims. Additionally, these forum selection clauses may limit our stockholders’ ability to bring a claim in a judicial forum that they find favorable for disputes with us or our directors, officers or employees (including, without limitation, any claims in respect of stockholder nominations of directors as permitted under our amended and restated bylaws), which may discourage the filing of lawsuits against us and our directors, officers and employees, even though an action, if successful, might benefit our stockholders. In addition, while the Delaware Supreme Court ruled in March 2020 that federal forum selection provisions purporting to require claims under the Securities Act be brought in federal court are “facially valid” under Delaware law, there is uncertainty as to whether other courts will enforce our Federal Forum Provision. If the Federal Forum Provision is found to be unenforceable, we may incur additional costs associated with resolving such matters. The Federal Forum Provision may also impose additional litigation costs on stockholders who assert that the provision is not enforceable or invalid. The Court of Chancery of the State of Delaware and the United States District Court for the Northern District of California may also reach different judgments or results than would other courts, including courts where a stockholder considering an action may be located or would otherwise choose to bring the action, and such judgments may be more or less favorable to us than our stockholders.

***We cannot guarantee that any share repurchase program will be fully consummated or it will enhance stockholder value, and share repurchases could affect the price of our common stock.***

In September 2022, our board of directors authorized and approved a share repurchase program of up to \$400.0 million of our outstanding common stock. As of July 31, 2024, \$138.2 million of the share repurchase program remained available for future repurchases. Share repurchases under the program may be made from time to time, in the open market, in privately negotiated transactions and otherwise, at the discretion of management and in accordance with applicable federal securities laws, including Rule 10b-18 of the Exchange Act, and other applicable legal requirements. Such repurchases may also be made in compliance with Rule 10b5-1 trading plans entered into by us. The timing, pricing, and size of these repurchases will depend on a number of factors, including the market price of our common stock and general market and economic conditions. The share repurchase program does not obligate us to repurchase any dollar amount or number of shares, and the program may be suspended or discontinued at any time, which may result in a decrease in the price of our common stock. The share repurchase program could affect the price of our common stock, increase volatility, and diminish our cash reserves.

### **General Risk Factors**

***If we are unable to retain our personnel and hire and integrate additional skilled personnel, we may be unable to achieve our goals and our business will suffer.***

Our future success depends upon our ability to continue to attract, train, integrate, and retain highly skilled employees, particularly our executive officers, sales and marketing personnel, professional services personnel, cloud operations personnel, and software engineers, especially personnel experienced in delivering cloud-based offerings. Additionally, our stakeholders expect us to have a culture that embraces diversity, inclusion, and belonging. Our inability to attract and retain diverse and qualified personnel, or delays in hiring required personnel, may seriously harm our business, results of operations, and financial condition. If U.S. immigration policy related to skilled foreign workers were materially adjusted, such a change could hamper our efforts to hire highly skilled foreign employees, including highly specialized engineers, which would adversely impact our business.

Any one of our executive officers and other key employees could terminate his or her relationship with us at any time. The loss of one or more of our executive officers or key employees, and any failure to have in place and execute an effective succession plan for key executive officers, could significantly delay or prevent us from achieving our business and/or development objectives and could disrupt or materially harm our business. Although we strive to reduce the challenges of any transition, failure to ensure effective transfer of knowledge and a smooth transition could disrupt or adversely affect our business, results of operations, financial condition, and prospects.

We face competition for qualified individuals from numerous software and other technology companies. Competition for qualified personnel is particularly intense in the San Francisco Bay Area, where our headquarters are located, though we also face significant competition in all of our domestic and foreign development centers. Further, significant amounts of time and



resources are required to train technical, sales, services, operations, and other personnel. We may incur significant costs to attract, train, and retain such personnel, and we may lose new employees to our competitors or other technology companies before we realize the benefit of our investment after recruiting and training them.

Also, to the extent that we hire personnel from competitors, we may be subject to allegations that such personnel have been improperly solicited or have divulged proprietary or other confidential information. In addition, we have a limited number of sales people and the loss of several sales people within a short period of time could have a negative impact on our sales efforts. Additionally, current global events and recent economic conditions have increased attrition and decreased the number of available candidates for open positions, which has increased the time to identify and hire new employees. We may be unable to attract and retain suitably qualified individuals who are capable of meeting our growing technical, operational, and managerial requirements, including managing employees and contractors remotely or in a hybrid environment, or we may be required to pay increased compensation in order to do so.

Further, our ability to expand geographically depends, in large part, on our ability to attract, retain, and integrate managers with the appropriate skills to lead the local business and employees. Similarly, our profitability depends on our ability to effectively utilize personnel with the right mix of skills and experience to perform services for our customers, including our ability to transition employees to new assignments on a timely basis. If we are unable to effectively deploy our employees globally on a timely basis to fulfill the needs of our customers, our reputation could suffer and our ability to attract new customers may be harmed.

Because of the technical nature of our products and the dynamic market in which we compete, any failure to attract, integrate, and retain qualified direct sales, professional services, cloud operations, and product development personnel, as well as our contract workers, could harm our ability to generate sales, deliver consulting services, manage our customers' cloud environments, or successfully develop new products and enhancements of existing products.

***Our indebtedness related to our Convertible Senior Notes is due within twelve months. Servicing our indebtedness requires a significant amount of cash. We may have to use significant cash to pay our indebtedness, which could adversely affect our business and results of operations.***

As of July 31, 2024, we had outstanding an aggregate principal amount of \$400.0 million of our 1.25% Convertible Senior Notes due March 2025 (the "Convertible Senior Notes"). Our indebtedness may increase our vulnerability to any generally adverse economic and industry conditions, and we and our subsidiaries may, subject to the limitations in the terms of our existing and future indebtedness, incur additional debt, secure existing or future debt, or recapitalize our debt. If we incur additional indebtedness, the risks related to our business would increase and our ability to service or repay our indebtedness may be adversely impacted.

Pursuant to their terms, holders may convert their Convertible Senior Notes at their option prior to the scheduled maturities of their Convertible Senior Notes under certain circumstances. Upon conversion of the Convertible Senior Notes, unless we elect to deliver solely shares of our common stock to settle such conversion (other than paying cash in lieu of delivering any fractional share), we will be obligated to make cash payments. In addition, holders of our Convertible Senior Notes will have the right to require us to repurchase their Convertible Senior Notes upon the occurrence of a fundamental change (as defined in the Indenture, dated as of March 13, 2018, between the Company and U.S. Bank National Association, as trustee (the "Trustee") (the "Base Indenture"), as amended and supplemented by the First Supplemental Indenture, dated as of March 13, 2018, between the Company and the Trustee (together with the Base Indenture, the "Indenture")) at a repurchase price equal to 100% of the principal amount of the Convertible Senior Notes to be repurchased, plus accrued and unpaid interest, if any, to, but not including, the fundamental change purchase date. Although it is our intention and we currently expect to have the ability to settle the Convertible Senior Notes in cash, there is a risk that we may not have enough available cash or be able to obtain financing at the time we are required to make repurchases of Convertible Senior Notes surrendered therefor or Convertible Senior Notes being converted. In addition, our ability to make payments may be limited by law, by regulatory authority, or by agreements governing our future indebtedness. Our failure to repurchase Convertible Senior Notes at a time when the repurchase is required by the Indenture or to pay any cash payable on future conversions of the Convertible Senior Notes as required by such Indenture would constitute a default under such Indenture. A default under the Indenture or the fundamental change itself could also lead to a default under agreements governing our future indebtedness. If the repayment of the related indebtedness were to be accelerated after any applicable notice or grace periods, we may not have sufficient funds to repay the indebtedness and repurchase the Convertible Senior Notes or make cash payments upon conversions thereof.

Our ability to make scheduled payments of the principal and interest on our indebtedness when due or to make payments upon conversion or repurchase demands with respect to our Convertible Senior Notes, or to refinance our indebtedness as we may need or desire, depends on our future performance, which is subject to economic, financial, competitive, and other factors beyond our control. Our business may not continue to generate cash flow from operations in the future sufficient to satisfy our

obligations under our existing indebtedness, and any future indebtedness we may incur, and to make necessary capital expenditures. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as reducing or delaying investments or capital expenditures, selling assets, refinancing, or obtaining additional equity capital on terms that may be onerous or highly dilutive. Our ability to refinance existing or future indebtedness will depend on the capital markets and our financial condition at such time. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on our existing or future indebtedness and have a material adverse effect on our business, results of operations, and financial condition.

***Increased and complex scrutiny of environmental, social, and governance (“ESG”) matters may require us to incur additional costs or otherwise adversely impact our business.***

Increased investor, governmental, and societal attention to and expectations around the wide range of issues generally referred to as ESG matters and our response to the same, may result in increased costs (including, but not limited to, increased costs related to compliance, stakeholder engagement and contracting), impact our reputation, or otherwise negatively affect our business performance. In addition, organizations that provide information to investors on corporate governance and related matters have developed ratings processes for evaluating companies on ESG matters, while other organizations are pushing corporations not to focus on ESG matters in decision making. Both unfavorable ESG ratings and engaging in activities designed to improve such ratings could lead to negative investor sentiment toward us and/or our industry, which could have a negative impact on our access to and costs of capital. To the extent ESG matters negatively impact our reputation, we may also not be able to compete as effectively to recruit or retain employees. We may take certain actions in relation to ESG matters in response to stakeholder demand; however, such actions may be costly or be subject to numerous conditions that are outside our control, and we cannot guarantee that such actions will have the desired effect or outcome. Moreover, while we may create and publish voluntary disclosures regarding ESG matters (in particular, information related to sustainability, environmental and human capital matters) from time to time, many of the statements in such voluntary disclosures are based on certain expectations and assumptions that may or may not be representative of current or actual risks or events or forecasts of expected risks or events, including the costs associated therewith. Such expectations and assumptions are necessarily uncertain and may be prone to error or subject to misinterpretation given the long timelines involved and the lack of an established single approach to identifying, measuring and reporting on many sustainability, environmental and human capital matters. Such disclosures may also be at least partially reliant on third-party information that we have not independently verified or that otherwise cannot be independently verified.

Statements about our sustainability, environmental and human capital initiatives and goals, and progress against those goals, may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions that are subject to change in the future. If our related data, processing and reporting are incomplete or otherwise inaccurate, or if we fail to achieve progress on certain metrics on a timely basis, our reputation, business, financial performance, and growth could be adversely affected.

In addition, we expect there will likely continue to be increasing levels of regulation and disclosure-related requirements with respect to sustainability, environmental and human capital matters, and increased regulation will likely lead to increased compliance costs as well as scrutiny that could heighten all of the associated risks identified in this risk factor. Such compliance matters may also impact our customers, which could adversely impact our business, results of operations, or financial condition.

***Global events have adversely affected, and may continue to adversely affect, our business, results of operations, and financial condition.***

Global events have adversely affected and may continue to adversely affect workforces, organizations, economies, and financial markets globally, leading to economic downturns, inflation, and increased market volatility. Ongoing conflicts such as the wars between Israel and Hamas and between Russia and Ukraine, escalating tensions in the South China Sea, high interest rates, financial instability and crises, pandemics, and supply chain issues have added to global economic and market volatility. Our past business and financial results, including our ARR growth rates, services revenue, and margins, have been adversely impacted due to the disruptions resulting from such events, and may be again in the future. Such global events have disrupted and may again disrupt the normal operations of our customers' businesses and our SI partners' businesses. The related impacts of global events on the global economy could decrease or delay technology spending and adversely affect demand for our products. Further, our sales and implementation cycles could increase, which could result in contract terms more favorable to customers and a potentially longer delay between incurring operating expenses and the generation of corresponding revenue, if any, or difficulty in accurately forecasting our financial results. Additionally, our customers may be unable to pay outstanding invoices or may request amended payment terms due to the economic impacts from such global events and related implementation delays. As a result of such developments and the related economic impact to our business, we may be required to record impairment related to our operating lease assets, investments, long-lived assets, or goodwill. Due to the continuing and evolving nature of such global events, it is not possible for us to accurately predict the duration or magnitude of the adverse impacts and effects on our business, results of operations, or financial condition. Further, to the extent global events adversely affects our business, results of operations, or financial condition, it may also have the effect of heightening many of the other risks described in this "Risk Factors" section.

***Our customers may defer or forego purchases of our products in the event of weakened global economic conditions, political transitions, and industry consolidation.***

General worldwide economic conditions remain unstable, and prolonged economic uncertainties or downturns could harm our business, results of operations, or financial condition. In particular, global inflation concerns, ongoing conflicts such as the wars between Israel and Hamas and between Russia and Ukraine, the occurrence of regional epidemics or a global pandemic and related public health measures, and escalating tensions in the South China Sea, have created and may continue to create global economic uncertainty in regions in which we have significant operations. These conditions may make it difficult for our customers and us to forecast and plan future business activities accurately, and could cause our customers to reevaluate their decision to purchase our products, which could delay and lengthen our sales cycles, delay or increase pricing pressures on services engagements, or result in cancellations of planned purchases. Moreover, during challenging economic times our customers may face issues in gaining timely access to sufficient credit, which could result in an impairment of their ability to make timely payments to us. If that were to occur, we may not receive amounts owed to us and may be required to record an accounts receivable allowance, which would adversely affect our financial results. A substantial downturn in the P&C insurance industry may cause firms to react to worsening conditions by reducing their capital expenditures, reducing their spending on information technology, delaying or canceling information technology projects, or seeking to lower their costs by renegotiating vendor contracts. Negative or worsening conditions in the general economy both in the United States and abroad, including conditions resulting from financial and credit market fluctuations and inflation, could cause a decrease in corporate spending on enterprise software in general, and in the insurance industry specifically, and negatively affect the rate of growth of our business.

Furthermore, the increased pace of consolidation in the P&C insurance industry may result in reduced overall spending on our products and professional services. Acquisitions of customers or potential customers can delay or cancel sales cycles or result in existing arrangements not being renewed and because we cannot predict the timing or duration of such acquisitions, our results of operations could be materially impacted.

***Factors outside of our control, including, but not limited to, natural catastrophes, the geopolitical landscape, and terrorism may adversely impact the P&C insurance industry or third parties we rely on, preventing us from expanding or maintaining our existing customer base and harming our business. Our business is subject to the risks of earthquakes, fire, floods, and other natural catastrophic events, and to interruption by man-made problems such as computer viruses.***

Our customers are P&C insurers that have experienced, and will likely experience in the future, losses from catastrophes or terrorism that may adversely impact their businesses. Catastrophes that impact our business, our customers, or third parties we rely on can be caused by various events, including, without limitation, hurricanes, tsunamis, floods, typhoons, windstorms, earthquakes, hail, tornadoes, explosions, volcanic eruptions, severe weather, excessive heat, epidemics, pandemics, and fires. Climate change and other environmental factors are contributing to an increase in erratic weather patterns globally and intensifying the impact of certain types of catastrophes. Moreover, acts of terrorism or armed conflict or uncertainty in the geopolitical landscape, including as a result of escalation in the ongoing conflicts such as the wars between Israel and Hamas and between Russia and Ukraine as well as the escalation of tensions in the South China Sea, could cause disruptions to our business or our customers' businesses or the economy as a whole. The risks associated with natural catastrophes, the geopolitical landscape, and terrorism are inherently unpredictable, and it is difficult to forecast the timing of such events or estimate the amount of losses they will generate. Recently, for example, various parts of the United States have suffered damage from Hurricane Idalia, wildfires in Maui, Hawaii, and heatwaves affecting the Pacific Northwest, while Turkey and Syria experienced severe earthquakes, Canada faced wildfires, and Australia experienced wildfires and flooding. The combined and expected effect of those losses on P&C insurers is significant. Such losses and losses due to future events may adversely impact our current or potential customers, which may prevent us from maintaining or expanding our customer base and increasing our revenue, as such events may cause customers to postpone purchases and professional service engagements or to discontinue existing projects.

Our corporate headquarters and a substantial portion of our operations are located in the San Francisco Bay Area, a region known for seismic activity and rising ocean levels and near an area subject to severe fire damage. A significant natural disaster, such as an earthquake, tsunami, fire or flood affecting the Bay Area could have a material adverse impact on our business, results of operations, and financial condition.

In addition, our information technology systems are vulnerable to computer viruses, break-ins, and similar disruptions from unauthorized tampering, such as the recent CrowdStrike incident. To the extent that such disruptions result in delays or cancellations of customer orders or collections, or the deployment or availability of our products, our business, results of operations, and financial condition would be adversely affected.

***Adverse developments affecting certain financial institutions, as well as the banking system as a whole, could negatively affect our current and projected business operations and our financial condition and results of operations.***

Adverse developments that may affect certain financial institutions and the banking system as a whole, such as events involving liquidity that are either rumored or actual, have in the past and may in the future lead to bank failures and market-wide liquidity concerns. For example, in March 2023, Silicon Valley Bank was closed by the California Department of Financial Protection and Innovation, which appointed the Federal Deposit Insurance Corporation as receiver. Similarly, other institutions have been and may continue to be swept into receivership. Up until March of 2023, our primary banking partner in the United States was Silicon Valley Bank. Since such time, we have further diversified our banking relationships. In connection with such developments, we have not experienced any material adverse impact to our cash flow or to our current and projected business operations, financial condition, or results of operations. Although we are continuing to evaluate and diversify our banking relationships, uncertainty may remain over liquidity concerns in the broader financial services industry. As a consequence, our business, our business partners, or industry as a whole may be adversely impacted in ways that we cannot predict at this time. Further, a significant portion of our assets are held in cash, cash equivalent and marketable securities. If any financial uncertainty were to impact a broad segment of the financial services industry, our enterprise value and our future prospects could be harmed or otherwise negatively impacted.

***Our revenue, results of operations and cash flows are subject to fluctuations due to changes in foreign currency exchange rates, particularly changes in the Australian Dollar, British Pound, Canadian Dollar, Euro, Indian Rupee, and Polish Zloty.***

The volatility of exchange rates depends on many factors that we cannot forecast with reliable accuracy. Although we believe our operating activities act as a natural hedge for a majority of our foreign currency exposure at the cash flow or operating income level because we typically collect revenue and incur costs in the currency of the location in which we provide our software and services, our relationships with our customers are long-term in nature so it is difficult to predict if our operating activities will provide a natural hedge in the future. In addition, because our contracts are characterized by large annual payments, significant fluctuations in foreign currency exchange rates that coincide with annual payments may affect our cash flows, revenue or financial results in such quarter. Our results of operations may also be impacted by transaction gains or losses related to revaluing certain current asset and liability balances that are denominated in currencies other than the functional currency of the entity in which they are recorded. Moreover, significant and unforeseen changes in foreign currency exchange rates may cause us to fail to achieve our stated projections for revenue, ARR, and operating income, which could have an adverse effect on our stock price. We expect global exchange rates for various currencies may be more volatile than normal as a result of ongoing conflicts, including the wars between Israel and Hamas and between Russia and Ukraine and

related events. We will continue to experience fluctuations in foreign currency exchange rates, which, if material, may harm our revenue, ARR, or results of operations.

***The conditional conversion feature of the Convertible Senior Notes, if triggered, may adversely affect our financial condition and results of operations.***

In the event the conditional conversion feature of the notes is triggered, holders of our Convertible Senior Notes will be entitled to convert the Convertible Senior Notes at any time during specified periods at their option. If one or more holders elect to convert their Convertible Senior Notes, unless we elect to satisfy our conversion obligation by delivering solely shares of our common stock (other than paying cash in lieu of delivering any fractional share), we would be required to settle a portion or all of our conversion obligation through the payment of cash, which could adversely affect our liquidity.

***Transactions relating to our Convertible Senior Notes may affect the value of our common stock.***

The conversion of some or all of the Convertible Senior Notes would dilute the ownership interests of existing stockholders to the extent we satisfy our conversion obligation by delivering shares of our common stock upon any conversion of such Convertible Senior Notes. Our Convertible Senior Notes may become in the future convertible at the option of their holders under certain circumstances. If holders of our Convertible Senior Notes elect to convert their notes, we may settle our conversion obligation by delivering to them a significant number of shares of our common stock, which would cause dilution to our existing stockholders.

In connection with the issuance of the Convertible Senior Notes, we entered into capped call transactions with certain financial institutions (the “option counterparties”). The capped call transactions are expected generally to reduce the potential dilution to our common stock upon any conversion of the notes and/or offset any cash payments we are required to make in excess of the principal amount of converted notes, as the case may be, with such reduction and/or offset subject to a cap.

From time to time, the option counterparties or their respective affiliates may modify their hedge positions by entering into or unwinding various derivative transactions with respect to our common stock and/or purchasing or selling our common stock or other securities of ours in secondary market transactions prior to the maturity of the Convertible Senior Notes. This activity could cause a decrease in the market price of our common stock.

***The accounting method for convertible debt securities that may be settled in cash, such as the Convertible Senior Notes, could have a material effect on our reported financial results.***

In August 2020, the FASB issued Accounting Standards Update (“ASU”) 2020-06, Debt—Debt with Conversion and Other Options (Subtopic 470-20) and Derivatives and Hedging—Contracts in Entity’s Own Equity (Subtopic 815-40), which we adopted on August 1, 2022. The ASU simplifies the accounting for convertible instruments, and among other things, eliminates the treasury stock method to calculate diluted earnings per share for convertible instruments and requires the use of the if-converted method. When calculating diluted EPS, the if-converted method requires us to assume that convertible debt instruments (and any applicable conversion premium) are converted to common stock as of the beginning of the period presented regardless of the price of our stock in periods that we have net income. Additionally, the if-converted method does not allow us to offset the impact of our capped call transactions on the calculation. We expect that such calculations will negatively affect our reported diluted EPS in the periods that we have net income irrespective of actual conversion of the Convertible Senior Notes.

***We are subject to counterparty risk with respect to the capped call transactions.***

The option counterparties are financial institutions, and we will be subject to the risk that any or all of them might default under the capped call transactions. Our exposure to the credit risk of the option counterparties will not be secured by any collateral. Past and recent global economic conditions have resulted in the actual or perceived failure or financial difficulties of many financial institutions. If an option counterparty becomes subject to insolvency proceedings, we will become an unsecured creditor in those proceedings with a claim equal to our exposure at that time under the capped call transactions with such option counterparty. Our exposure will depend on many factors but, generally, an increase in our exposure will be correlated to an increase in the market price and in the volatility of our common stock. In addition, upon a default by an option counterparty, we may suffer adverse tax consequences and more dilution than we currently anticipate with respect to our common stock. We can provide no assurances as to the financial stability or viability of the option counterparties.

**Item 1B. Unresolved Staff Comments**

Not applicable.

**Item 1C. Cybersecurity**

Our products involve the collection, storage and processing of customer data (including, in some cases, personal data), and may provide business critical software and analytics necessary for our customers' operations. Guidewire develops, implements, and maintains cybersecurity measures designed to safeguard our products and protect the confidentiality, integrity, and availability of our customer data and our confidential information.

**Risk Management and Strategy**

We have developed and implemented a cybersecurity risk management program intended to protect the confidentiality, integrity, and availability of our critical systems, information, and products. Our cybersecurity risk management program includes a cybersecurity incident response plan.

We maintain various internationally recognized security certifications and aim to adopt best practices from industry-leading frameworks and standards for cybersecurity and cloud computing, including, without limitation, ISO 27001 certification, SOC 2, U.S. NIST Cybersecurity Framework (CSF), and the CIS Critical Security Controls. This does not imply that we have met any particular technical standards, specifications, or requirements, only that we use these frameworks, industry best practices, and standards as a guide to help us identify, assess, and manage cybersecurity risks relevant to our business.

Our cybersecurity risk management program is integrated into our overall enterprise risk management program, and shares common methodologies, reporting channels and governance processes that apply across the enterprise risk management program to other legal, compliance, strategic, operational, and financial risk areas.

Our cybersecurity risk management program includes:

- risk assessments designed to help identify material cybersecurity risks to our critical systems, information, products, and our broader enterprise IT environment;
- an enterprise-wide security team principally responsible for managing our cybersecurity risk assessment processes, implementing and maintaining our security controls, and responding to cybersecurity incidents;
- the use of external service providers, where appropriate, to assess, test or otherwise assist with aspects of our security controls;
- cybersecurity awareness training of our employees, including incident response personnel, product development personnel, and senior management;
- a cybersecurity incident response plan that includes procedures for responding to cybersecurity incidents; and
- a third-party risk management process for service providers, suppliers, and vendors, including, among others, vetting, periodic monitoring, and the implementation of contractual safeguards to ensure adherence to our cybersecurity standards.

We have not identified risks from known cybersecurity threats to date, including as a result of any prior cybersecurity incidents, that have materially affected or are reasonably likely to materially affect us, including our operations, business strategy, results of operations, or financial condition. However, we face ongoing cybersecurity risks, including threats that might become more sophisticated and effective over time, and we cannot anticipate when or the extent to which cybersecurity breaches will materially affect the Company. Additional information on the cybersecurity risks we face is discussed in Part I, Item 1A, "Risk Factors."

**Governance**

Our Board, by way of our Risk Committee, oversees management of cybersecurity and other information technology risks. The Risk Committee receives periodic reports from management on our cybersecurity risks and control structure. In addition, management updates the Risk Committee, as necessary, regarding cybersecurity incidents.

The Risk Committee reports to the full Board regarding its activities, including those related to cybersecurity. The full Board also receives briefings from management on our cybersecurity risk management program. Board members receive reports on cybersecurity risks from our Chief Information Security Officer (“CISO”), internal security staff and/or external experts as part of the Board’s continuing education on topics that impact public companies.

Our management team, including our CISO, is responsible for assessing and managing our material risks from cybersecurity threats. The team has primary responsibility for our overall cybersecurity risk management program and supervises both our internal cybersecurity personnel and our retained external cybersecurity consultants. Our CISO has over 20 years of experience in the technology sector, including 18 years dedicated to information security. He has held multiple executive security roles in a large Fortune 500 company, overseeing product security, mergers and acquisitions security, marketplace security, and enterprise security. He holds a Bachelor of Science in Information Systems Management and a Masters of Business Administration.

Our management team will periodically receive information on our cybersecurity program designed to prevent, detect, mitigate, and remediate cybersecurity risks and incidents through various means, which may include periodic briefings from internal security personnel; threat intelligence and other information obtained from governmental, public or private sources, including external consultants engaged by us; and alerts and reports produced by security tools deployed in our information technology environment.

## **Item 2. Properties**

Our corporate headquarters in San Mateo, California consists of approximately 79,000 square feet of space leased through June 2027. Our European headquarters in Dublin, Ireland consists of approximately 85,000 square feet of space leased through March 2032. As of July 31, 2024, we also lease facilities for our sales, services, development, operations and administrative activities in various locations in the United States and around the world, including in the Americas, Europe, and Asia-Pacific.

We believe that our facilities are suitable to meet our current needs. In the future, we may expand our facilities or add new facilities as we add employees and enter new geographic markets, and we believe that suitable additional or alternative space will be available as needed to accommodate any such growth. We expect to incur additional expenses in connection with any such new or expanded facilities.

## **Item 3. Legal Proceedings**

From time to time we are involved in legal proceedings that arise in the ordinary course of our business. Any such proceedings, whether meritorious or not, could be time consuming, costly, and result in the diversion of significant operational resources and/or management time.

Although the outcomes of legal proceedings are inherently difficult to predict, we are not currently involved in any legal proceeding in which the outcome, in our judgment based on information currently available, is likely to have a material adverse effect on our business or financial position.

As described in Note 8 “Commitments and Contingencies” to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K, which is incorporated by reference herein, we are not party to any material pending legal proceedings.

## **Item 4. Mine Safety Disclosures**

Not applicable.

## PART II

### **Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities**

Our common stock is listed on the New York Stock Exchange under the symbol “GWRE.”

On July 31, 2024, the last reported sale price of our common stock on the New York Stock Exchange for fiscal year 2024 was \$150.07 per share. As of July 31, 2024, we had 32 holders of record of our common stock. The actual number of stockholders is greater than this number of record holders, and includes stockholders who are beneficial owners, but whose shares are held in street name by brokers and other nominees. This number of holders of record also does not include stockholders whose shares may be held in trust by other entities.

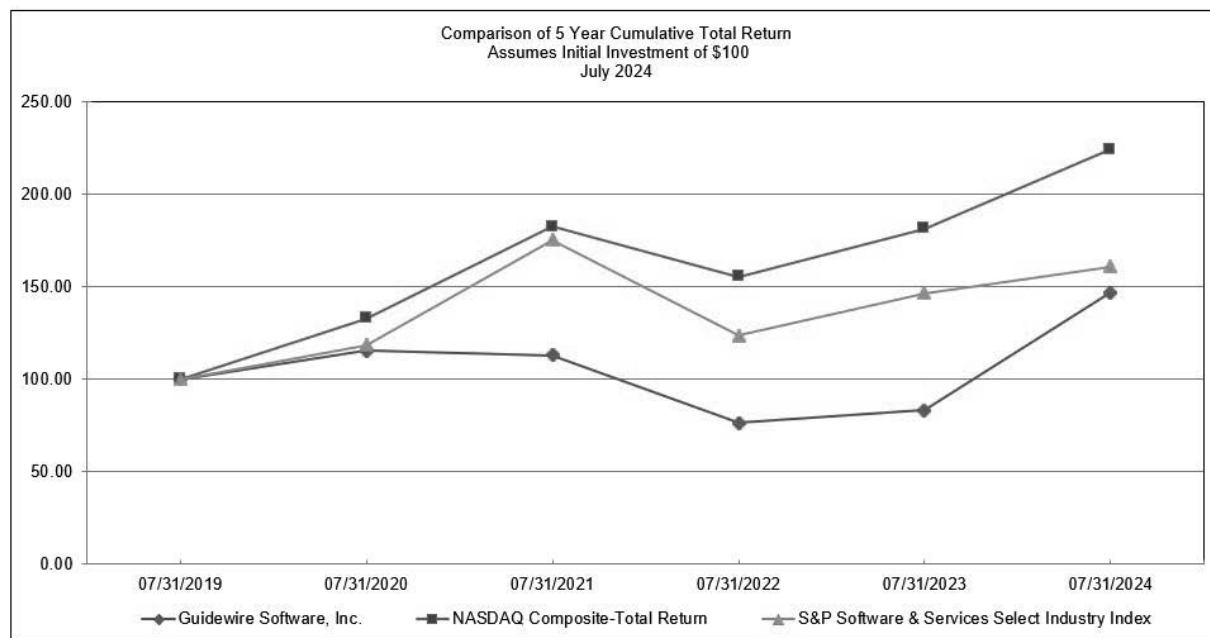
We have never declared or paid, and do not anticipate declaring or paying, any cash dividends on our common stock. Any future determination as to the declaration and payment of dividends, if any, will be at the discretion of our board of directors and will depend on then existing conditions, including our financial condition, operating results, contractual restrictions, capital requirements, business prospects, and other factors our board of directors may deem relevant.



## Performance Graph

This performance graph shall not be deemed “soliciting material” or to be “filed” with the Securities and Exchange Commission for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities under that Section, and shall not be deemed to be incorporated by reference into any of our filings under the Securities Act of 1933 or the Exchange Act.

The following graph shows a comparison of the cumulative total return for our common stock, the NASDAQ Composite-Total Return Index and S&P Software & Services Select Industry Index for the period from July 31, 2019 through July 31, 2024. Such returns are based on historical results and are not intended to suggest future performance. Data for the NASDAQ Composite Total Return Index and S&P Software & Services Select Industry Index assume reinvestment of dividends.



	<u>7/31/2019</u>	<u>7/31/2020</u>	<u>7/31/2021</u>	<u>7/31/2022</u>	<u>7/31/2023</u>	<u>7/31/2024</u>
Guidewire Software, Inc.	\$ 100.00	\$ 115.26	\$ 112.85	\$ 76.14	\$ 83.08	\$ 146.97
NASDAQ Composite-Total Return Index	\$ 100.00	\$ 132.78	\$ 182.62	\$ 155.31	\$ 181.43	\$ 224.29
S&P Software & Services Select Industry Index	\$ 100.00	\$ 118.37	\$ 175.17	\$ 123.67	\$ 146.47	\$ 160.93

## Unregistered Sales of Equity Securities and Use of Proceeds from Registered Securities

None.

**Item 6. [Reserved]**

**Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations**

*The following discussion and analysis should be read in conjunction with our consolidated financial statements and the related notes thereto included in Item 8 and the Risk Factors included in Item 1A of Part I of this Annual Report on Form 10-K. All information presented herein is based on our fiscal calendar. Unless otherwise stated, references in this Annual Report on Form 10-K to particular years or quarters refer to our fiscal years ended in July and the associated quarters of those fiscal years. We assume no obligation to revise or update any forward-looking statements for any reason, except as required by law.*

*We have elected to omit discussion on the earliest of the three years covered by the consolidated financial statements presented. Refer to Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations located in our Form 10-K for the fiscal year ended July 31, 2023, filed on September 18, 2023, for reference to discussion of the fiscal year ended July 31, 2022, the earliest of the three fiscal years presented.*

**Overview**

Guidewire is the platform that property and casualty (“P&C”) insurers trust to engage, innovate, and grow efficiently. Our core systems leverage data and analytics, digital, and artificial intelligence (“AI”). As a partner to our customers, we continually evolve to enable their success and assist them in navigating a rapidly changing insurance market.

Our core products are InsuranceSuite Cloud, InsuranceNow, and InsuranceSuite for self-managed installations. These products are transactional systems of record that support the entire insurance lifecycle, including insurance product definition, distribution, underwriting, policyholder services, and claims management. We also sell digital engagement and analytics products. Our digital engagement products enable digital sales, omnichannel service, and enhanced claims experiences for policyholders, agents, vendor partners, and field personnel. Our analytics offerings enable insurers to manage data more effectively, gain insights into their business, drive operational efficiencies, and underwrite new and evolving risks. To support P&C insurers globally, we have localized, and will continue to localize, our suite of products for use in a variety of international regulatory, language, and currency environments.

InsuranceSuite Cloud is a highly configurable and scalable product, delivered as a service, and primarily comprised of three core applications (PolicyCenter Cloud, BillingCenter Cloud, and ClaimCenter Cloud) that can be subscribed to separately or together. These applications are built on and optimized for our Guidewire Cloud Platform (“GWCP”) architecture and leverage our in-house cloud operations team. InsuranceSuite Cloud is designed to support multiple releases each year to ensure that cloud customers remain on the latest version and gain fast access to our innovation efforts. Additionally, InsuranceSuite Cloud embeds digital and analytics capabilities natively into our platform. Most new sales and implementations are for InsuranceSuite Cloud.

InsuranceNow is a complete, cloud-based application that offers policy, billing, and claims management functionality, plus pre-integrated document production, analytics, and other capabilities, that increases agility without adding complexity. InsuranceNow is hosted on AWS and managed by our internal cloud operations team.

InsuranceSuite for self-managed installations is comprised of three core applications (PolicyCenter, BillingCenter, and ClaimCenter) that can be licensed separately or together and can be deployed and updated by our customers and their implementation partners.

Our customers range from some of the largest global insurance companies or their subsidiaries to predominantly national or local insurers that serve specific states and/or regions. Our customer engagement is led by our direct sales team and supported by our system integrator (“SI”) partners. We maintain and continue to grow our sales and marketing efforts globally, and maintain regional sales centers throughout the world.

Because our platform is critical to our new and existing customers’ businesses, their decision-making and product evaluation process is thorough, which often results in an extended sales cycle. These evaluation periods can extend further if a customer purchases multiple products or is considering a move to a cloud-based subscription for the first time. Sales to new customers often involve extensive customer due diligence and reference checks. The success of our sales efforts relies on continued improvements and enhancements to our current products, the introduction of new products, efficient operation of our cloud infrastructure, continued development of relevant local content and automated tools for updating content, and successful implementations and migrations.

We sell our suite of products through subscription services for our platform and cloud-delivered products and term licenses for our self-managed products. We generally price our products based on the amount of Direct Written Premium (“DWP”) that will be managed by our products. Our subscription, term license, and support fees are typically invoiced annually in advance. Subscription services are generally sold with an initial term of between three and five years with optional annual renewals commencing after the initial term. Subscription revenue is recognized on a ratable basis over the committed term, once all revenue recognition criteria are met including providing access to the service. Term licenses are primarily sold to existing on-premise customers and are typically an initial commitment with optional renewals thereafter. We may enter into term license arrangements with our customers that have an initial term of more than one year or may renew license arrangements for longer than one year. Term license revenue is typically recognized when software is made available to the customer, provided that all other revenue recognition criteria have been met. Our support revenue is generally recognized ratably over the committed support term of the licensed software. Our support fees are typically priced as a fixed percentage of the associated license fees. We also offer professional services, both directly and through SI partners, to help our customers deploy, migrate, and utilize our platform and suite of products. A majority of our services revenue is billed monthly on a time and materials basis.

Over the past few years, we have primarily been entering into cloud-based subscription arrangements with our new and existing customers, and we anticipate that subscription arrangements will be a significant majority of annual new sales going forward. We may decide to change certain contract terms in new arrangements to remain competitive or otherwise meet market demands which may impact the way we recognize revenue and/or ARR.

To extend our technology leadership in the global market and to drive operating efficiency, we continue to invest in product development and cloud operations to enhance and improve our current products, introduce new products, and advance our ability to securely and cost-effectively deliver our services in the cloud. Continued investment is critical as we seek to assist our customers in achieving their technology goals, maintain our competitive advantage, grow our revenue, expand internationally, and meet evolving customer demands. In certain cases, we may also acquire skills and technologies to manage our cloud infrastructure and accelerate our time to market for new products, solutions, and upgrades.

Our track record of success with customers and their implementations is central to maintaining our strong competitive position. We rely on our global services team and SI partners to ensure that teams with the right combination of product, business, and language skills are used in the most efficient way to meet our customers’ implementation and migration needs. We have extensive relationships with SI, consulting, technology, and other industry partners. Our network of partners has expanded as interest in and adoption of our platform has grown. We encourage our partners to co-market, pursue joint sales initiatives, and drive broader adoption of our technology, helping us grow our business more efficiently and enabling us to focus our resources on continued innovation and further enhancement of our solutions.

We work closely with our network of third-party SI partners to facilitate new sales and implementations of our products. Our partnership with leading SI partners allows us to increase efficiency and scale while reducing customer implementation and migration costs. We continue to invest time and resources to increase the number of qualified consultants employed by our SI partners, develop relationships with new partners in existing and new markets, and ensure that all SI partners are qualified to assist with implementing our products. We believe this model will continue to serve us well, and we intend to continue to expand our network of partners and the number of certified consultants with whom we work so we can leverage our SI partners more effectively, especially for future subscription migrations and implementations.

We face a number of risks in the execution of our strategy, including, but not limited to, risks related to expanding to new markets, managing lengthy sales cycles, competing effectively in the global market, relying on sales to a relatively small number of large customers, developing new or acquiring existing products successfully, making long-term pricing commitments in our customer contracts based on available information and estimates about our future costs that may change, increasing the overall market acceptance of our cloud-based products, maintaining customer satisfaction and renewals of our products, and cost-effectively and securely managing the infrastructure of our cloud-based customers. In response to these and other risks we might face, we continue to invest in many areas of our business, including product development, cloud operations, cybersecurity, introduction of new products and/or new features, implementation and migration services, and sales and marketing.

### **Seasonality**

We have experienced seasonal variations in our license revenue and, to a lesser extent, in our subscription revenue as a result of increased customer orders in our fourth fiscal quarter, which is the quarter ending July 31. We generally see significantly increased orders in our fourth fiscal quarter, due to efforts by our sales team to achieve annual incentives. Because we recognize revenue upfront for term licenses compared to over time for subscription services, changes in the mix between term license and subscription services may impact our quarterly results. Additionally, any significant multi-year term license or

term license non-renewal could impact quarterly results. Subscription sales now represent the significant majority of total sales and, as a result when compared to term license sales, the revenue we recognize in the initial fiscal year of an order is lower, deferred revenue is higher, and our total reported revenue growth may be adversely affected in the near term due to the ratable nature of these arrangements. Over time, this ratable revenue dynamic will dampen the impact of seasonality on our revenue.

Our services revenue is also subject to seasonal fluctuations, though to a lesser degree than our license revenue and subscription revenue. Our services revenue is impacted by the number of billable days in a given fiscal quarter. Our second fiscal quarter, which is the quarter ending January 31, usually has fewer billable days due to the impact of calendar year end holidays in Europe and the United States. Our fourth fiscal quarter usually has fewer billable days due to the impact of vacations taken by our services professionals. Because we pay our services professionals the same amount throughout the year, our gross margins on our services revenue are usually lower in these quarters. This seasonal pattern, however, may be absent in any given year.

## **Global Events**

Global events have adversely affected and may continue to adversely affect workforces, organizations, economies, and financial markets globally, leading to economic downturns, inflation, and increased market volatility. For instance, ongoing conflicts such as the wars between Israel and Hamas and between Russia and Ukraine, escalating tensions in the South China Sea, inflation, previous bank failures in the United States and Switzerland, and supply chain issues have contributed to global economic and market volatility in recent years. We are unable to accurately predict the full impact that these global events will have on our results of operations, financial condition, liquidity, and cash flows due to numerous uncertainties.

Our business and financial results have been and may in the future be impacted due to these disruptions, which may affect our ARR and revenue growth rates, sales cycles, services revenue and margins, operating cash flow and expenses, employee attrition, hiring and onboarding necessary personnel, allowance for collectibility of accounts receivable and unbilled receivables, and the change in fair value of strategic investments. Additionally, inflation levels are impacting the global economy and have magnified the impact of these disruptions.

Our customers may be unable to pay or may request amended payment terms for their outstanding invoices due to the economic impacts from these disruptions, and we may need to increase our accounts receivable allowances. A decrease in orders in a given period could negatively affect our revenue and ARR in future periods, particularly if experienced on a sustained basis, because a substantial proportion of our new software subscription services orders is recognized as revenue over time. Also, the global economic impact of these disruptions could affect our customers' DWP, which could ultimately impact our revenue as we generally price our products based on the amount of DWP that will be managed by our products. As a result of these developments and the related economic impact to our business, we may be required to record impairment related to our operating lease assets, investments, long-lived assets, intangible assets, or goodwill.

We will continue to monitor and evaluate the nature and extent of these global events on our business.

## Key Business Metrics

We use certain key metrics and financial measures not prepared in accordance with United States Generally Accepted Accounting Principles (“GAAP”) to evaluate and manage our business, including ARR and free cash flow. For a further discussion of how we use key metrics and certain non-GAAP financial measures, see “Non-GAAP Financial Measures” in this Annual Report on Form 10-K.

### *Annual Recurring Revenue (“ARR”)*

We use ARR to quantify the annualized recurring value outlined in active customer contracts at the end of a reporting period. ARR includes the annualized recurring value of term licenses, subscription agreements, support contracts, and hosting agreements based on customer contractual terms and invoicing activities for the current reporting period, which may not be the same as the timing and amount of revenue recognized. ARR reflects all fee changes due to contract renewals, non-renewals, expansion, cancellations, attrition, or renegotiations at a higher or lower fee arrangement that are effective as of the ARR reporting date. All components of the licensing and other arrangements that are not expected to recur (primarily perpetual licenses and professional services) are excluded from our ARR calculations. In some arrangements with multiple performance obligations, a portion of recurring license and support or subscription contract value is allocated to services revenue for revenue recognition purposes, but does not get allocated for purposes of calculating ARR. This revenue allocation generally only impacts the initial term of the contract. This means that if we increase arrangements with multiple performance obligations that include services at discounted rates, more of the total contract value would be recognized as services revenue, but our reported ARR amount would not be impacted. In fiscal year 2024, the recurring license and support or subscription contract value recognized as services revenue was \$10.7 million.

If a customer contract contains invoicing amounts that increase over the contract term, then ARR reflects the annualized invoicing amount outlined in the contract for the current reporting period. For example, given a contract with annual invoicing of \$1.0 million at the beginning of year one, \$2.0 million at the beginning of year two, and \$3.0 million at the beginning of year three, and the reporting period is subsequent to year two invoicing and prior to year three invoicing, the reported ARR for that contract would be \$2.0 million.

As of July 31, 2024, ARR was \$864 million, or \$872 million based on currency exchange rates as of July 31, 2023. We measure ARR results on a constant currency basis during the fiscal year and revalue ARR at year end to current currency rates. ARR grew in fiscal year 2024 by 13%, or 14% on a constant currency basis.

### *Free Cash Flow*

We monitor our free cash flow as a key measure of our overall business performance, which enables us to analyze our financial performance without the effects of certain non-cash items such as depreciation, amortization, and stock-based compensation expenses. Additionally, free cash flow takes into account the impact of changes in deferred revenue, which reflects the receipt of cash payment for products before they are recognized as revenue, and unbilled accounts receivable, which reflects revenue that has been recognized that has yet to be invoiced to our customers. Our net cash provided by (used in) operating activities is significantly impacted by the timing of invoicing and collections of accounts receivable, the timing and amount of annual bonus payments, as well as payroll and tax payments. Our capital expenditures consist of purchases of property and equipment, primarily computer hardware, software, and leasehold improvements, and capitalized software development costs. Free cash flow improved in fiscal year 2024 from fiscal year 2023 primarily due to our lower net loss and increased cash collections from customers. For a further discussion of our operating cash flows, see “Liquidity and Capital Resources – Cash Flows.”

	Fiscal years ended July 31,	
	2024	2023
	(in thousands)	
Net cash provided by (used in) operating activities	\$ 195,748	\$ 38,395
Purchases of property and equipment	(6,362)	(5,821)
Capitalized software development costs	(12,165)	(11,606)
Free cash flow	<u>\$ 177,221</u>	<u>\$ 20,968</u>

## **Critical Accounting Policies and Estimates**

Our consolidated financial statements are prepared in accordance with GAAP. Accounting policies, methods, and estimates are an integral part of the preparation of our consolidated financial statements in accordance with GAAP and, in part, are based upon management's current judgments. Those judgments are normally based on knowledge and experience with regard to past and current events and assumptions about future events. Certain accounting policies, methods, and estimates are particularly sensitive because of their significance to our consolidated financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments. While there are a number of significant accounting policies, methods, and estimates affecting our consolidated financial statements, which are described in Note 1 "The Company and a Summary of Significant Accounting Policies and Estimates" to our consolidated financial statements included in this Annual Report on Form 10-K, our revenue recognition policies are critical to the periods presented.

### ***Revenue Recognition***

Revenue recognition requires judgment and the use of estimates, especially in identifying and evaluating the various non-standard terms and conditions in our contracts with customers as to their effect on reported revenue.

Our revenue is derived from contracts with customers. The majority of our revenue is derived from subscriptions to our cloud services, licensing arrangements for our software, and implementation and other professional services arrangements. We account for revenue in accordance with Accounting Standards Codification 606, Revenue from Contracts with Customers ("ASC 606"). The core principle of ASC 606 is to recognize revenue upon the transfer of services or products to customers in an amount that reflects the consideration we expect to be entitled to in exchange for those services or products. We apply a five-step framework to recognize revenue as described in our Revenue Recognition policy included in Note 1 of our consolidated financial statements included in this Annual Report on Form 10-K.

Our customers have significant negotiating power during the sales process, which can and does result in terms and conditions that are different from our standard terms and conditions. When terms and conditions of our customer contracts are not standard, certain negotiated terms may require significant judgment in order to determine the appropriate revenue recognition in accordance with ASC 606.

The estimates and assumptions requiring significant judgment under our revenue policy in accordance with ASC 606 are as follows:

#### ***Allocation of the transaction price to the performance obligations in the contract***

If the contract contains a single performance obligation, the entire transaction price is allocated to the single performance obligation. Contracts that contain multiple performance obligations require an allocation of the transaction price to each performance obligation based on its standalone selling price ("SSP") in relation to the total fair value of all performance obligations in the arrangement. Some of our performance obligations, such as support, implementation services, and training services, have observable inputs that are used to determine the SSP of those distinct performance obligations. Where SSP is not directly observable, we determine the SSP using information that may include market conditions and other observable inputs. In the circumstances when available information to determine SSP is highly variable or uncertain, such as for our term licenses, we will use the residual method.

The majority of our contracts contain multiple performance obligations, such as when licenses are sold with support, implementation services or training services. As customers enter into a subscription agreement to migrate from an existing term license agreement, customers may be under contract for self-managed licenses and support, in addition to subscription services, for a period of time, which may require an allocation of the transaction price to each performance obligation. New and migration subscription agreements also typically include implementation, configuration, and training services, which may require an allocation of the transaction price to each performance obligation.

Additionally, contract modifications for products that are distinct but are not priced commensurate with their SSP or are not distinct from the existing contract may affect the initial transaction price or the allocation of the transaction price to the performance obligations in the contract. In such cases, revenue recognized may be adjusted.

### **Recent Accounting Pronouncements**

See Note 1 "The Company and Summary of Significant Accounting Policies and Estimates" to our consolidated financial statements included in this Annual Report on Form 10-K for a full description of recent accounting pronouncements adopted, including the dates of adoption, and recent accounting pronouncements not yet adopted.

## Results of Operations

The following table sets forth our results of operations for the years presented. The data has been derived from the consolidated financial statements contained in this Annual Report on Form 10-K. The results of operations for any period should not be considered indicative of results for any future period.

	Fiscal years ended July 31,			
	2024	As a % of total revenue	2023	As a % of total revenue
(in thousands except percentages)				
Revenue:				
Subscription and support	\$ 549,087	56 %	\$ 429,667	48 %
License	250,176	26	265,593	29
Services	181,234	18	210,081	23
Total revenue	980,497	100	905,341	100
Cost of revenue:				
Subscription and support	204,794	21	210,507	23
License	4,536	—	6,488	1
Services	187,806	19	230,135	25
Total cost of revenue	397,136	40	447,130	49
Gross profit:				
Subscription and support	344,293	35	219,160	25
License	245,640	26	259,105	28
Services	(6,572)	(1)	(20,054)	(2)
Total gross profit	583,361	60	458,211	51
Operating expenses:				
Research and development	269,381	27	249,746	27
Sales and marketing	199,033	20	188,224	21
General and administrative	167,520	17	169,731	19
Total operating expenses	635,934	64	607,701	67
Income (loss) from operations	(52,573)	(4)	(149,490)	(16)
Interest income	43,478	4	24,389	3
Interest expense	(6,738)	(1)	(6,716)	(1)
Other income (expense), net	(11,005)	(1)	(2,277)	—
Income (loss) before provision for (benefit from) income taxes	(26,838)	(2)	(134,094)	(14)
Provision for (benefit from) income taxes	(20,735)	(3)	(22,239)	(3)
Net income (loss)	\$ (6,103)	(1)%	\$ (111,855)	(11)%

## Comparison of the Fiscal Years Ended July 31, 2024 and 2023

### Revenue

We derive our revenue primarily from delivering cloud-based services, licensing our software applications, providing support, and delivering professional services.

### Subscription and Support

A growing portion of our revenue consists of fees for our subscription services, which are generally priced based on the amount of DWP that is managed by our subscription services. Subscription revenue is recognized ratably over the term of the arrangement, beginning at the point in time our provisioning process has been completed and access has been made available to the customer. The initial term of such arrangements is generally from three to five years. Subscription agreements contain optional annual renewals commencing upon the expiration of the initial contract term. A majority of our subscription customers are billed annually in advance. In some arrangements with multiple performance obligations, a portion of recurring subscription contract value may be allocated to

license revenue or services revenue for revenue recognition purposes. For example, in arrangements with multiple performance obligations that include services at discounted rates, a portion of the total contract value related to subscription services will be allocated and recognized as services revenue. Additionally, agreements to migrate an existing term license customer to subscription services contain multiple performance obligations, including a provision to continue using the term license during the subscription service implementation period. Under these migration agreements, a portion of the total contract value related to subscription services could be allocated and recognized as term license and support revenue in the period renewed or delivered.

Our support revenue is generally recognized ratably over the committed support term of the licensed software. Our support fees are typically priced as a fixed percentage of the associated term license fees. We generally invoice support annually in advance. Support related to subscription arrangements is included in subscription revenue, as support is not quoted or priced separately from the subscription services.

#### *License*

A substantial majority of our license revenue consists of term license fees. Our term license revenue is primarily generated through license fees that are billed annually in advance during the term of the contract, including any renewals. Our term license fees are generally priced based on the amount of DWP that will be managed by our licensed software. Our term licenses are sold under an initial term with optional annual renewals after the initial term. Term license revenue for the committed term of the customer agreement is generally fully recognized upon delivery of the software or at the beginning of the renewal term. We do enter into license arrangements that have an initial term of two or more years and renewal terms of more than one year which results in significantly higher revenue in the initial year of the committed term than arrangements for our subscription services

#### *Services*

Our services revenue is primarily derived from implementation and migration services performed for our customers, reimbursable travel expenses, and training fees. A majority of our services engagements are billed and revenue is recognized on a time and materials basis upon providing our services.

	Fiscal years ended July 31,				Change	
	2024		2023			
	Amount	As a % of total revenue	Amount	As a % of total revenue	(\$)	(%)
(in thousands, except percentages)						
Revenue:						
Subscription and support:						
Subscription	\$ 477,460	49 %	\$ 352,145	39 %	\$ 125,315	36 %
Support	71,627	7	77,522	9	(5,895)	(8)
License:						
Term license	248,849	26	265,389	29	(16,540)	(6)
Perpetual license	1,327	—	204	—	1,123	550
Services	181,234	18	210,081	23	(28,847)	(14)
Total revenue	<u>\$ 980,497</u>	<u>100 %</u>	<u>\$ 905,341</u>	<u>100 %</u>	<u>\$ 75,156</u>	<u>8 %</u>

#### *Subscription and Support*

We anticipate subscriptions will continue to represent a significant majority of new arrangements, including customers migrating from existing term license arrangements to subscription services, in future periods. Due to the ratable recognition of subscription revenue, growth in subscription revenue will lag behind the growth of subscription orders and will impact the comparative growth of our reported revenue on a year-over-year basis. If we complete a higher percentage of subscription arrangements towards the end of a given period, our short-term growth rates will be negatively impacted. Due to the seasonal nature of our business, the impact of new subscription orders in our fourth fiscal quarter, our historically largest quarter for new orders, is not fully reflected in revenue until the following fiscal year.

Subscription revenue increased by \$125.3 million compared to the prior year primarily due to the impact of new subscription agreements and cloud transition agreements entered into and provisioned since July 31, 2023 of \$101.0 million, and the renewal or extension of subscription services at the fully ramped annual fees after the initial committed term of \$24.9 million.



Support revenue decreased by \$5.9 million compared to the prior year, primarily due to customers migrating from on-premise term licenses to subscription services. Support related to subscription arrangements is included in subscription revenue, as support is not quoted or priced separately from the subscription services. As customers enter into a subscription agreement to migrate from an existing term license agreement, the timing and amount of revenue recognized will be impacted by allocations of the total contract value between the license, subscription, and support performance obligations. As a result, we expect the increase in subscription orders as a percentage of total new sales and customers migrating from term licenses to subscription services will result in lower support revenue in the future.

#### *License*

Revenue related to new term licenses and multi-year term license renewals is generally recognized upfront and, as a result, no additional license revenue is recognized until after the committed term expires. As a customer enters into a subscription agreement to migrate from an existing term license agreement, the timing and amount of revenue recognition will be impacted by allocations of total contract value between license, subscription, and support performance obligations. License revenue growth has and will be negatively impacted as subscription sales increase as a percentage of total new sales and as customers migrate from term licenses to subscription services instead of renewing their term licenses.

Term license revenue decreased by \$16.5 million compared to the prior year primarily due to agreements that migrated from a term license to a subscription service in the prior year, partially offset by higher renewals and expansion orders within our existing customer base. Ongoing revenue related to migration agreements is recorded as subscription revenue. The impact on term license revenue from contracts with an initial term of greater than two years or a renewal term of greater than one year was \$2.7 million during fiscal year 2024, as compared to \$7.6 million in the prior year.

#### *Services*

Services revenue decreased by \$28.8 million compared to the prior year. Services revenue was impacted by the completion of implementations, partially offset by an increase from new and existing subscription implementation and migration projects. Services revenue overall continues to be impacted by contracts with lower average services billing rates and investments in customer implementations, including fixed fee or capped arrangements, to accelerate customer transition to the cloud. In these arrangements when a project extends longer than originally anticipated, the average billing rate we recognize may decrease, which can result in revenue adjustments and lower gross profit. Additionally, our SI partners are leading more new subscription implementation and migration projects than in the past.

As we successfully leverage our SI partners to lead more implementations and migrations, we expect our services revenue could be flat or decline in the near-term. As we continue to expand into new markets and develop new products, we have, and may continue to, enter into contracts with lower average billing rates, make investments in customer implementation and migration engagements, and enter into fixed price contracts, which may impact services revenue and services margin.

#### ***Cost of Revenue and Gross Profit***

Our cost of subscription and support revenue primarily consists of personnel costs for our cloud operations and technical support teams, cloud infrastructure costs, development of online training curriculum, amortization of intangible assets, and royalty fees paid to third parties. Our cost of license revenue primarily consists of development of online training curriculum, royalty fees paid to third parties, and amortization of intangible assets. Our cost of services revenue primarily consists of personnel costs for our professional service employees, third-party subcontractors or consultants, and travel costs. In instances where we have primary responsibility for the delivery of services, subcontractor fees are expensed as cost of services revenue. In each case, personnel costs include salaries, bonuses, benefits, and stock-based compensation.

We allocate overhead such as information technology infrastructure and software expenses, information security infrastructure and software expenses, and facilities expenses to all functional departments based on headcount. As such, these general overhead expenses are reflected in cost of revenue and each functional operating expense.

## Cost of Revenue:

	Fiscal years ended July 31,				Change	
	2024		2023		(\$)	(%)
	Amount	As a % of total revenue	Amount	As a % of total revenue		
(In thousands, except percentages)						
Cost of revenue:						
Subscription and support	\$ 204,794	21 %	\$ 210,507	23 %	\$ (5,713)	(3)%
License	4,536	—	6,488	1	(1,952)	(30)
Services	187,806	19	230,135	25	(42,329)	(18)
<b>Total cost of revenue</b>	<b>\$ 397,136</b>	<b>40 %</b>	<b>\$ 447,130</b>	<b>49 %</b>	<b>\$ (49,994)</b>	<b>(11)%</b>
Includes stock-based compensation of:						
Cost of subscription and support revenue	\$ 13,425		\$ 14,073		\$ (648)	
Cost of license revenue	186		463		(277)	
Cost of services revenue	19,013		19,257		(244)	
<b>Total</b>	<b>\$ 32,624</b>		<b>\$ 33,793</b>		<b>\$ (1,169)</b>	

The \$5.7 million decrease in cost of subscription and support revenue was primarily due to decreases in professional services of \$5.2 million, personnel costs of \$4.1 million due to lower headcount, and amortization of intangibles of \$1.4 million due to certain acquired intangible assets being fully amortized. These decreases were partially offset by increases in royalties of \$1.9 million, cloud infrastructure expense of \$1.8 million for our growing cloud usage and customer base, and internal-use software amortization of \$1.3 million.

Cloud hosting costs are benefiting from the efficiencies that we are achieving from our development efforts associated with our GWCP platform and the cost benefits associated with the five-year agreement with a cloud infrastructure services provider that was entered into in the second quarter of fiscal year 2023. As a result of efficiencies that we are seeing from our previous investments in cloud operations and development efforts, we are critically evaluating headcount additions, professional services contracts, and third-party software costs, along with other investment opportunities. However, we expect cost of subscription and support revenue to increase in absolute dollars due to the increased number of customers utilizing our cloud services, the volume of transactions by our cloud customers, and the impact of inflation and other macroeconomic events.

The \$2.0 million decrease in our cost of license revenue was primarily due to a decrease in personnel costs associated with the development of online training curriculum included with the latest releases of InsuranceSuite of \$1.6 million and royalties of \$0.4 million.

We continue to anticipate lower cost of license revenue over time as our term license customers transition to cloud subscription agreements.

The \$42.3 million decrease in cost of services revenue was primarily due to decreases in subcontractor expenses of \$44.4 million, and software subscriptions, travel expenses, professional services, and web hosting costs of \$1.3 million. These decreases were partially offset by an increase in personnel expenses of \$3.4 million, which includes severance payments of \$3.3 million.

We had 613 cloud operations and technical support employees and 750 professional service employees as of July 31, 2024 compared to 648 cloud operations and technical support employees and 784 professional services employees as of July 31, 2023.

## Gross Profit

	Fiscal years ended July 31,				Change	
	2024		2023		(\$)	(%)
	Amount	Margin %	Amount	Margin %		
(In thousands, except percentages)						
Gross profit:						
Subscription and support	\$ 344,293	63 %	\$ 219,160	51 %	\$ 125,133	57 %
License	245,640	98	259,105	98	(13,465)	(5)
Services	(6,572)	(4)	(20,054)	(10)	13,482	(67)
Total gross profit	<u>\$ 583,361</u>	59 %	<u>\$ 458,211</u>	51 %	<u>\$ 125,150</u>	27 %

Our gross profit increased by \$125.2 million compared to the prior year. Gross profit was impacted by an increase in subscription and support gross profit due to the increase in subscription revenue and cloud operations efficiencies. License gross profit decreased as a result of lower revenue primarily from our customers migrating from licenses to cloud subscriptions. The decrease in license gross profit was offset by lower services negative margin.

Our gross margin increased to 59% in fiscal year 2024, as compared to 51% in fiscal year 2023. Gross margin was primarily impacted by the increase in subscription and support revenue at a higher margin due to cloud operations efficiencies and lower services negative margin.

We expect subscription and support gross margin to continue to improve, though at a slower rate than in fiscal year 2024, over the next several years as we gain additional efficiencies and increase the number of cloud customers. We expect services gross margin will improve as we lower our reliance on subcontractors and enter into fewer fixed fee arrangements. We expect license gross profit and license gross margin to decline based on changes in revenue due to customers migrating from licenses to subscription services, the timing of delivery of new multi-year term licenses and the execution of multi-year term license renewals, as cost of license revenue is expected to be relatively consistent from period to period in the future. Overall, we expect gross margins to continue to improve over time as improvements in subscription and support gross margin and services gross margin will more than offset the negative impact of revenue shifts away from high margin license revenue.

## Operating Expenses

Our operating expenses consist of research and development, sales and marketing, and general and administrative expenses. The largest components of our operating expenses are personnel costs for our employees and, to a lesser extent, professional services. In each case, personnel costs include salaries, bonuses, commissions, benefits, and stock-based compensation.

We allocate overhead such as information technology infrastructure and software expenses, information security infrastructure and software expenses, and facilities expenses to all functional departments based on headcount. As such, these general overhead expenses are reflected in cost of revenue and each functional operating expense.

	Fiscal years ended July 31,				Change	
	2024		2023		(\$)	(% )
	Amount	As a % of total revenue	Amount	As a % of total revenue		
(In thousands, except percentages)						
Operating expenses:						
Research and development	\$ 269,381	27 %	\$ 249,746	28 %	\$ 19,635	8 %
Sales and marketing	199,033	20	188,224	21	10,809	6
General and administrative	167,520	17	169,731	19	(2,211)	(1)
Total operating expenses	<u>\$ 635,934</u>	64 %	<u>\$ 607,701</u>	68 %	<u>\$ 28,233</u>	5 %
Includes stock-based compensation of:						
Research and development	\$ 40,213		\$ 39,865		\$ 348	
Sales and marketing	34,590		29,925		4,665	
General and administrative	39,033		39,259		(226)	
Total	<u>\$ 113,836</u>		<u>\$ 109,049</u>		<u>\$ 4,787</u>	

### Research and Development

Our research and development expenses primarily consist of personnel costs for our technical staff and consultants providing professional services.

The \$19.6 million increase in research and development expenses was primarily due to increases in personnel costs of \$20.1 million due to higher headcount, software subscription costs of \$1.8 million, travel costs of \$1.2 million, and professional services of \$0.6 million. These increases were partially offset by decreases in acquisition holdback of \$2.8 million and cloud hosting costs of \$1.3 million. Cloud hosting costs are benefiting from the efficiencies that we are achieving with GWCP and the five-year agreement with a cloud infrastructure services provider that was entered into in the second quarter of fiscal year 2023.

Our research and development headcount was 1,169 as of July 31, 2024, as compared to 1,069 as of July 31, 2023.

We expect our research and development expenses to increase in absolute dollars due to inflation and investments to support our growing customer base, but decrease as a percentage of revenue after our recent period of significant investment in cloud platform capabilities as overall hiring slows, and we focus on hiring in lower cost regions. We continue to dedicate internal resources to develop, improve, and expand the functionality of our solutions and migrate our solutions to the cloud. Research and development expenses may also increase if we pursue additional acquisitions.

### Sales and Marketing

Our sales and marketing expenses primarily consist of personnel costs for our sales and marketing employees. Included in our personnel costs are commissions, which are considered contract acquisition costs and are capitalized when earned and expensed over the anticipated period of time that goods and services are expected to be provided to a customer, which we estimate to be approximately five years. Sales and marketing expenses also include travel expenses, professional services for marketing activities, and amortization of certain acquired intangibles.

The \$10.8 million increase in sales and marketing expenses was primarily due to increases in personnel costs of \$11.4 million due to higher headcount, including \$2.1 million related to contract acquisition costs, travel costs of \$1.1 million due to more in-person client interactions, software subscriptions of \$0.3 million, and professional services costs of \$0.1 million. These increases were partially offset by decreases in marketing and advertising costs of \$1.5 million and cloud hosting costs of \$0.6 million.

Our sales and marketing headcount was 477 as of July 31, 2024, as compared to 463 as of July 31, 2023.

We expect our sales and marketing expenses to continue to increase in absolute dollars due to inflation and investments to support ongoing growth, but decrease as a percentage of revenue as overall hiring slows after our recent period of investment to build out our customer success team and add analytics and cloud sales capabilities.

#### *General and Administrative*

Our general and administrative expenses include executive, finance, human resources, information technology, information security, legal, facilities, and corporate development and strategy functions, and primarily consist of personnel costs and, to a lesser extent, professional services, software costs, and cloud hosting costs.

The \$2.2 million decrease in our general and administrative expenses was primarily due to decreases in facilities costs of \$11.0 million primarily due to the assignment of the lease agreement for our previous headquarters and concurrent sublease for less space in San Mateo, California during the third quarter of fiscal year 2023 and cloud hosting costs of \$0.7 million. These decreases were partially offset by increases in personnel costs of \$4.9 million due to higher headcount, professional services costs of \$3.3 million, and software subscription costs of \$1.3 million.

Our general and administrative headcount was 460 as of July 31, 2024, as compared to 451 as of July 31, 2023. General and administrative headcount includes facilities personnel whose expenses are allocated across all functional departments.

We expect that our general and administrative expenses will increase in absolute dollars due to inflation and investments required to support our strategic initiatives, grow our business, and meet our product and information security, compliance and reporting obligations, but decrease as a percentage of revenue as overall hiring and investments slow.

#### *Other Income (Expense)*

	Fiscal years ended July 31,		Change	
	2024	2023	(\$)	(%)
	Amount	Amount		
	(In thousands, except percentages)			
Interest income	\$ 43,478	\$ 24,389	\$ 19,089	78 %
Interest expense	\$ (6,738)	\$ (6,716)	\$ (22)	— %
Other income (expense), net	\$ (11,005)	\$ (2,277)	\$ (8,728)	383 %

#### *Interest Income*

Interest income represents interest earned on our cash, cash equivalents, and investments.

Interest income increased by \$19.1 million in fiscal year 2024, primarily due to higher interest rates on invested funds.

#### *Interest Expense*

Interest expense includes both stated interest and the amortization of debt issuance costs associated with our Convertible Senior Notes. The amortization of debt issuance costs are recognized on an effective interest basis. Stated interest expense is consistent in the comparative periods as the outstanding principal and stated interest rate have not changed.

Interest expense for the fiscal years ended July 31, 2024 and 2023 consists of stated interest of \$5.0 million and non-cash interest expense of \$1.7 million related to amortization of debt issuance costs.

#### *Other Income (Expense), Net*

Other income (expense), net includes foreign exchange gains and losses resulting from fluctuations in foreign exchange rates on monetary asset and monetary liability balances that are denominated in currencies other than the functional currency of the entity in which they are recorded. Our monetary assets and liabilities denominated in currencies other than the functional currency of the entity in which they are recorded consist primarily of trade accounts receivable, unbilled accounts receivable, trade accounts payable, and intercompany receivables and payables. Other income (expense) also includes changes in the fair value of our strategic investments.

We have significant transactions in the following currencies: Australian Dollar, British Pound, Canadian Dollar, Euro, Indian Rupee, and Polish Zloty.

Other income (expense), net in fiscal year 2024 was expense of \$11.0 million compared to expense of \$2.3 million in fiscal year 2023. The increase was due to fluctuations in foreign currency exchange rates and a change in the fair value of one of our strategic investments. During the second quarter of fiscal year 2024, one of our strategic investments was acquired by a privately held limited partnership. As a result, we received \$12.1 million in consideration for our equity interest in the investee, composed of \$6.5 million in cash and \$5.6 million of an ownership interest in the privately held limited partnership, and recognized a \$1.8 million gain in excess of cost in other income (expense), net.

### ***Provision for (benefit from) Income Taxes***

We are subject to taxes in the United States as well as other tax jurisdictions and countries in which we conduct business. Earnings from our non-U.S. activities are subject to local country income tax and may also be subject to U.S. income tax.

	<b>Fiscal years ended July 31,</b>			
	<b>2024</b>	<b>2023</b>	<b>Change</b>	
	<b>Amount</b>	<b>Amount</b>	<b>(\$)</b>	<b>(%)</b>
	<b>(In thousands, except percentages)</b>			
Provision for (benefit from) income taxes	\$ (20,735)	\$ (22,239)	\$ 1,504	(7)%
Effective tax rate	77 %	17 %		

We recognized an income tax benefit of \$20.7 million for fiscal year 2024 compared to \$22.2 million for fiscal year 2023. The decrease in our income tax benefit for fiscal year 2024 was primarily due to a decrease in pre-tax net loss, offset by an increase in deductions from stock-based compensation, the foreign derived intangible income deduction, and an increase in research and development tax credits.

As of July 31, 2024, we had unrecognized tax benefits of \$13.1 million that, if recognized, would affect our effective tax rate, as certain unrecognized tax benefits have a valuation allowance.

The effective tax rate differs from the statutory U.S. Federal income tax rate of 21% primarily due to state taxes, permanent differences for stock-based compensation including excess tax benefits, research and development credits, foreign earnings taxed in the U.S., the foreign derived intangible income deduction, a change in valuation allowance and certain non-deductible expenses, including, but not limited to, executive compensation limitation.

### **Comparison of the Fiscal Years Ended July 31, 2023 and 2022**

Refer to Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations located in our 10-K for the fiscal year ended July 31, 2023, filed on September 18, 2023, for the discussion of the comparison of the fiscal year ended July 31, 2023 to the fiscal year ended July 31, 2022, the earliest of the three fiscal years presented in the consolidated financial statements.

## Non-GAAP Financial Measures

In addition to the key business metrics presented above, we believe that the following non-GAAP financial measures provide useful information to management and investors regarding certain financial and business trends relating to our financial condition and results of operations. Management uses these non-GAAP measures to compare our performance to that of prior periods for trend analysis, for purposes of determining executive and senior management incentive compensation, and for budgeting and planning purposes. We believe that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating ongoing operating results and trends and in comparing our financial results with other software companies because it provides consistency and comparability with past financial performance and assists in comparisons with other companies, many of which present similar non-GAAP financial measures to investors. However, our management does not consider these non-GAAP measures in isolation or as an alternative to financial measures determined in accordance with GAAP.

The non-GAAP financial information is presented for supplemental informational purposes only, should not be considered a substitute for financial information presented in accordance with GAAP, and may be different from similarly-titled non-GAAP measures used by other companies. The principal limitation of these non-GAAP financial measures is that they exclude significant expenses and income that are required by GAAP to be recorded in our financial statements. In addition, they are subject to inherent limitations as they reflect the exercise of judgment by management about which expenses and income are excluded or included in determining these non-GAAP financial measures. We urge investors to review the reconciliation of non-GAAP financial measures to the comparable GAAP financial measures included herein and not to rely on any single financial measure to evaluate the Company's business.

The following table reconciles the specific items excluded from GAAP in the calculation of non-GAAP financial measures for the periods indicated below (in thousands, except share and per share data):

	Fiscal years ended July 31,	
	2024	2023
<b>Gross profit reconciliation:</b>		
GAAP gross profit	\$ 583,361	\$ 458,211
Non-GAAP adjustments:		
Stock-based compensation	32,624	33,793
Amortization of intangibles	1,940	3,360
Non-GAAP gross profit	<u>\$ 617,925</u>	<u>\$ 495,364</u>
<b>Income (loss) from operations reconciliation:</b>		
GAAP income (loss) from operations	\$ (52,573)	\$ (149,490)
Non-GAAP adjustments:		
Stock-based compensation	146,460	142,842
Amortization of intangibles	5,468	6,888
Acquisition consideration holdback	143	2,939
Net impact of assignment of lease agreement <sup>(1)</sup>	—	8,502
Non-GAAP income (loss) from operations	<u>\$ 99,498</u>	<u>\$ 11,681</u>
<b>Net income (loss) reconciliation:</b>		
GAAP net income (loss)	\$ (6,103)	\$ (111,855)
Non-GAAP adjustments:		
Stock-based compensation	146,460	142,842
Amortization of intangibles	5,468	6,888
Acquisition consideration holdback	143	2,939
Net impact of assignment of lease agreement <sup>(1)</sup>	—	8,502
Amortization of debt issuance costs	1,732	1,703
Changes in fair value of strategic investment	1,957	802
Gain on sale of strategic investment <sup>(2)</sup>	(1,803)	—
Tax impact of non-GAAP adjustments	(33,333)	(22,611)
Non-GAAP net income (loss)	<u>\$ 114,521</u>	<u>\$ 29,210</u>
<b>Tax provision (benefit) reconciliation:</b>		
GAAP tax provision (benefit)	\$ (20,735)	\$ (22,239)

Non-GAAP adjustments:		
Stock-based compensation	13,930	92,849
Amortization of intangibles	520	4,677
Acquisition consideration holdback	25	1,924
Net impact of assignment of lease agreement <sup>(1)</sup>	—	3,196
Amortization of debt issuance costs	165	1,105
Changes in fair value of strategic investment	208	(103)
Gain on sale of strategic investment <sup>(2)</sup>	(196)	—
Tax impact of non-GAAP adjustments	18,681	(81,037)
Non-GAAP tax provision (benefit)	<u>\$ 12,598</u>	<u>\$ 372</u>

**Net income (loss) per share reconciliation:**

GAAP net income (loss) per share – diluted	\$ (0.07)	\$ (1.36)
Non-GAAP adjustments:		
Stock-based compensation	1.78	1.74
Amortization of intangibles	0.07	0.08
Acquisition consideration holdback	(0.01)	0.04
Net impact of assignment of lease agreement <sup>(1)</sup>	—	0.10
Amortization of debt issuance costs	0.02	0.02
Changes in fair value of strategic investment	0.02	0.01
Gain on sale of strategic investment <sup>(2)</sup>	(0.02)	—
Tax impact of non-GAAP adjustments	(0.41)	(0.28)
Interest expense on convertible debt <sup>(3)</sup>	0.05	—
Non-GAAP dilutive shares excluded from GAAP net income (loss) per share calculation	(0.08)	—
Non-GAAP net income (loss) per share – diluted	<u>\$ 1.35</u>	<u>\$ 0.35</u>

**Shares used in computing Non-GAAP net income (loss) per share amounts:**

GAAP weighted average shares – diluted	82,291,483	82,176,629
Non-GAAP dilutive shares excluded from GAAP net income (loss) per share calculation	<u>5,072,080</u>	<u>466,516</u>
Pro forma weighted average shares – diluted	<u>87,363,563</u>	<u>82,643,145</u>

(1) During the three months ended April 31, 2023, the Company recorded in general and administrative expenses a net loss of \$8.5 million related to the assignment of the lease agreement for the remaining lease term of the Company's previous headquarters. The loss is comprised of an \$18.4 million gain from the de-recognition of the operating lease asset of \$56.9 million, the de-recognition of the lease liability of \$75.5 million, and other expenses related to the lease assignment of \$0.2 million, offset by accelerated depreciation expense related to property and equipment, primarily consisting of leasehold improvements, at the previous headquarters of \$26.9 million. Prior to the third quarter of fiscal year 2023, there were no transactions similar to the lease assignment in any periods presented.

(2) During the three months ended January 31, 2024, one of Guidewire's strategic investments was acquired by a privately-held limited partnership. As a result, Guidewire received \$12.1 million in consideration for its equity interest in the investee, composed of \$6.5 million in cash and \$5.6 million of an ownership interest in the privately-held limited partnership, and recognized a \$1.8 million gain in excess of cost in other income (expense), net. Prior to the second quarter of fiscal year 2024, there were no transactions similar to the gain on sale of strategic investment in any periods presented.

(3) During the fiscal year ended July 31, 2024, the Company's Convertible Notes were dilutive due to non-GAAP net income. Accordingly, interest expense related to the Convertible Notes was excluded from the non-GAAP net income (loss) per share calculation under the "if-converted" method.

**Liquidity and Capital Resources**

Our principal sources of liquidity are as follows (in thousands):

	July 31, 2024	July 31, 2023
Cash, cash equivalents, and investments	\$ 1,129,453	\$ 927,467
Working capital	\$ 457,899	\$ 726,342

**Cash, Cash Equivalents, and Investments**

Our cash and cash equivalents are comprised of cash and liquid investments with remaining maturities of 90 days or less from the date of purchase, primarily commercial paper and money market funds. Our investments primarily consist of corporate debt securities, U.S. government and agency debt securities, commercial paper, asset-backed securities, and non-U.S. government securities, which include state, municipal and foreign government securities.



As of July 31, 2024, approximately \$75.1 million of our cash and cash equivalents were domiciled in foreign jurisdictions. We may repatriate foreign earnings to the United States in the future to the extent that the repatriation is not restricted by local laws or there are no substantial incremental costs associated with such repatriation.

### ***Working Capital***

Our working capital decreased to \$457.9 million as of July 31, 2024 compared to \$726.3 million as of July 31, 2023, primarily due to the Convertible Senior Notes becoming current during fiscal year 2024. Our Convertible Senior Notes are due in March 2025. We have the ability to settle the principal and any conversion premium in cash, equity, or a combination of both.

### ***Share Repurchase Program***

In September 2022, our board of directors authorized and approved a share repurchase program of up to \$400.0 million of our outstanding common stock. During fiscal year 2024, we did not repurchase any shares of our common stock due to the market price of our shares. As of July 31, 2024, \$138.2 million remained available for future share repurchases under the authorized and approved share repurchase program.

During fiscal year 2023, the Company repurchased 4,041,284 shares of common stock at an average price of \$64.78 per share, for an aggregate purchase price of \$261.8 million.

### ***Cash Flows***

Our cash flows from operations are significantly impacted by timing of invoicing and collections of accounts receivable, annual bonus payments, as well as payments of payroll, commissions, payroll taxes, and other taxes. We expect that we will generate positive cash flows from operations on an annual basis in the future, although this may fluctuate significantly on a quarterly basis. In particular, we typically use more cash during our first fiscal quarter, which is the quarter ending October 31, as we generally pay cash bonuses to our employees for the prior fiscal year and seasonally higher sales commissions from increased customer orders booked in our fourth fiscal quarter of the prior year. Additionally, our capital expenditures may fluctuate depending on future office build outs and development activities subject to capitalization.

We believe that our existing cash and cash equivalents and sources of liquidity will be sufficient to fund our operations for at least the next 12 months. Our future cash requirements will depend on many factors, including our rate of revenue growth, the expansion of our sales and marketing activities, the timing and extent of our spending to support our research and development and cloud operations efforts, investments in cloud infrastructure, cybersecurity, and operating costs, and expansion into other markets. We also may invest in or acquire complementary businesses, applications or technologies, or may execute on a board-authorized share repurchase program, which may require the use of significant cash resources and/or additional financing.

The following summary of cash flows for the periods indicated has been derived from our consolidated financial statements included elsewhere in this Annual Report on Form 10-K (in thousands):

	<b>Fiscal years ended July 31,</b>	
	<b>2024</b>	<b>2023</b>
Net cash provided by (used in) operating activities	\$ 195,748	\$ 38,395
Net cash provided by (used in) investing activities	\$ (52,359)	\$ 12,712
Net cash provided by (used in) financing activities	\$ 1,055	\$ (261,579)

### ***Cash Flows from Operating Activities***

Net cash provided by operating activities increased by \$157.4 million in fiscal year 2024 as compared to fiscal year 2023. The increase in cash provided by operating activities was primarily attributable to an \$90.6 million decrease in net loss after excluding the impact of non-cash charges such as deferred taxes, stock-based compensation expense, depreciation and amortization expense, and other non-cash items and a decrease of \$66.8 million in cash used by working capital activities.

### ***Cash Flows from Investing Activities***

Net cash used in investing activities increased by \$65.1 million in fiscal year 2024 as compared to fiscal year 2023. The increase in cash used in investing activities was primarily due to higher net purchases of available-for-sale securities transactions of \$80.1 million, higher capital expenditures and capitalized software development costs of \$1.1 million, offset by an increase of \$6.6 million in proceeds from the sale of strategic investments and \$9.5 million due to a decrease in the acquisition of new strategic investments.

### ***Cash Flows from Financing Activities***

Net cash provided by financing activities increased by \$262.6 million in fiscal year 2024 as compared to fiscal year 2023. The increase in cash provided by financing activities was primarily because of \$261.8 million of shares repurchased under the authorized and approved share repurchase program in fiscal year 2023 while no shares were repurchased during fiscal year 2024, and an increase in proceeds from option exercises of \$0.8 million.

## **Commitments and Contractual Obligations**

Our estimated future obligations consist of leases, royalties, purchase obligations, debt, and taxes as of July 31, 2024. Refer to Note 7 “Leases,” Note 8 “Commitments and Contingencies” and Note 10 “Income Taxes” to our consolidated financial statements included in this Annual Report on Form 10-K for more information.

Effective during the fiscal year ended July 31, 2023, we entered into an agreement with a cloud infrastructure services provider for a total obligation of \$600 million over a five-year period.

Effective during the fiscal year ended July 31, 2023, we assigned the remaining lease term of our previous headquarters and concurrently entered into a sublease for office space in San Mateo, California with the same third party for our new worldwide headquarters.

## **Off-Balance Sheet Arrangements**

Through July 31, 2024, we did not have any relationships with unconsolidated entities or financial partnerships, such as entities often referred to as structured finance or special purpose entities, which would have been established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes.

## **Item 7A. Quantitative and Qualitative Disclosures about Market Risk**

We are exposed to market risks in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily a result of fluctuations in interest rates and foreign currency exchange rates. We do not hold or issue financial instruments for trading purposes.

### ***Interest Rate Sensitivity***

Our exposure to market risk for changes in interest rates relates primarily to our cash, cash equivalents, and investments. Our cash, cash equivalents, and investments as of July 31, 2024 and 2023 were \$1,129.5 million and \$927.5 million, respectively, primarily consisting of cash, money market funds, corporate debt securities, U.S. government and agency debt securities, commercial paper, asset-backed securities and non-U.S. government securities, which include state, municipal, and foreign government securities. Changes in interest rates, primarily in the United States, affect the interest earned on our cash, cash equivalents, and investments, and their market value. A hypothetical one percent increase in interest rates is estimated to result in a decrease of \$3.3 million and \$3.0 million in the market value of our available-for-sale securities as of July 31, 2024 and 2023, respectively. Any realized gains or losses resulting from such interest rate changes would only occur if we sold the investments prior to maturity.

### ***Foreign Currency Exchange Risk***

Our results of operations, ARR, and cash flows are subject to fluctuations due to changes in foreign currency exchange rates, particularly changes in the Australian Dollar, British Pound, Canadian Dollar, Euro, Indian Rupee, and Polish Zloty, the currency of the locations within which we have significant operations. The volatility of exchange rates depends on many factors that we cannot forecast with reliable accuracy. We believe our operating activities act as a natural hedge for a substantial portion of our foreign currency exposure because we typically collect revenue and incur costs in the currency of the location in which we provide our services. However, our relationships with our customers are long-term in nature so it is difficult to predict if our operating activities will provide a natural hedge in the future. Additionally, changes in foreign currency exchange rates can affect our financial results due to transaction gains or losses related to revaluing certain monetary asset and monetary liability balances that are denominated in currencies other than the functional currency of the entity in which they are recorded. Our monetary assets and liabilities denominated in currencies other than the functional currency of the entity in which they are recorded consist primarily of trade accounts receivable, unbilled accounts receivable, trade accounts payable, and intercompany receivables and payables. For the periods ended July 31, 2024 and 2023, we recorded a foreign currency loss of \$10.8 million and \$1.8 million, respectively, as a component of other income (expense) in our consolidated statements of operations primarily due to currency exchange rate fluctuations. We will continue to experience fluctuations in foreign currency exchange rates. If a hypothetical ten percent change in foreign currency exchange rates were to occur in the future, the resulting transaction gain or loss is estimated to be approximately \$39.1 million. As our international operations grow, we will continue to assess our approach to managing our risk relating to fluctuations in currency rates.

### ***Fair Value of Financial Instruments***

We do not have material exposure to market risk with respect to investments in financial instruments, as our investments primarily consist of high quality liquid investments purchased with a remaining maturity of three years or less. We do not use derivative financial instruments for speculative or trading purposes. However, this current position does not preclude our adoption of specific hedging strategies in the future.

Our strategic investments in privately held securities are in various classes of equity. The particular securities we hold, and their rights and preferences relative to those of other securities within the capital structure, may impact the magnitude by which our investment value moves in relation to movements in the total enterprise value of the company in which we are invested. As a result, our investment in a specific company may move by more or less than any change in value of that overall company. In addition, the financial success of our investment in any company is typically dependent on a liquidity event, such as a public offering, acquisition, or other favorable market event reflecting appreciation to the value of our investment. All of our investments, particularly those in privately held companies, are therefore subject to a risk of partial or total loss of invested capital.

**Item 8. Financial Statements and Supplemental Data**

**GUIDEWIRE SOFTWARE, INC. AND SUBSIDIARIES  
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS**

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## Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors  
Guidewire Software, Inc.:

### *Opinions on the Consolidated Financial Statements and Internal Control Over Financial Reporting*

We have audited the accompanying consolidated balance sheets of Guidewire Software, Inc. and subsidiaries (the Company) as of July 31, 2024 and 2023, the related consolidated statements of operations, comprehensive income (loss), stockholders' equity, and cash flows for each of the years in the three-year period ended July 31, 2024, and the related notes (collectively, the consolidated financial statements). We also have audited the Company's internal control over financial reporting as of July 31, 2024, based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of July 31, 2024 and 2023, and the results of its operations and its cash flows for each of the years in the three-year period ended July 31, 2024, in conformity with U.S. generally accepted accounting principles. Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of July 31, 2024 based on criteria established in *Internal Control - Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

### *Basis for Opinions*

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Annual Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's consolidated financial statements and an opinion on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

### *Definition and Limitations of Internal Control Over Financial Reporting*

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

*Critical Audit Matter*

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

*Evaluation of revenue related to software licensing arrangements and subscriptions to cloud services with non-standard terms*

As discussed in Notes 1 and 2 to the consolidated financial statements, revenue was derived principally from subscriptions to cloud services, software licensing arrangements, and implementation and other professional services. The Company recognized total revenue of \$980.5 million for the year ended July 31, 2024. The Company's software licensing arrangements generally have a two-year initial term and subscriptions to cloud services generally have a three to five-year term, with a customer option to renew on an annual basis after the initial term. Consideration for subscriptions to cloud services and software licensing arrangements is typically billed in advance on an annual basis over the term.

We identified the evaluation of revenue from subscriptions to cloud services and software licensing arrangements with non-standard terms and conditions as a critical audit matter. Significant auditor judgment was required to evaluate the Company's assessment of the impact on revenue recognition of non-standard terms and conditions, including, the identification and evaluation of the accounting impact of contract modifications related to software licensing term extensions, and arrangements that provide a customer with the ability to transition from a software licensing arrangement to a subscription to cloud services during the contractual term.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of an internal control related to the critical audit matter. This control is related to the identification and evaluation of subscriptions to cloud services and software licensing arrangements with non-standard terms and conditions. We tested certain subscriptions to cloud services and software licensing arrangements by reading the underlying customer agreements and evaluating the Company's assessment of the contractual terms and conditions in accordance with revenue recognition requirements. Specifically, this included an evaluation of the Company's identification and assessment of non-standard terms and conditions that could give rise to special accounting consideration.

/s/ KPMG LLP

We have served as the Company's auditor since 2006.

Santa Clara, California

September 16, 2024

**GUIDEWIRE SOFTWARE, INC. AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
(in thousands, except for share data)

	July 31, 2024	July 31, 2023
<b>ASSETS</b>		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 547,992	\$ 401,813
Short-term investments	455,576	396,872
Accounts receivable, net of allowances of \$646 and \$218, respectively	137,339	151,034
Unbilled accounts receivable, net	87,031	87,752
Prepaid expenses and other current assets	67,596	62,132
Total current assets	1,295,534	1,099,603
Long-term investments	125,885	128,782
Unbilled accounts receivable, net	4,157	11,112
Property and equipment, net	55,409	54,499
Operating lease assets	43,750	52,373
Intangible assets, net	9,005	14,473
Goodwill	372,214	372,214
Deferred tax assets, net	253,085	226,875
Other assets	67,255	67,957
<b>TOTAL ASSETS</b>	<b>\$ 2,226,294</b>	<b>\$ 2,027,888</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
CURRENT LIABILITIES:		
Accounts payable	\$ 15,209	\$ 34,627
Accrued employee compensation	109,084	103,980
Deferred revenue, net	281,855	206,923
Convertible senior notes, net	398,903	—
Other current liabilities	32,584	27,731
Total current liabilities	837,635	373,261
Lease liabilities	34,721	42,972
Convertible senior notes, net	—	397,171
Deferred revenue, net	3,628	5,988
Other liabilities	7,578	9,030
Total liabilities	883,562	828,422
Commitments and contingencies (Note 8)		
STOCKHOLDERS' EQUITY:		
Common stock, par value \$0.0001 per share—500,000,000 shares authorized as of July 31, 2024 and 2023; 83,025,637 and 81,440,669 shares issued and outstanding as of July 31, 2024 and 2023, respectively	8	8
Additional paid-in capital	1,979,021	1,831,267
Accumulated other comprehensive income (loss)	(12,244)	(13,859)
Retained earnings (accumulated deficit)	(624,053)	(617,950)
Total stockholders' equity	1,342,732	1,199,466
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 2,226,294</b>	<b>\$ 2,027,888</b>

*See accompanying Notes to Consolidated Financial Statements.*



**GUIDEWIRE SOFTWARE, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
(in thousands, except share and per share amounts)

	Fiscal years ended July 31,		
	2024	2023	2022
<b>Revenue:</b>			
Subscription and support	\$ 549,087	\$ 429,667	\$ 343,708
License	250,176	265,593	258,631
Services	181,234	210,081	210,275
Total revenue	<u>980,497</u>	<u>905,341</u>	<u>812,614</u>
<b>Cost of revenue:</b>			
Subscription and support	204,794	210,507	202,832
License	4,536	6,488	8,754
Services	187,806	230,135	223,852
Total cost of revenue	<u>397,136</u>	<u>447,130</u>	<u>435,438</u>
<b>Gross profit:</b>			
Subscription and support	344,293	219,160	140,876
License	245,640	259,105	249,877
Services	(6,572)	(20,054)	(13,577)
Total gross profit	<u>583,361</u>	<u>458,211</u>	<u>377,176</u>
<b>Operating expenses:</b>			
Research and development	269,381	249,746	229,230
Sales and marketing	199,033	188,224	182,620
General and administrative	167,520	169,731	164,773
Total operating expenses	<u>635,934</u>	<u>607,701</u>	<u>576,623</u>
Income (loss) from operations	(52,573)	(149,490)	(199,447)
Interest income	43,478	24,389	6,277
Interest expense	(6,738)	(6,716)	(19,446)
Other income (expense), net	(11,005)	(2,277)	(17,099)
Income (loss) before provision for (benefit from) income taxes	(26,838)	(134,094)	(229,715)
Provision for (benefit from) income taxes	(20,735)	(22,239)	(49,284)
Net income (loss)	<u>\$ (6,103)</u>	<u>\$ (111,855)</u>	<u>\$ (180,431)</u>
<b>Net income (loss) per share:</b>			
Basic and diluted	<u>\$ (0.07)</u>	<u>\$ (1.36)</u>	<u>\$ (2.16)</u>
<b>Shares used in computing net income (loss) per share:</b>			
Basic and diluted	<u>82,291,483</u>	<u>82,176,629</u>	<u>83,569,517</u>

*See accompanying Notes to Consolidated Financial Statements.*

**GUIDEWIRE SOFTWARE, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**  
**(in thousands)**

	Fiscal years ended July 31,		
	2024	2023	2022
Net income (loss)	\$ (6,103)	\$ (111,855)	\$ (180,431)
Other comprehensive income (loss):			
Foreign currency translation adjustments	(1,640)	2,642	(7,201)
Unrealized gain (loss) on available-for-sale securities	4,505	5,377	(8,342)
Tax benefit (expense) on unrealized gain (loss) on available-for-sale securities	(558)	(1,053)	2,009
Reclassification adjustment for realized gain (loss) included in net income (loss)	(693)	(980)	(93)
Total other comprehensive income (loss)	1,614	5,986	(13,627)
Comprehensive income (loss)	<u>\$ (4,489)</u>	<u>\$ (105,869)</u>	<u>\$ (194,058)</u>

*See accompanying Notes to Consolidated Financial Statements.*

**GUIDEWIRE SOFTWARE, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**  
(in thousands, except for share data)

	Common stock		Additional paid-in capital	Accumulated other comprehensive income (loss)	Retained earnings (accumulated deficit)	Total stockholders' equity
	Shares	Amount				
<b>Balance as of July 31, 2021</b>	<b>83,194,157</b>	<b>\$ 8</b>	<b>\$ 1,617,204</b>	<b>\$ (6,218)</b>	<b>\$ (66,100)</b>	<b>\$ 1,544,894</b>
Net income ( loss)	—	—	—	—	(180,431)	(180,431)
Issuance of common stock upon exercise of stock options	10,472	—	116	—	—	116
Issuance of common stock upon vesting of RSUs	1,202,125	—	—	—	—	—
Stock-based compensation	—	—	138,156	—	—	138,156
Repurchase and retirement of common stock	(322,545)	—	—	—	(37,451)	(37,451)
Foreign currency translation adjustment	—	—	—	(7,201)	—	(7,201)
Unrealized gain (loss) on available-for-sale securities, net of tax	—	—	—	(6,333)	—	(6,333)
Reclassification adjustment for realized gain (loss) on available-for-sale securities, included in net income (loss)	—	—	—	(93)	—	(93)
<b>Balance as of July 31, 2022</b>	<b>84,084,209</b>	<b>\$ 8</b>	<b>\$ 1,755,476</b>	<b>\$ (19,845)</b>	<b>\$ (283,982)</b>	<b>\$ 1,451,657</b>
Net income (loss)	—	—	—	—	(111,855)	(111,855)
Issuance of common stock upon exercise of stock options	6,582	—	228	—	—	228
Issuance of common stock upon vesting of RSUs	1,391,162	—	—	—	—	—
Stock-based compensation	—	—	143,566	—	—	143,566
Repurchase and retirement of common stock	(4,041,284)	—	—	—	(261,807)	(261,807)
Foreign currency translation adjustment	—	—	—	2,642	—	2,642
Unrealized gain (loss) on available-for-sale securities, net of tax	—	—	—	4,324	—	4,324
Reclassification adjustment for realized gain (loss) on available-for-sale securities, included in net income (loss)	—	—	—	(980)	—	(980)
Adoption of Accounting Standards Update ("ASU") 2020-06	—	—	(68,003)	—	39,694	(28,309)
<b>Balance as of July 31, 2023</b>	<b>81,440,669</b>	<b>\$ 8</b>	<b>\$ 1,831,267</b>	<b>\$ (13,859)</b>	<b>\$ (617,950)</b>	<b>\$ 1,199,466</b>
Net income (loss)	—	—	—	—	(6,103)	(6,103)
Issuance of common stock upon exercise of stock options	15,517	—	1,054	—	—	1,054
Issuance of common stock upon vesting of RSUs	1,569,451	—	—	—	—	—
Stock-based compensation	—	—	146,700	—	—	146,700
Foreign currency translation adjustment	—	—	—	(1,640)	—	(1,640)
Unrealized gain (loss) on available-for-sale securities, net of tax	—	—	—	3,948	—	3,948
Reclassification adjustment for realized gain (loss) on available-for-sale securities, included in net income (loss)	—	—	—	(693)	—	(693)
<b>Balance as of July 31, 2024</b>	<b>83,025,637</b>	<b>\$ 8</b>	<b>\$ 1,979,021</b>	<b>\$ (12,244)</b>	<b>\$ (624,053)</b>	<b>\$ 1,342,732</b>

*See accompanying Notes to Consolidated Financial Statements.*

**GUIDEWIRE SOFTWARE, INC. AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(in thousands)

	Fiscal years ended July 31,		
	2024	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Net income (loss)	\$ (6,103)	\$ (111,855)	\$ (180,431)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:			
Depreciation and amortization	22,309	24,838	33,540
Amortization of debt discount and issuance costs	1,732	1,703	14,391
Amortization of contract costs	17,816	17,966	14,456
Stock-based compensation	146,460	142,842	137,011
Changes to allowance for credit losses and revenue reserves	526	(131)	2,597
Deferred income tax	(26,847)	(27,516)	(54,115)
Amortization of premium (accretion of discount) on available-for-sale securities, net	(12,894)	(4,858)	5,498
Gain on sale of strategic investment	(1,803)	—	—
Changes in fair value of strategic investments	1,957	802	(1,545)
Accelerated depreciation related to lease assignment	—	26,921	—
Gain from lease assignment	—	(18,419)	—
Other non-cash items affecting net income (loss)	(74)	164	63
Changes in operating assets and liabilities:			
Accounts receivable	12,631	(7,301)	(42,545)
Unbilled accounts receivable	7,676	(13,435)	18,106
Prepaid expenses and other assets	(33,534)	(22,613)	(23,390)
Operating lease assets	8,623	(19,000)	7,160
Accounts payable	(18,933)	(6,080)	13,580
Accrued employee compensation	6,453	12,440	(8,942)
Deferred revenue	72,572	34,635	31,564
Lease liabilities	(7,389)	9,548	(9,637)
Other liabilities	4,570	(2,256)	4,699
Net cash provided by (used in) operating activities	195,748	38,395	(37,940)
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchases of available-for-sale securities	(615,935)	(506,115)	(519,536)
Maturities and sales of available-for-sale securities	576,886	547,094	908,914
Purchases of property and equipment	(6,362)	(5,821)	(9,510)
Capitalized software development costs	(12,165)	(11,606)	(12,266)
Acquisition of strategic investments	(1,336)	(10,840)	(11,560)
Sale of strategic investment	6,553	—	—
Acquisition of business, net of acquired cash	—	—	(43,830)
Net cash provided by (used in) investing activities	(52,359)	12,712	312,212
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Proceeds from issuance of common stock upon exercise of stock options	1,055	228	116
Repurchase and retirement of common stock	—	(261,807)	(37,451)
Net cash provided by (used in) financing activities	1,055	(261,579)	(37,335)
Effect of foreign exchange rate changes on cash, cash equivalents, and restricted cash	(2,050)	2,576	(7,161)
<b>NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH</b>	<b>142,394</b>	<b>(207,896)</b>	<b>229,776</b>
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH—Beginning of period	406,790	614,686	384,910
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH—End of period	<u>\$ 549,184</u>	<u>\$ 406,790</u>	<u>\$ 614,686</u>
<b>SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:</b>			
Cash paid for interest	\$ 5,000	\$ 5,000	\$ 5,000
Cash paid for income taxes, net of tax refunds	\$ 8,919	\$ 5,167	\$ 4,323
Accruals for purchase of property and equipment	\$ 682	\$ 1,136	\$ 1,114
Accruals for capitalized cloud software development costs	\$ 920	\$ 1,094	\$ 1,250

*See accompanying Notes to Consolidated Financial Statements.*

**GUIDEWIRE SOFTWARE, INC. AND SUBSIDIARIES  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**

## **1. The Company and Summary of Significant Accounting Policies and Estimates**

### **Company**

Guidewire Software, Inc., a Delaware corporation, was incorporated on September 20, 2001. Guidewire Software, Inc., together with its subsidiaries (the “Company”), provides a technology platform which combines core operations, digital engagement, analytics, machine learning, and artificial intelligence (“AI”) applications. The Company’s technology platform supports core insurance operations, including underwriting, policy administration, claim management, and billing; insights into data that can improve business decision making; and digital sales, service, and claims experiences for policyholders, agents, and other key stakeholders. The Company’s customers are primarily property and casualty insurance carriers.

### **Basis of Presentation and Consolidation**

The Company’s consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States of America (“GAAP”). The consolidated financial statements and notes include the Company and its wholly-owned subsidiaries and reflect all adjustments (all of which are normal and recurring in nature) that, in the opinion of management, are necessary for a fair presentation of the periods presented. All intercompany balances and transactions have been eliminated in consolidation.

### **Use of Estimates**

The preparation of the accompanying consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions about future events that affect the amounts of assets and liabilities reported, disclosures about contingent assets and liabilities, and reported amounts of revenue and expenses. Significant items subject to such estimates include, but are not limited to, revenue recognition, the useful lives of property and equipment and intangible assets, accounts receivable and unbilled accounts receivable allowances, valuation allowance for deferred tax assets, stock-based compensation, annual bonus attainment, income tax uncertainties, fair value of convertible senior notes and investments, valuation of goodwill and intangible assets, fair value of acquired assets and assumed liabilities, software development costs to be capitalized, leases, and contingencies. These estimates and assumptions are based on management’s best estimates and judgment. Management regularly evaluates its estimates and assumptions using historical experience and other factors; however, actual results could differ from these estimates.

### **Foreign Currency**

The functional currency of the Company’s foreign subsidiaries is their respective local currency. The Company translates all assets and liabilities of foreign subsidiaries to U.S. dollars at the current exchange rate as of the applicable balance sheet date. Revenue and expenses are translated at the average exchange rate prevailing during the period in which the transactions occur. The effects of foreign currency translations are recorded in accumulated other comprehensive income (loss) as a separate component of stockholders’ equity in the accompanying consolidated balance sheets. Transaction gains and losses that arise from exchange rate fluctuations on transactions denominated in a currency other than the functional currency of the recording entity are included in other income (expense) in the consolidated statements of operations.

### **Cash and Cash Equivalents**

Cash and cash equivalents are comprised of cash and highly liquid investments with remaining maturities of 90 days or less at the date of purchase. Cash equivalents primarily consist of commercial paper and money market funds.

### **Restricted Cash**

Unearned acquisition consideration holdback subject to service conditions is held in escrow and considered restricted cash. At July 31, 2024 and 2023, unearned acquisition consideration holdback of \$1.2 million and \$2.9 million, respectively, was included in prepaid expenses and other current assets in the consolidated balance sheets. At July 31, 2024, there was no unearned acquisition holdback included in other assets in the consolidated balance sheets. At July 31, 2023, unearned acquisition holdback of \$2.1 million was included in other assets in the consolidated balance sheets.

### **Investments**

Management determines the appropriate classification of investments at the time of purchase based upon management’s intent with regard to such investments. All investments in the periods presented have been classified as available-for-sale.

The Company classifies investments as short-term when they have remaining contractual maturities of one year or less from the balance sheet date, and as long-term when the investments have remaining contractual maturities of more than one year from the balance sheet date. Investments are recorded at fair value with unrealized holding gains and losses, net of taxes, generally included in accumulated other comprehensive income (loss). Unrealized losses related to the credit worthiness of an investment, if any, are recorded in other income (expense), net on the consolidated statements of operations.

### Property, Equipment, and Software Development Costs

Property and equipment are stated at cost less accumulated depreciation and amortization. Depreciation is calculated on a straight-line basis over the estimated useful lives of the assets. Maintenance and repairs that do not extend the life or improve an asset are expensed in the period incurred.

The estimated useful lives of property and equipment are as follows:

Computer hardware	3 years
Purchased software	3 years
Capitalized software development costs	3 to 5 years
Equipment and machinery	3 to 5 years
Furniture and fixtures	5 years
Leasehold improvements	Shorter of 10 years or remaining lease term

Certain development costs related to software delivered to customers (“self-managed software”) incurred subsequent to the establishment of technological feasibility are subject to capitalization and amortized over the estimated lives of the related products. Technological feasibility is established upon completion of a working model. Costs incurred subsequent to the establishment of technological feasibility have not been material and, therefore, all software development costs related to self-managed software have been charged to research and development expense in the accompanying consolidated statements of operations as incurred.

The Company capitalizes software development costs for technology applications that provide new or significantly enhanced functionality that the Company will offer solely as a cloud-based subscription. Capitalized costs are primarily comprised of compensation for employees who are directly associated with cloud software development projects. The Company begins to capitalize costs when preliminary development efforts are successfully completed, management has authorized and committed project funding, it is probable that the project will be completed, and the software will be used as intended. If any of these criteria cease being met before the software reaches its intended use, any capitalized costs related to the project will be impaired. When the software reaches its intended use, which is typically once the technology applications are available for general release, capitalized costs are amortized to cost of revenue over the estimated useful lives of the related assets, generally estimated to be three to five years. Costs incurred prior to meeting these capitalization criteria and costs incurred for training and maintenance are recorded as research and development expense in the Company’s consolidated statements of operations. Capitalized software development costs are recorded in property and equipment in the Company’s consolidated balance sheets.

### Leases

The Company accounts for leases under Accounting Standards Codification Topic 842: Leases (“ASC 842”) issued by the Financial Accounting Standards Board. Under ASC 842, the Company determines if an arrangement is a lease at inception of the agreement. If an arrangement is determined to be a lease, an operating lease asset, also known as a right-of-use asset, and lease liability are recorded based on the present value of lease payments over the non-cancellable lease term. In connection with determining the present value of the lease payments, the Company considers only payments that are fixed and determinable at the time of commencement, including non-lease components that are fixed throughout the lease term. Variable components of the lease payments, such as utilities, maintenance, and taxes, are expensed as incurred and not included in determining the present value of the lease liability. As the Company’s leases generally do not provide an implicit rate, the Company’s incremental borrowing rate, calculated based on available information at the lease commencement date, is used in determining the present value of the lease payments. The Company’s incremental borrowing rate is a hypothetical rate based on the Company’s understanding of its credit rating. The lease term used to calculate the lease liability and operating lease asset includes options to extend or terminate the lease if it is reasonably certain the Company will exercise that option. Operating lease assets also include any lease payments made prior to commencement and are recorded net of any lease incentives received. Lease expense is recognized on a straight-line basis over the lease term and is reflected in the consolidated statements of operations in each of the cost of revenue and operating expense categories.

The Company may also enter into agreements to sublease unoccupied office space. Any sublease payments received in excess of the straight-line rent expense related to the subleased space are recorded as an offset to operating expenses over the sublease term.

Operating leases are included in operating lease assets, other current liabilities, and lease liabilities on the consolidated balance sheets.

### **Impairment of Long-Lived Assets, Intangible Assets, and Goodwill**

The Company evaluates its long-lived assets, consisting of property and equipment, operating lease assets, and intangible assets, for indicators of possible impairment when events or changes in circumstances indicate that the carrying amount of certain assets may not be recoverable. Impairment exists if the carrying amount of such assets exceed the estimates of future net undiscounted cash flows expected to be generated by such assets. Should impairment exist, the impairment loss would be measured based on the excess carrying amount of the assets over the estimated fair value of the assets. There have been no long-lived asset impairments during the periods presented.

The Company tests goodwill for impairment annually, during the fourth quarter of each fiscal year, and in the interim whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The Company evaluates qualitative factors to determine whether it is more likely than not that the fair value of the Company's single reporting unit is less than its carrying amount as a basis for determining whether it is necessary to perform the goodwill impairment test. In performing the qualitative assessment, the Company considers events and circumstances, including, but not limited to, macroeconomic conditions, industry and market considerations, cost factors, overall financial performance, changes in management or key personnel, changes in strategy, changes in customers, changes in the composition or carrying amount of a reporting unit's net assets, and changes in the price of the Company's common stock. If, after assessing the totality of events or circumstances, the Company determines that it is more likely than not that the fair value of a reporting unit is greater than its carrying amount, then the goodwill impairment test is not performed. There have been no goodwill impairments during the periods presented.

### **Convertible Senior Notes**

In March 2018, the Company issued \$400.0 million aggregate principal amount of 1.25% Convertible Senior Notes due March 2025 (the "Convertible Senior Notes"). Prior to the adoption of ASU 2020-06 on August 1, 2022, upon the issuance of the Convertible Senior Notes, the Company separated the Convertible Senior Notes into liability and equity components. The carrying amount of the liability component was calculated by measuring the fair value of a similar liability that did not have an associated convertible feature. The carrying amount of the equity component, representing the conversion option, was determined by deducting the fair value of the liability component from the par value of the Convertible Senior Notes as a whole. The difference between the principal amount of the Convertible Senior Notes and the liability component was initially recorded as a debt discount and was amortized as interest expense using the effective interest method over the term of the Convertible Senior Notes.

### **Concentration of Credit Risk**

Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash, cash equivalents, investments, accounts receivable, and unbilled accounts receivable. The Company maintains its cash, cash equivalents, and investments with high quality financial institutions. The Company is exposed to credit risk for cash held in financial institutions in the event of a default to the extent that such amounts recorded in the consolidated balance sheets are in excess of amounts that are insured by the Federal Deposit Insurance Corporation.

No customer individually accounted for 10% or more of the Company's revenue for the years ended July 31, 2024, 2023, and 2022. As of July 31, 2024, one customer accounted for 10% or more of the Company's total accounts receivable. As of July 31, 2023, no customer accounted for 10% or more of the Company's total accounts receivable.

### **Accounts Receivable and Allowances**

Accounts receivable are recorded at invoiced amounts and do not bear interest. While the Company does not require collateral, the Company performs ongoing credit evaluations of its customers. The Company maintains an allowance for credit losses based upon the expected collectability of its accounts receivable and unbilled accounts receivable. The expectation of collectability is based on historical loss patterns, the number of days that billings are past due, and an evaluation of the potential risk of loss associated with delinquent accounts. Credit losses are recorded in general and administrative expense while billing and other revenue adjustments are recorded against the corresponding revenue financial statement line item in the consolidated statements of operations.

### **Revenue Recognition**

The Company's revenue is derived from contracts with customers. The majority of the Company's revenue is derived from subscriptions to its cloud services, licensing arrangements for its software, and implementation and other professional services arrangements. The Company accounts for revenue in accordance with Accounting Standards Codification 606, Revenue from



Contracts with Customers (“ASC 606”). The core principle of ASC 606 is to recognize revenue upon the transfer of products to customers in an amount that reflects the consideration the Company expects to be entitled to in exchange for those services or products. When using the term “products,” the Company is generally referring to both our subscription services and term license software.

Identification of the contract, or contracts, with the customer

The Company considers the terms and conditions of written contracts and its customary business practices in identifying its contracts. The Company determines it has a contract with a customer when the contract is approved, the Company can identify each party’s rights regarding the products to be transferred, the Company can identify the payment terms for the products, the Company has determined that the customer has the ability and intent to pay, and the contract has commercial substance. In general, contract terms will be reflected in a written document that is signed by both parties. At contract inception, the Company evaluates whether two or more contracts with the same customer should be combined and accounted for as a single contract. The customer’s ability and intent to pay is based on a variety of factors, including the customer’s historical payment experience or, in the case of a new customer, credit and financial information pertaining to the customer.

Contracts may be modified to account for changes in contract scope or price. The Company considers contract modifications to exist when the modification either creates new rights or obligations or changes the existing enforceable rights and obligations of either party. Contract modifications for products that are distinct from the existing contract and are priced commensurate with their standalone selling price are treated as separate contracts, and are accounted for prospectively. Contract modifications for products that are distinct but are not priced commensurate with their standalone selling price or are not distinct from the existing contract may affect the initial transaction price or the allocation of the transaction price to the performance obligations in the contract. In such cases, recognized revenue may be adjusted.

Identification of the performance obligation in the contract

Performance obligations promised in a contract are identified based on the services or products that will be transferred to the customer that are both:

- i. capable of being distinct, whereby the customer can benefit from the service or product either on its own or together with other resources that are readily available from the Company or third parties, and
- ii. distinct in the context of the contract, whereby the transfer of the services or products is separately identifiable from other promises in the contract.

To the extent a contract includes multiple promised services or products, the Company applies judgment to determine whether promised services or products are capable of being distinct and distinct in the context of the contract. If these criteria are not met, the promised services or products are accounted for as a combined performance obligation.

The Company generates revenue from the following sources, which represent the performance obligations of the Company:

- i. Subscription services related to the Company’s Software-as-a-Service (“SaaS”) offerings, including hosting;
- ii. Support activities that consist of email and phone support, bug fixes, and unspecified software updates and upgrades released when, and if, available during the support term;
- iii. Self-managed software licenses related to term or perpetual agreements; and
- iv. Services related to the implementation and configuration of the Company’s products, reimbursable travel, and training.

Subscriptions are typically sold with a three to five-year initial term with a customer option to renew on an annual basis after the initial term. Term licenses have an initial term with a customer option to renew on an annual basis after the initial term. The Company will enter into term licenses with an initial term of two or more years or a renewal period longer than one year. Support for term licenses follows the same contract periods. Professional services typically are time and materials contracts that last for an average period of approximately one year.

Determination of the transaction price

The transaction price is determined based on the consideration to which the Company expects to be entitled in exchange for transferring products to the customer. Consideration may vary due to discounts, incentives, and potential service level credits or contractual penalties. Variable consideration is estimated and included in the transaction price if, in the Company’s judgment, it is probable that there will not be a significant future reversal of cumulative revenue under the contract.

Self-managed software licenses and subscription services may be subject to either fixed or variable installments. Variable installments are generally subject to changes in a customer's Direct Written Premium ("DWP") or a customer's Gross Written Premium ("GWP"). When consideration is subject to variable installments, the Company estimates variable consideration using the expected value method based on historical DWP or GWP usage to the extent that a significant revenue reversal is not probable to occur.

The Company elected the practical expedient to evaluate whether a significant financing component exists when the contract term is greater than one year and the timing of revenue recognition occurs in advance of invoicing. This timing difference occurs when control of the software license is transferred at a point in time, usually at the contract onset, but the customer payments occur over time. This timing difference can also occur when subscription services have significant ramps in the annual invoice amount over the committed term. A significant financing component generally does not exist under the Company's standard contracting and billing practices. For example, the Company's time-based licenses with a two-year initial term have the final payment due at the end of the first year and the Company's subscription services are generally billed in advance of providing the services.

*Allocation of the transaction price to the performance obligations in the contract*

If the contract contains a single performance obligation, the entire transaction price is allocated to the single performance obligation. Contracts that contain multiple performance obligations require an allocation of the transaction price to each performance obligation based on its standalone selling price ("SSP") in relation to the total fair value of all performance obligations in the arrangement. Some of the Company's performance obligations, such as support, implementation services, training services, and a portion of software-as-a-service offerings, have observable inputs that are used to determine the SSP of those distinct performance obligations. Where SSP is not directly observable, the Company determines the SSP using information that may include market conditions and other observable inputs. In circumstances when available information to determine SSP is highly variable or uncertain, such as for our term licenses, the Company will use the residual method.

The majority of the Company's contracts contain multiple performance obligations, such as when licenses are sold with support, implementation services, or training services. Additionally, as customers enter into subscription agreements to migrate from an existing term license agreement, customers may be under contract for self-managed licenses and support, in addition to subscription services, for a period of time, which may require an allocation of the transaction price to each performance obligation. New and migration subscription agreements also typically include implementation, configuration, and training services, which may require an allocation of the transaction price to each performance obligation.

*Recognition of revenue when, or as, the Company satisfies a performance obligation*

The Company recognizes revenue when control of the services or products is transferred to a customer, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those services or products. The Company is principally responsible for the satisfaction of its distinct performance obligations, which are satisfied either at a point in time or over a period of time.

*Performance obligations satisfied at a point in time*

Self-managed term and perpetual software licenses comprise the majority of distinct performance obligations that are satisfied at a point in time. Revenue is recognized at the point in which the self-managed software licenses are made available to a customer. Consideration for self-managed software licenses is typically billed in advance on an annual basis over the license term.

*Performance obligations satisfied over a period of time*

Subscriptions, support activities, and professional service arrangements comprise the majority of distinct performance obligations that are satisfied over a period of time.

Revenue from subscription arrangements is recognized ratably over the subscription period using a time-based measure of progress as customers receive the benefits from their subscriptions over the contractually agreed-upon term. The Company's subscription arrangements are generally three to five years in duration. Consideration for subscription arrangements is typically billed in advance on an annual basis over the contract period and the annual billing may ramp over the contract period.

Revenue from support activities associated with self-managed licenses is a stand-ready obligation, which is generally recognized over the contractually agreed-upon term using a time-based measure of progress as customers receive benefits from the availability of support technicians over the support period. Consideration for support activities is typically billed in advance on an annual basis. The Company's support activities are consistently priced as a percentage of the associated self-managed software license.

Revenue from professional service arrangements is recognized over the service period as the underlying services are performed.

In substantially all of the Company's professional service contracts, services are separately identifiable performance obligations for which related revenue and costs are recognized according to when each service obligation is delivered. Substantially all professional services engagements are billed and recognized on a time and materials basis. In select situations, the Company will contract professional services on a fixed fee basis, where the Company generally recognizes services revenue over time, using an input method. The measure of progress of the professional services being provided under these fixed fee arrangements is based on hours incurred compared to estimates of the total hours to complete the performance obligation.

When professional services are sold with a self-managed license or subscription arrangement, the Company evaluates whether the performance obligations are distinct or separately identifiable, or whether they constitute a single performance obligation.

#### Balance Sheet Presentation

Contracts with customers are reflected in the consolidated balance sheets as follows:

- Accounts receivable, net represents amounts billed to customers in accordance with contract terms for which payment has not yet been received. It is presented net of any allowances as part of current assets in the consolidated balance sheets.
- Unbilled accounts receivable, net represents amounts that are unbilled due to agreed-upon contractual terms in which billing occurs subsequent to revenue recognition. This situation typically occurs when the Company transfers control of self-managed software licenses to customers up-front, but invoices customers annually over the term of the license. Additionally, subscription agreements with ramped billing schedules could result in unbilled accounts receivable in the early years of the committed term. Unbilled accounts receivable is classified as either current or non-current based on the duration of remaining time between the date of the consolidated balance sheets and the anticipated due date of the underlying receivables. Unbilled accounts receivable is evaluated for credit losses based upon the expected collectibility of future accounts receivable, customer payment history, global economic conditions, and ongoing credit evaluations of customers. Unbilled accounts receivable is presented net of allowance for credit losses, if applicable, in the consolidated balance sheets. This balance represents contract assets.
- Contract costs include customer acquisition costs, which consist primarily of sales commissions and related payroll taxes paid to sales personnel and referral fees paid to third-parties, and costs to fulfill a contract, which consist primarily of royalties payable to third-party software providers that support both the Company's software offerings and support services. The short-term portion is presented as prepaid and other current assets. The long-term portion is presented as other assets.
- Deferred costs represent costs related to our professional services that have been deferred to align with revenue recognition. The short-term portion is presented as prepaid and other current assets. The long-term portion is presented as other assets.
- Deferred revenue, net represents amounts that have been invoiced and for which the Company has the right to bill, but that have not been recognized as revenue because the related services or products have not been transferred to the customer. Deferred revenue consists primarily of subscriptions and support services that are billed annually in advance but recognized over time. Deferred revenue that will be realized during the 12-month period following the date of the consolidated balance sheets is recorded as current. The remaining deferred revenue is recorded as non-current. These balances represent contract liabilities.

The Company may receive consideration from its customers in advance of performance on a portion of the contract, thereby creating a contractual liability, and, on another portion of the contract, perform in advance of receiving consideration, thereby creating a contractual asset. Contract assets and liabilities related to rights and obligations in a contract are interdependent. Therefore, contract assets and liabilities are presented net at the contract level, as either a single contract asset or a single contract liability, in the consolidated balance sheets.

Remaining performance obligations represent contracted revenue that has not yet been recognized, which includes deferred revenue and amounts that will be invoiced and recognized as revenue in future periods. The Company excludes amounts related to professional services contracts that are on a time and materials basis from remaining performance obligations.

### Contract Costs

Contract costs consist of two components: customer acquisition costs and costs to fulfill a contract.

Customer acquisition costs are capitalized only if the costs are incrementally incurred to obtain a customer contract and the expected amortization period is greater than one year. Contract costs are classified as either current or non-current based on the duration of time remaining between the date of the consolidated balance sheets and the anticipated amortization date of the associated costs. Capitalized customer acquisition costs related to software licenses, subscriptions, and support services are amortized over the anticipated period in which the benefit is expected to be received, which the Company estimates to be approximately five years. The amortization of customer acquisition costs is classified as a sales and marketing expense in the consolidated statement of operations.

Costs to fulfill a contract, or fulfillment costs, are only capitalized if they relate directly to a contract with a customer, the costs generate or enhance resources that will be used to satisfy performance obligations in the future, and the costs are expected to be recoverable. Fulfillment costs would be generally amortized over the same period of time as the customer acquisition costs. The amortization of fulfillment costs is classified as a cost of revenue in the consolidated statement of operations.

### **Warranties**

The Company generally provides a warranty for its software services and products to its customers for periods ranging from three to 12 months. The Company's software products are generally warranted to be free of defects in materials and workmanship under normal use and to substantially perform as described in published documentation. The Company's services are generally warranted to be performed in a professional manner and to materially conform to the specifications set forth in the related customer contract. In the event there is a failure of such warranties, the Company generally will correct the problem or provide a reasonable workaround or replacement product. If the Company cannot correct the problem or provide a workaround or replacement product, then the customer's remedy is generally limited to a refund of the fees paid for the non-conforming products or services. Warranty expense has been insignificant to date.

### **Advertising Costs**

Advertising costs are expensed as incurred and amounts incurred were less than \$0.3 million, during the years ended July 31, 2024, 2023, and 2022, respectively.

### **Stock-Based Compensation**

The Company accounts for stock-based compensation using the fair value method, which requires the Company to measure stock-based compensation based on the grant-date fair value of the awards and recognize the compensation expense over the requisite service period. The Company recognizes compensation expense net of actual forfeitures. The Company has granted stock options, time-based restricted stock units ("RSUs") and performance-based restricted stock units ("PSUs"). RSUs and PSUs are collectively referred to as "Stock Awards."

The fair value of the Company's RSUs and PSUs is equal to the market value of the Company's common stock on the date of grant. These awards are subject to time-based vesting, which generally occurs over a period of three to four years. The Company recognizes compensation expense for awards that contain only service conditions on a straight-line basis over the requisite service period, which is generally the vesting period of the respective awards. The Company recognizes the compensation cost for awards that contain performance conditions using the graded vesting method and a portion of the expense may fluctuate depending on changing estimates of the achievement of the performance conditions.

The fair value of the Company's stock options is estimated at the grant date using the Black-Scholes option-pricing model. Recently granted stock options are subject to time-based vesting, which generally occurs over a period of two years. The Company recognizes compensation expense for stock options that contain only service conditions on a straight-line basis over the requisite service period, which is generally the vesting period of the respective stock options. The inputs used in the Black-Scholes option-pricing model, which are subjective and generally requires significant judgment to determine, include:

*Expected Term* — The expected term represents the period that the stock-based awards are expected to be outstanding. The simplified method calculates the expected term as the average of the time-to-vesting and the contractual life of the options. The Company uses the simplified method to determine its expected term because of its limited history of stock option exercise activity.

*Expected Volatility* — The expected volatility is derived from the historical volatility of the Company's common stock.

*Risk-Free Interest Rate* — The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the time of grant for zero coupon U.S. Treasury notes with maturities approximately equal to the expected term of the options.

*Expected Dividend* — The expected dividend is zero, as the Company has never paid dividends and has no expectations to do so.

## **Income Taxes**

Income taxes are accounted for under the asset and liability method. Under this method, the Company determines deferred tax assets and liabilities on the basis of the differences between the financial statement carrying amounts and tax basis of existing assets and liabilities by using enacted tax rates in effect for the year in which the differences are expected to reverse. All deferred tax assets and liabilities are classified as non-current on the Company's consolidated balance sheets. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date. A valuation allowance against deferred tax assets is recorded when it is more likely than not that some portion or all of such deferred tax assets will not be realized and is based on both positive and negative evidence about the future, including future reversals of existing taxable temporary differences, projected future taxable income, tax-planning strategies, and results of recent operations.

The effective tax rate in any given financial statement period may differ materially from the statutory rate. These differences may be caused by changes in tax regulations and resulting changes in the deferred tax valuation allowance; changes in the mix and level of income or losses; changes in the expected outcome of tax audits; permanent differences for stock-based compensation, including excess tax benefits; research and development credits; the tax rate differences between the United States and foreign countries; foreign withholding taxes; certain non-deductible expenses, including executive compensation; acquisition-related expenses; and provisions under the Tax Cuts and Jobs Act of 2017 (the "Tax Act"), including a provision to tax global intangible low-taxed income of foreign subsidiaries, a special deduction for foreign-derived intangible income, and a base erosion anti-abuse tax that may tax certain payments between a U.S. corporation and its foreign subsidiaries.

The Company records interest and penalties related to unrecognized tax benefits as income tax expense in its consolidated statement of operations.

## **Recent Accounting Pronouncements**

In November 2023, the Financial Accounting Standards Board ("FASB") issued ASU No. 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures, which requires public entities to disclose information about their reportable segments' significant expenses and other segment items on an interim and annual basis. Public entities with a single reportable segment are required to apply the disclosure requirements in ASU No. 2023-07, as well as all existing segment disclosures and reconciliation requirements in ASC 280 on an interim and annual basis. The new standard will be effective and the Company will adopt it for the annual period beginning August 1, 2024, and for the interim periods beginning after August 1, 2025 with early adoption permitted. The adoption of this ASU will impact the Company's disclosures.

In December 2023, the FASB issued ASU No. 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which improves the transparency of income tax disclosures by requiring consistent categories and greater disaggregation of information in the effective tax rate reconciliation and income taxes paid disaggregated by jurisdiction. It also includes certain other amendments to improve the effectiveness of income tax disclosures. The new standard will be effective and the Company will adopt it beginning August 1, 2025 and early adoption is permitted. Upon adoption, the guidance can be applied prospectively or retrospectively. The Company is currently assessing the impact of adopting this standard on the consolidated financial statements.

Other recent accounting pronouncements that will be applicable to the Company are not expected to have a material impact on its present or future financial statements.

## 2. Revenue

### *Disaggregation of Revenue*

Revenue by product type is as follows (in thousands):

	Fiscal years ended July 31,		
	2024	2023	2022
Subscription and support			
Subscription	\$ 477,461	\$ 352,145	\$ 259,232
Support	71,626	77,522	84,476
License			
Term license	248,849	265,389	258,440
Perpetual license	1,327	204	191
Services	181,234	210,081	210,275
Total revenue	<u>\$ 980,497</u>	<u>\$ 905,341</u>	<u>\$ 812,614</u>

Revenue by product type and by geography is as follows (in thousands):

	Fiscal year ended July 31, 2024			
	Subscription and support	License	Services	Total
United States	\$ 373,675	\$ 133,310	\$ 125,583	\$ 632,568
Canada	77,414	19,704	8,643	105,761
Other Americas	6,009	3,330	2,154	11,493
Total Americas	457,098	156,344	136,380	749,822
Total EMEA	59,968	59,274	35,192	154,434
Total APAC	32,021	34,558	9,662	76,241
Total revenue	<u>\$ 549,087</u>	<u>\$ 250,176</u>	<u>\$ 181,234</u>	<u>\$ 980,497</u>

	Fiscal year ended July 31, 2023			
	Subscription and support	License	Services	Total
United States	\$ 289,152	\$ 141,465	\$ 143,243	\$ 573,860
Canada	71,039	16,677	17,965	105,681
Other Americas	5,891	3,323	3,090	12,304
Total Americas	366,082	161,465	164,298	691,845
Total EMEA	40,661	66,743	35,238	142,642
Total APAC	22,924	37,385	10,545	70,854
Total revenue	<u>\$ 429,667</u>	<u>\$ 265,593</u>	<u>\$ 210,081</u>	<u>\$ 905,341</u>

	Fiscal year ended July 31, 2022			
	Subscription and support	License	Services	Total
United States	\$ 229,177	\$ 151,464	\$ 135,783	\$ 516,424
Canada	55,633	17,145	27,232	100,010
Other Americas	4,608	3,094	2,682	10,384
Total Americas	289,418	171,703	165,697	626,818
Total EMEA	32,153	53,248	33,018	118,419
Total APAC	22,137	33,680	11,560	67,377
Total revenue	<u>\$ 343,708</u>	<u>\$ 258,631</u>	<u>\$ 210,275</u>	<u>\$ 812,614</u>

No country or region other than those listed above accounted for more than 10% of revenue during the fiscal years ended July 31, 2024, 2023, and 2022.

### ***Customer Contract – Related Balance Sheet Amounts***

Amounts related to customer contract-related arrangements are included on the consolidated balance sheets as follows (in thousands):

	<b>July 31, 2024</b>		<b>July 31, 2023</b>	
Unbilled accounts receivable, net	\$	91,188	\$	98,864
Contract costs, net	\$	54,689	\$	47,254
Deferred revenue, net	\$	285,483	\$	212,911

#### *Unbilled accounts receivable*

The unbilled accounts receivable, net decreased by \$7.7 million primarily due to the impact of current year billings on multi-year term license arrangements under which billings occur later than revenue recognition and, to a lesser extent, due to subscription orders with ramped billing schedules.

As of July 31, 2024 and 2023, there was no allowance for credit losses associated with unbilled accounts receivable.

#### *Contract costs*

The current portion of contract costs of \$17.7 million and \$15.9 million is included in prepaid and other current assets on the Company's consolidated balance sheets as of July 31, 2024 and 2023, respectively. The non-current portion of contract costs of \$37.0 million and \$31.3 million is included in other assets on the Company's consolidated balance sheets as of July 31, 2024 and 2023, respectively. The Company amortized \$17.8 million, \$18.0 million, and \$14.5 million of contract costs during the fiscal years ended July 31, 2024, 2023, and 2022, respectively.

#### *Deferred revenue*

During the fiscal year ended July 31, 2024, the Company recognized revenue of \$201.3 million related to the Company's deferred revenue balance as of July 31, 2023.

#### ***Remaining Performance Obligations***

The aggregate amount of consideration allocated to remaining performance obligations either not satisfied or partially satisfied, was approximately \$2.0 billion as of July 31, 2024. Subscription services are typically satisfied over three to five years, support services are generally satisfied within one year, and professional services are typically satisfied within one year. Professional services under time and material contracts are not included in the remaining performance obligations calculation as these arrangements can be cancelled at any time.

### **3. Fair Value of Financial Instruments**

Available-for-sale investments within cash equivalents and investments consist of the following (in thousands):

	<b>July 31, 2024</b>			
	<b>Amortized Cost</b>	<b>Unrealized Gains</b>	<b>Unrealized Losses</b>	<b>Estimated Fair Value</b>
Asset-backed securities	\$ 58,812	\$ 116	\$ (61)	\$ 58,867
Certificates of deposit	46,900	—	—	46,900
Commercial paper	138,598	—	—	138,598
Corporate bonds	245,817	564	(107)	246,274
Foreign government bonds	5,590	21	(15)	5,596
Money market funds	360,881	—	—	360,881
U.S. Government agency securities	33,499	12	(12)	33,499
U.S. Government bonds	89,928	72	(117)	89,883
Total	<u>\$ 980,025</u>	<u>\$ 785</u>	<u>\$ (312)</u>	<u>\$ 980,498</u>

July 31, 2023

	Amortized Cost	Unrealized Gains	Unrealized Losses	Estimated Fair Value
Asset-backed securities	\$ 43,573	\$ 18	\$ (234)	\$ 43,357
Certificates of deposit	34,395	—	—	34,395
Commercial paper	150,254	—	—	150,254
Corporate bonds	200,691	41	(1,590)	199,142
Foreign government bonds	14,559	—	(203)	14,356
Money market funds	229,721	—	—	229,721
U.S. Government agency securities	84,180	9	(151)	84,038
U.S. Government bonds	87,064	1	(1,230)	85,835
Total	<u>\$ 844,437</u>	<u>\$ 69</u>	<u>\$ (3,408)</u>	<u>\$ 841,098</u>

The Company does not consider any portion of the unrealized losses at July 31, 2024 to be credit losses. The Company has recorded the securities at fair value in its consolidated balance sheets, with unrealized gains and losses reported as a component of accumulated other comprehensive income (loss). The amount of unrealized gains and losses reclassified into earnings are based on the specific identification of the securities sold. The realized gains and losses from sales of securities are presented in the consolidated statements of comprehensive income (loss).

The following table summarizes the contractual maturities of the Company's available-for-sale investments measured at fair value (in thousands):

	July 31, 2024		
	Less Than 12 Months	12 Months or Greater	Total
Asset-backed securities	\$ 18,826	\$ 40,041	\$ 58,867
Certificates of deposit	46,900	—	46,900
Commercial paper	138,598	—	138,598
Corporate bonds	177,081	69,193	246,274
Foreign government bonds	3,756	1,840	5,596
Money market funds	360,881	—	360,881
U.S. Government agency securities	32,605	894	33,499
U.S. Government bonds	75,966	13,917	89,883
Total	<u>\$ 854,613</u>	<u>\$ 125,885</u>	<u>\$ 980,498</u>

### ***Fair Value Measurement***

Fair value is defined as the exchange price that would be received for an asset or an exit price paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs.

The Company applies the three-level valuation hierarchy when measuring the fair value of certain assets and liabilities:

Level 1—Unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2—Inputs other than quoted prices included within Level 1 that are observable, unadjusted quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data; and

Level 3—Unobservable inputs that are supported by little or no market activity, which require the Company to develop its own assumptions.



*Available-for-sale investments*

The following tables summarize the Company's available-for-sale investments measured at fair value, by level within the fair value hierarchy (in thousands):

	July 31, 2024			
	Level 1	Level 2	Level 3	Total
<b>Cash equivalents:</b>				
Commercial paper	\$ —	\$ 38,156	\$ —	\$ 38,156
Money market funds	360,881	—	—	360,881
<b>Total cash equivalents</b>	<b>360,881</b>	<b>38,156</b>	<b>—</b>	<b>399,037</b>
<b>Short-term investments:</b>				
Asset-backed securities	—	18,826	—	18,826
Certificates of deposit	—	46,900	—	46,900
Commercial paper	—	100,442	—	100,442
Corporate bonds	—	177,081	—	177,081
Foreign government bonds	—	3,756	—	3,756
U.S. Government agency securities	—	32,605	—	32,605
U.S. Government bonds	—	75,966	—	75,966
<b>Total short-term investments</b>	<b>—</b>	<b>455,576</b>	<b>—</b>	<b>455,576</b>
<b>Long-term investments:</b>				
Asset-backed securities	—	40,041	—	40,041
Corporate bonds	—	69,193	—	69,193
Foreign government bonds	—	1,840	—	1,840
U.S. Government agency securities	—	894	—	894
U.S. Government bonds	—	13,917	—	13,917
<b>Total long-term investments</b>	<b>—</b>	<b>125,885</b>	<b>—</b>	<b>125,885</b>
<b>Total</b>	<b>\$ 360,881</b>	<b>\$ 619,617</b>	<b>\$ —</b>	<b>\$ 980,498</b>

	July 31, 2023			
	Level 1	Level 2	Level 3	Total
<b>Cash equivalents:</b>				
Commercial paper	\$ —	\$ 61,296	\$ —	\$ 61,296
Money market funds	229,721	—	—	229,721
U.S. Government agency securities	—	8,478	—	8,478
U.S. Government bonds	—	15,949	—	15,949
<b>Total cash equivalents</b>	<b>229,721</b>	<b>85,723</b>	<b>—</b>	<b>315,444</b>
<b>Short-term investments:</b>				
Asset-backed securities	—	2,705	—	2,705
Certificates of deposit	—	34,395	—	34,395
Commercial paper	—	88,958	—	88,958
Corporate bonds	—	156,396	—	156,396
Foreign government bonds	—	10,717	—	10,717
U.S. Government agency securities	—	69,101	—	69,101
U.S. Government bonds	—	34,600	—	34,600
<b>Total short-term investments</b>	<b>—</b>	<b>396,872</b>	<b>—</b>	<b>396,872</b>
<b>Long-term investments:</b>				
Asset-backed securities	—	40,652	—	40,652
Corporate bonds	—	42,746	—	42,746
Foreign government bonds	—	3,639	—	3,639
U.S. Government agency securities	—	6,459	—	6,459
U.S. Government bonds	—	35,286	—	35,286
<b>Total long-term investments</b>	<b>—</b>	<b>128,782</b>	<b>—</b>	<b>128,782</b>
<b>Total</b>	<b>\$ 229,721</b>	<b>\$ 611,377</b>	<b>\$ —</b>	<b>\$ 841,098</b>

#### *Convertible Senior Notes*

The fair value of the Convertible Senior Notes was \$528.0 million and \$388.2 million at July 31, 2024 and 2023, respectively. The Company estimates the fair value of the Convertible Senior Notes using commonly accepted valuation methodologies and market-based risk measurements that are directly observable, such as unadjusted quoted prices in markets that are not active (Level 2). For further information on the Convertible Senior Notes, see Note 6.

#### **4. Balance Sheet Components**

##### *Accounts Receivables, Net*

Accounts receivable, net consists of the following (in thousands):

	July 31, 2024	July 31, 2023
Accounts receivable	\$ 137,985	\$ 151,252
Allowance for credit losses and revenue reserves	(646)	(218)
Accounts receivable, net	<b>\$ 137,339</b>	<b>\$ 151,034</b>

##### *Prepaid Expenses and Other Current Assets*

Prepaid expenses and other current assets consist of the following (in thousands):

	July 31, 2024	July 31, 2023
Prepaid expenses	\$ 25,791	\$ 21,761
Contract costs	17,739	15,918
Deferred costs	6,259	6,753
Deposits and other receivables	17,807	17,700
Prepaid expenses and other current assets	<u>\$ 67,596</u>	<u>\$ 62,132</u>

### ***Property and Equipment, Net***

Property and equipment consist of the following (in thousands):

	July 31, 2024	July 31, 2023
Computer hardware	\$ 14,182	\$ 13,880
Purchased software	5,267	4,671
Capitalized software development costs	66,153	52,163
Equipment and machinery	3,936	3,432
Furniture and fixtures	7,009	6,302
Leasehold improvements	24,596	23,110
Total property and equipment	121,143	103,558
Less accumulated depreciation	(65,734)	(49,059)
Property and equipment, net	<u>\$ 55,409</u>	<u>\$ 54,499</u>

As of July 31, 2024 and 2023, no property and equipment was pledged as collateral. Depreciation expense, excluding the amortization of capitalized software development costs, was \$6.9 million, \$36.3 million and \$14.0 million for the fiscal years ended July 31, 2024, 2023, and 2022, respectively. Depreciation expense for the fiscal year ended July 31, 2023 includes \$26.9 million of accelerated depreciation expense, recorded from the date the lease was assigned through the date that the lease term ended related to the assignment to an unrelated third party of the Company's previous office headquarters, which was recognized in general and administrative expenses on the consolidated statements of operations. Refer to Note 7 "Leases" for information about the lease assignment of the previous office headquarters.

The Company recognized amortization of capitalized software development costs in cost of subscription and support revenue on the consolidated statements of operations of \$11.6 million, \$9.9 million, and \$6.3 million during the fiscal years ended July 31, 2024, 2023, and 2022, respectively.

### ***Goodwill and Intangible Assets, Net***

There were no significant changes in the carrying amount of goodwill from July 31, 2023 to July 31, 2024.

The Company's intangible assets are amortized over their estimated useful lives. Intangible assets consist of the following (in thousands):

	Remaining Weighted-Average Useful Life (in years)	July 31, 2024			July 31, 2023		
		Cost	Accumulated Amortization	Net Book Value	Cost	Accumulated Amortization	Net Book Value
Acquired technology	2.1	\$ 9,700	\$ 5,726	\$ 3,974	\$ 9,700	\$ 3,786	\$ 5,914
Customer contracts and related relationships	1.7	23,100	18,694	4,406	23,100	15,674	7,426
Partner relationships	0.7	200	185	15	200	163	37
Trademarks	3.5	3,400	2,790	610	3,400	2,304	1,096
Total	2.0	<u>\$ 36,400</u>	<u>\$ 27,395</u>	<u>\$ 9,005</u>	<u>\$ 36,400</u>	<u>\$ 21,927</u>	<u>\$ 14,473</u>

Amortization expense was \$5.5 million, \$6.9 million, and \$14.1 million during the years ended July 31, 2024, 2023, and 2022, respectively. The future amortization expense for existing intangible assets as of July 31, 2024, based on their current useful lives, is as follows (in thousands):

Fiscal year ending July 31,		
2025	\$	5,026
2026		3,572
2027		272
2028		129
2029		6
Total future amortization expense	<u>\$</u>	<u>9,005</u>

### **Other Assets**

Other assets consist of the following (in thousands):

	July 31, 2024	July 31, 2023
Prepaid expenses	\$ 3,213	\$ 3,111
Contract costs	36,950	31,337
Deferred costs	4,691	3,664
Strategic investments	22,401	27,772
Other	—	2,073
Other assets	<u>\$ 67,255</u>	<u>\$ 67,957</u>

The Company's other assets include strategic investments in privately held companies in which the Company does not have a controlling interest or the ability to exert significant influence. The strategic investments consist of non-marketable equity securities that do not have readily determinable market values (Level 3), which are recorded using the measurement alternative at cost less impairment and adjusts cost for subsequent observable changes in fair value, and an investment in a limited partnership, which is recorded using the net asset value practical expedient (Level 3) in accordance with ASC 820. Changes in fair value are recorded in other income (expense) on the consolidated statements of operations.

During fiscal year 2024, one of the Company's investees was acquired by a privately held limited partnership. As a result, the Company received \$12.1 million in consideration for its equity interest in the investee, composed of \$6.5 million cash and \$5.6 million of an ownership interest in the privately held limited partnership, and recognized a \$1.8 million gain in excess of cost as a component of other income (expense), net in the consolidated statements of operations.

The Company invested \$1.3 million, \$10.8 million, and \$12.3 million in new strategic investments during the fiscal years ended July 31, 2024, 2023, and 2022, respectively.

The following table summarizes the unrealized and realized gains (losses) on strategic investments (in thousands):

	Fiscal years ended July 31,		
	2024	2023	2022
Unrealized gains (losses), net, recognized on privately held equity securities measured using net asset value	\$ (1,957)	\$ —	\$ —
Unrealized gains (losses) recognized upon conversion of convertible debt investment	—	—	1,545
Impairments of strategic investments using the measurement alternative	—	(802)	—
Unrealized gains (losses), net	(1,957)	(802)	1,545
Realized gains (losses), net on sales of strategic investments	1,803	—	—
Gains (losses) on strategic investments, net	<u>\$ (154)</u>	<u>\$ (802)</u>	<u>\$ 1,545</u>

The following table summarizes the carrying amount of the Company's strategic investments (in thousands):

	July 31, 2024	July 31, 2023
Equity investments using the measurement alternative	\$ 18,740	\$ 27,772
Equity investment using net asset value	\$ 3,661	\$ —

***Accrued Employee Compensation***

Accrued employee compensation consists of the following (in thousands):

	July 31, 2024	July 31, 2023
Bonus	\$ 70,847	\$ 64,048
Commission	8,128	10,108
Vacation	6,934	6,429
Salaries, payroll taxes, and benefits	23,175	23,395
Accrued employee compensation	<u>\$ 109,084</u>	<u>\$ 103,980</u>

***Other Current Liabilities***

Other current liabilities consist of the following (in thousands):

	July 31, 2024	July 31, 2023
Lease liabilities	\$ 9,295	\$ 8,433
Accrued royalties	7,872	6,301
Accrued taxes	6,492	4,158
Other	8,925	8,839
Other current liabilities	<u>\$ 32,584</u>	<u>\$ 27,731</u>

## 5. Net Income (Loss) Per Share

The Company calculates basic earnings per share by dividing the net income (loss) by the weighted average number of shares of common stock outstanding for the period. For options to purchase common stock and Stock Awards, the Company uses the treasury stock method for calculating diluted earnings per share in all periods presented. Effective August 1, 2022, the Company adopted ASU 2020-06 which requires the use of the if-converted method for the Convertible Senior Notes. During fiscal year 2022, the Company used the treasury stock method for the Convertible Senior Notes.

The following table sets forth the computation of the Company's basic and diluted net income (loss) per share for the fiscal years ended July 31, 2024, 2023, and 2022 (in thousands, except share and per share amounts):

	Fiscal years ended July 31,		
	2024	2023	2022
<b>Numerator:</b>			
Net income (loss)	\$ (6,103)	\$ (111,855)	\$ (180,431)
<b>Net income (loss) per share:</b>			
Basic and diluted	\$ (0.07)	\$ (1.36)	\$ (2.16)
<b>Denominator:</b>			
Weighted average shares used in computing net income (loss) per share:			
Basic and diluted	82,291,483	82,176,629	83,569,517

The following weighted average shares of potential common stock were excluded from the computation of diluted net income (loss) per share for the periods presented because including them would have been anti-dilutive:

	Fiscal years ended July 31,		
	2024	2023	2022
Stock options	182,082	11,978	24,206
Stock awards	3,763,725	2,352,203	1,836,455
Convertible senior notes	3,516,480	3,516,480	33,417

In fiscal years ended July 31, 2024 and 2023, the average market price of the Company's common stock did not exceed the conversion price using the if-converted method. Except for the first quarter in fiscal year 2022, the average market price of the Company's common stock did not exceed the conversion price using the treasury stock method.

## 6. Convertible Senior Notes

In March 2018, the Company offered and sold \$400.0 million aggregate principal amount of its 1.25% Convertible Senior Notes due March 2025. The Convertible Senior Notes were issued in accordance with the Indenture, dated as of March 13, 2018, between the Company and U.S. Bank National Association, as trustee (the “Trustee”) (the “Base Indenture”), as amended and supplemented by the First Supplemental Indenture, dated as of March 13, 2018, between the Company and the Trustee (together with the Base Indenture, the “Indenture”). The net proceeds from the issuance of the Convertible Senior Notes were \$387.2 million, after deducting issuance costs.

The Convertible Senior Notes are unsecured obligations of the Company with interest payable semi-annually in arrears, at a rate of 1.25% per year, on March 15th and September 15th of each year. The Convertible Senior Notes will mature on March 15, 2025 unless repurchased, redeemed, or converted prior to such date. Prior to the close of business on the business day immediately preceding October 15, 2024, the Convertible Senior Notes are convertible at the option of holders during certain periods, upon satisfaction of certain conditions. On or after October 15, 2024, the Convertible Senior Notes are convertible at any time until the close of business on the second scheduled trading day immediately preceding the maturity date. The Convertible Senior Notes will have an initial conversion rate of 8.7912 shares of common stock per \$1,000 principal (equivalent to an initial conversion price of approximately \$113.75 per share of the Company’s common stock). The conversion rate is subject to customary adjustments upon the occurrence of certain events but will not be adjusted for any accrued and unpaid interest. Upon conversion, the Company will pay or deliver, as the case may be, cash, shares of its common stock or a combination of cash and shares of its common stock, at its election.

The Company may redeem the Convertible Senior Notes, at its option, on or after March 20, 2022, at a redemption price equal to 100% of the principal amount thereof, plus accrued and unpaid interest if the last reported sale price of the Company’s common stock has been at least 130% of the conversion price then in effect for at least 20 trading days (whether or not consecutive), including at least one of the three trading days immediately preceding the date on which the Company provides notice of redemption, during any 30 consecutive trading day period ending on, and including, the trading day immediately preceding the date on which the Company provides notice of redemption. No sinking fund is provided for the Convertible Senior Notes. Upon the occurrence of a fundamental change (as defined in the Indenture) prior to the maturity date, holders may require the Company to repurchase all or a portion of the Convertible Senior Notes for cash at a price equal to 100% of the principal amount of the notes to be repurchased, plus any accrued and unpaid interest to, but excluding, the fundamental change repurchase date.

The Convertible Senior Notes rank senior in right of payment to any of the Company’s indebtedness that is expressly subordinated in right of payment to the Convertible Senior Notes, and equal in right of payment to any of its indebtedness that is not so subordinated. The Convertible Senior Notes are effectively junior in right of payment to any of the Company’s secured indebtedness to the extent of the value of the assets securing such indebtedness; and structurally junior to all indebtedness and other liabilities (including trade payables) and any preferred equity of its current or future subsidiaries.

The net carrying value of the liability component and unamortized debt issuance costs of the Convertible Senior Notes was as follows (in thousands):

	July 31, 2024	July 31, 2023
Principal	\$ 400,000	\$ 400,000
Less unamortized:		
Debt issuance costs	1,097	2,829
Net carrying amount	<u>\$ 398,903</u>	<u>\$ 397,171</u>

The effective interest rate of the Convertible Senior Notes after the adoption of ASU 2020-06 on August 1, 2022 is 1.69%. Prior to the adoption of ASU 2020-06, the effective interest rate of the Convertible Senior Notes was 5.53%.

The following table sets forth the interest expense recognized related to the Convertible Senior Notes (in thousands):

	Fiscal years ended July 31,		
	2024	2023	2022
Contractual interest expense	\$ 5,000	\$ 5,000	\$ 5,000
Amortization of debt discount <sup>(1)</sup>	—	—	12,945
Amortization of debt issuance costs	1,732	1,703	1,446
Total	<u>\$ 6,732</u>	<u>\$ 6,703</u>	<u>\$ 19,391</u>

<sup>(1)</sup> Effective August 1, 2022, the Company adopted ASU 2020-06 using the modified retrospective method which resulted in the accounting for the Convertible Senior Notes as a single liability and no longer required the liability and equity components to be accounted for separately. The prior periods have not been retrospectively adjusted and continue to be reported under the accounting standards in effect for each respective period.

The if-converted value exceeded the outstanding principal of the Convertible Senior Notes by \$6.8 million as of July 31, 2024, and did not exceed the outstanding principal of the Convertible Senior Notes as of July 31, 2023.

### ***Capped Call***

In March 2018, the Company paid \$37.2 million to purchase capped calls with certain financial institutions pursuant to capped call confirmations (the “Capped Calls”). The Capped Calls have an initial strike price of \$113.75 per share, subject to certain adjustments, which corresponds to the initial conversion price of the Convertible Senior Notes. The Capped Calls have initial cap prices of \$153.13 per share, subject to certain adjustments. The Capped Calls cover, subject to anti-dilution adjustments, 3.5 million shares of common stock. By entering into the Capped Calls, the Company expects to reduce the potential dilution to its common stock (or, in the event the conversion is settled in cash, to reduce its cash payment obligation) in the event that at the time of conversion its stock price exceeds the conversion price under the Convertible Senior Notes. The Capped Calls are subject to either adjustment or termination upon the occurrence of specified extraordinary events affecting the Company, including a merger event, tender offer, and a nationalization, insolvency, or delisting involving the Company. Additionally, the Capped Calls are subject to certain specified additional disruption events that may give rise to a termination of the Capped Calls, including change in law, insolvency filing, and hedging disruptions. The Capped Calls were recorded in the period purchased as a reduction of the Company’s additional paid-in capital in the accompanying consolidated balance sheets.

### **7. Leases**

The Company’s lease obligations consist of operating leases for office facilities and equipment, with lease periods expiring through fiscal year 2032. Some leases include one or more options to renew. Lease renewals are not assumed in the determination of the lease term until the exercise of the renewal option is deemed to be reasonably certain.

In February 2023, the Company assigned (“the Lease Assignment”) the remaining lease term of its previous headquarters and concurrently entered into a sublease for office space in San Mateo, California with the same third party for its worldwide headquarters. As a result of the Lease Assignment, the Company recognized an \$8.5 million loss in general and administrative operating expenses during the fiscal year ended July 31, 2023 on the consolidated statements of operations. The loss is comprised of an \$18.4 million gain from the de-recognition of the operating lease asset of \$56.9 million, the de-recognition of the lease liability of \$75.5 million, and other expenses related to the Lease Assignment of \$0.2 million, offset by accelerated depreciation expense related to property and equipment, primarily consisting of leasehold improvements, at the previous headquarters of \$26.9 million. In fiscal year 2023 upon lease commencement of the new worldwide headquarters, the Company recognized a \$27.1 million operating lease asset and \$19.6 million lease liability.

Components of operating lease costs were as follows (in thousands):

	Fiscal years ended July 31,		
	2024	2023	2022
Operating lease costs <sup>(1)</sup>	\$ 12,537	\$ 12,192	\$ 15,992
Variable lease costs	2,344	4,353	5,496
Sublease income	—	(898)	(1,451)
Net operating lease costs	<u>\$ 14,881</u>	<u>\$ 15,647</u>	<u>\$ 20,037</u>

<sup>(1)</sup> Lease expense for leases with an initial term of 12 months or less is excluded from the table above and was \$0.8 million, \$0.9 million and \$0.9 million in each of the fiscal years ended July 31, 2024, 2023, and 2022, respectively.



Future operating lease payments as of July 31, 2024 were as follows (in thousands):

Fiscal year ending July 31,		
2025	\$	10,861
2026		11,120
2027		10,022
2028		4,102
2029		3,928
Thereafter		8,464
Total future lease payments		48,497
Less imputed interest		(4,481)
Total lease liability balance	\$	44,016

Supplemental information related to leases was as follows (in thousands, except for lease term and discount rate):

	As of July 31,	
	2024	2023
Operating lease assets	\$ 43,750	\$ 52,373
Current portion of lease liabilities	9,295	8,433
Non-current portion of lease liabilities	34,721	42,972
Total lease liabilities	\$ 44,016	\$ 51,405
Weighted average remaining lease term (years)	5.3	6.2
Weighted average discount rate	4.0 %	3.9 %

Supplemental cash and non-cash information related to operating leases was as follows (in thousands):

	Fiscal years ended July 31,		
	2024	2023	2022
Cash payments for operating leases	\$ 11,561	\$ 12,569	\$ 19,120
Operating lease assets obtained in exchange for operating lease liabilities	\$ 2,621	\$ (36,981)	\$ 5,867

## 8. Commitments and Contingencies

The Company's contractual obligations and commitments as of July 31, 2024 are as follows (in thousands):

	Purchase Commitments <sup>(1)</sup>	Debt <sup>(2)</sup>	Total
<b>Fiscal Year Ending July 31,</b>			
2025	\$ 169,512	\$ 405,000	\$ 574,512
2026	154,779	—	154,779
2027	145,981	—	145,981
2028	34,863	—	34,863
2029 and thereafter	2	—	2
Total	\$ 505,137	\$ 405,000	\$ 910,137

<sup>(1)</sup> Purchase commitments represent royalty obligations and commitments to purchase goods and services, entered into in the ordinary course of business, for which a penalty could be imposed if the agreement was cancelled for any reason other than an event of default as described by the agreement. During fiscal year 2023, the

Company entered into an agreement with a cloud infrastructure services provider for a total obligation of \$600 million over a five-year period. Purchase commitments do not include lease obligations (refer to Note 7).

(2) Debt consists of principal and interest payments on the Company's Convertible Senior Notes. The \$400 million in principal will be due in March 2025.

### ***Legal Proceedings***

From time to time, the Company is involved in various legal proceedings and receives claims, arising from the normal course of business activities. The Company has not recorded any accrual for claims as of July 31, 2024 and 2023, respectively. The Company has not accrued for estimated losses in the accompanying consolidated financial statements as the Company has determined that no provision for liability nor disclosure is required related to any claim against the Company because: (a) there is not a reasonable possibility that a loss exceeding amounts already recognized (if any) may be incurred with respect to such claim; (b) a reasonably possible loss or range of loss cannot be estimated; or (c) such estimate is immaterial. The Company expenses legal fees in the period in which they are incurred.

### ***Indemnification***

The Company sells software licenses and services to its customers under Software License Agreements ("SLA") and Software Subscription Agreements ("SSA"). SLAs and SSAs contain the terms of the contractual arrangement with the customer and generally include certain provisions for defending the customer against any claims that the Company's software infringes upon a patent, copyright, trademark, or other proprietary right of a third party. SLAs and SSAs also generally indemnify the customer against judgments, settlements, fines, penalties, costs, and expenses resulting from a claim ("Losses") against the customer in the event the Company's software is found to infringe upon such third-party rights.

The Company has not had to reimburse any of its customers for Losses related to indemnification provisions and no material claims against the Company were outstanding as of July 31, 2024 and 2023. For several reasons, including the lack of prior indemnification claims and the lack of a monetary liability limit for certain infringement cases under various SLAs and SSAs, the Company cannot estimate the amount of potential future payments, if any, related to indemnification provisions.

The Company has also agreed to indemnify its directors and executive officers for costs associated with any fees, expenses, judgments, fines, and settlement amounts incurred by any of these persons in any action or proceeding to which any of these persons is, or is threatened to be, made a party by reason of the person's service as a director or officer, including any action by the Company, arising out of that person's services as the Company's director or officer or that person's services provided to any other company or enterprise at the Company's request. The Company maintains director and officer insurance coverage that may enable the Company to recover a portion of any future amounts paid.

## **9. Stock-Based Compensation Expense and Shareholders' Equity**

### ***Stock-Based Compensation Expense***

Stock-based compensation expense related to stock options and Stock Awards is included in the Company's consolidated statements of operations as follows (in thousands):

	Fiscal years ended July 31,		
	2024	2023	2022
Stock-based compensation expense	\$ 146,700	\$ 143,566	\$ 138,156
Net impact of deferred stock-based compensation	(240)	(724)	(1,145)
Total stock-based compensation expense	<u>\$ 146,460</u>	<u>\$ 142,842</u>	<u>\$ 137,011</u>

Stock-based compensation expense is included in the following categories:

Cost of subscription and support revenue	\$ 13,425	\$ 14,073	\$ 13,222
Cost of license revenue	186	463	692
Cost of services revenue	19,013	19,257	20,978
Research and development	40,213	39,865	33,446
Sales and marketing	34,590	29,925	31,281
General and administrative	39,033	39,259	37,392
Total stock-based compensation expense	146,460	142,842	137,011
Tax benefit from stock-based compensation	37,670	22,566	26,151
Total stock-based compensation, net of tax effect	<u>\$ 108,790</u>	<u>\$ 120,276</u>	<u>\$ 110,860</u>

Total unrecognized stock-based compensation expense related to the Company's stock options and Stock Awards as of July 31, 2024 is as follows:

	Unrecognized Expense (in thousands)	Weighted Average Expected Recognition Period (in years)
Stock Options	\$ 237	0.2
Stock Awards	238,305	2.2
Total unrecognized stock-based compensation expense	<u>\$ 238,542</u>	

### Stock Awards

A summary of the Company's Stock Awards activity under the Company's equity incentive plans is as follows:

	Stock Awards Outstanding		
	Number of Stock Awards	Weighted Average Grant Date Fair Value	Aggregate Intrinsic Value <sup>(1)</sup> (in thousands)
Balance as of July 31, 2021	2,394,968	\$ 107.15	\$ 275,900
Granted	1,942,391	\$ 112.83	
Released	(1,202,125)	\$ 107.29	\$ 118,669
Canceled	(349,881)	\$ 111.80	
Balance as of July 31, 2022	2,785,353	\$ 110.47	\$ 216,478
Granted	2,287,778	\$ 66.36	
Released	(1,391,162)	\$ 100.92	\$ 97,324
Canceled	(267,263)	\$ 99.31	
Balance as of July 31, 2023	3,414,706	\$ 85.68	\$ 289,635
Granted	1,639,400	\$ 93.63	
Released	(1,569,451)	\$ 91.48	\$ 168,144
Canceled	(282,589)	\$ 89.22	
Balance as of July 31, 2024	<u>3,202,066</u>	\$ 86.60	\$ 480,534
Expected to vest as of July 31, 2024	<u>3,202,066</u>	\$ 86.60	\$ 480,534

<sup>(1)</sup>Aggregate intrinsic value at each period end represents the total market value of Stock Awards at the Company's closing stock price of \$150.07, \$84.82, and \$77.72 on July 31, 2024, 2023, and 2022, respectively. Aggregate intrinsic value for released Stock Awards represents the total market value of released Stock Awards at date of release.

In September 2023, certain executive officers were granted Stock Awards that vest in September 2026, subject to continued service until such time, with the opportunity to increase the number of vested awards based on Company financial performance and, for a select number of awards, the market performance of the Company's common stock. The fair value of the awards will be recognized over the performance period and may increase or decrease depending on the estimated attainment of Company financial performance criteria. The Company determined the fair value of the portion of the award subject to the market performance of the Company's common stock using a Monte Carlo simulation model, which included the following assumptions:

Performance Period	September 13, 2023 to September 13, 2026
3-year Historical Volatility	35.0%
3-year Risk Free Rate	4.5%

For the portion of the award subject to the market performance of the Company's common stock, stock-based compensation expense is recognized over the requisite service period regardless of whether or not the market condition is ultimately satisfied, subject to continued service over the period.

Prior to fiscal year 2024, certain executives and employees of the Company received PSUs, which will vest over three years with 50% vesting annually over the three year period and the remaining 50% vesting at the end of the third year.

The Company recognized stock-based compensation related to PSUs of \$16.2 million, \$15.0 million, and \$14.7 million during the fiscal years ended July 31, 2024, 2023, and 2022, respectively.

### ***Stock Options***

A summary of stock option activity under the Company's equity incentive plans is as follows:

	Number of Stock Options Outstanding	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in years)	Aggregate Intrinsic Value <sup>(1)</sup> (in thousands)
Balance as of July 31, 2021	25,278	\$ 17.39	5.0	\$ 2,472
Granted	60,900	\$ 71.67		
Exercised	(10,472)	\$ 11.10		\$ 1,047
Canceled	—	\$ —		
Balance as of July 31, 2022	75,706	\$ 61.93	8.7	\$ 1,196
Granted	121,168	\$ 66.76		
Exercised	(6,582)	\$ 34.60		\$ 255
Canceled	(2,720)	\$ 69.60		
Balance as of July 31, 2023	187,572	\$ 65.90	8.8	\$ 3,549
Granted	—	\$ —		
Exercised	(15,517)	\$ 67.98		\$ 1,061
Canceled	(5,217)	\$ 68.39		
Balance as of July 31, 2024	166,838		7.9	\$ 14,088
Vested and expected to vest as of July 31, 2024	166,838	\$ 65.63	7.9	\$ 14,088
Exercisable as of July 31, 2024	50,779	\$ 63.07	7.2	\$ 4,418

<sup>(1)</sup>Aggregate intrinsic value at each fiscal year end represents the difference between the Company's closing stock price of \$150.07, \$84.82, and \$77.72 on July 31, 2024, 2023, and 2022, respectively, and the exercise price of outstanding stock options. Aggregate intrinsic value for exercised options represents the difference between the Company's stock price at date of exercise and the exercise price.

### ***Valuation of Awards***

#### ***Stock Options***

The fair value of the stock options is estimated at the grant date using the Black-Scholes option-pricing model, which included the following assumptions:

	Fiscal years ended July 31,		
	2024	2023	2022
Expected term (in years)	*	6.0	6.0
Risk-free interest rate	*	2.9% - 4.2%	3.0% - 3.6%
Expected volatility	*	32.1% - 33.1%	31.8% - 31.9%
Expected dividend yield	*	—%	—%

\*No options were granted during fiscal year ended July 31, 2024.

### ***Common Stock Reserved for Issuance***

As of July 31, 2024 and 2023, the Company was authorized to issue 500,000,000 shares of common stock with a par value of \$0.0001 per share and, of these, 83,025,637 and 81,440,669 shares of common stock were issued and outstanding, respectively. As of July 31, 2024 and 2023, the Company had reserved shares of common stock for future issuance as follows:

	July 31, 2024	July 31, 2023
Exercise of stock options to purchase common stock	166,838	187,572
Vesting of stock awards	3,202,066	3,414,706
Shares available under stock plans	5,450,102	2,996,441
Total common stock reserved for issuance	8,819,006	6,598,719

### ***Equity Incentive Plans***

On December 15, 2020, the Company's stockholders adopted the 2020 Stock Plan ("2020 Plan") for the purpose of granting equity-based incentive awards. The Company initially reserved 5,000,000 shares of its common stock for the issuance of awards under the 2020 Plan. The shares available for issuance are subject to adjustment in the event of a stock split, stock dividend or other defined changes in the Company's capitalization. The 2020 Plan replaced the Company's 2011 Stock Plan; however, awards outstanding under the 2011 Stock Plan will continue to be governed by their existing terms. On December 20, 2022, the Company's stockholders approved the amendment and restatement of the 2020 Stock Plan to increase the total number of shares of common stock available for issuance under the 2020 Stock Plan by 1,780,000. On December 19, 2023, the Company's stockholders approved the amendment and restatement of the 2020 Stock Plan to increase the total number of shares of common stock available for issuance under the 2020 Stock Plan by 3,800,000.

The shares the Company issues under the 2020 Plan will be from the Company's pool of authorized but unissued shares. The shares of common stock underlying any awards under the 2011 Stock Plan that are forfeited, canceled, held back upon exercise or settlement of an award to cover the exercise price or tax withholding, reacquired by the Company prior to vesting, satisfied without any issuance of stock or are otherwise terminated (other than by exercise) are added back to the shares of stock available for issuance under the 2020 Plan, as amended.

### ***Share Repurchase Program***

In September 2022, the Company's board of directors authorized and approved a share repurchase program of up to \$400.0 million of the Company's outstanding common stock. Share repurchases under the program may be made from time to time, in the open market, in privately negotiated transactions and otherwise, at the discretion of management of the Company and in accordance with applicable federal securities laws, including Rule 10b-18 of the Exchange Act, and other applicable legal requirements. Such repurchases may also be made in compliance with Rule 10b5-1 trading plans entered into by the Company. As of July 31, 2024, \$138.2 million remained available to purchase under the authorized and approved share repurchase program.

In September 2022, the Company entered into an accelerated share repurchase ("ASR") agreement with a large financial institution whereupon the Company provided them with a prepayment of \$200.0 million and received an initial delivery of 2,581,478 shares of the Company's common stock. Under the terms of the ASR, the total number of shares delivered and average price paid per share was determined at the settlement date based on the volume weighted average price over the term of the ASR, less an agreed upon discount. The ASR was settled in full with the delivery of an additional 648,001 shares of common stock during the third quarter of fiscal year 2023, which resulted in total repurchases under the ASR of 3,229,479 shares of common stock at an average purchase price of \$61.93 per share.

During the fiscal year ended July 31, 2024, the Company did not repurchase any shares of common stock. During the fiscal year ended July 31, 2023, the Company repurchased 4,041,284 shares of common stock at an average price of \$64.78 per share, for an aggregate purchase price of \$261.8 million, which includes the shares repurchased under the ASR agreement. During the fiscal year ended July 31, 2022, the Company repurchased 322,545 shares of common stock at an average price of \$116.11 per share, for an aggregate purchase price of \$37.5 million under a previous share repurchase program.

## 10. Income Taxes

The Company recognized an income tax benefit of \$20.7 million for fiscal year 2024 compared to an income tax benefit of \$22.2 million for fiscal year 2023. The decrease in the Company's income tax benefit for fiscal year 2024 was primarily due to a decrease in pre-tax net loss, offset by an increase in tax deductions related to stock-based compensation, the foreign derived intangible income deduction, and an increase in research and development tax credits.

The effective tax rate could differ from the statutory U.S. Federal income tax rate of 21% mainly due to state taxes, permanent differences for stock-based compensation including excess tax benefits, research and development credits, foreign earnings taxed in the United States, the foreign derived intangible income deduction, a change in valuation allowance and certain non-deductible expenses, including, but not limited to, executive compensation limitation.

The Company's income (loss) before provision for (benefit from) income taxes is as follows (in thousands):

	Fiscal years ended July 31,		
	2024	2023	2022
Domestic	\$ (44,280)	\$ (150,628)	\$ (239,601)
International	17,442	16,534	9,886
Income (loss) before provision for (benefit from) income taxes	<u>\$ (26,838)</u>	<u>\$ (134,094)</u>	<u>\$ (229,715)</u>

The provision for (benefit from) income taxes consisted of the following (in thousands):

	Fiscal years ended July 31,		
	2024	2023	2022
<b>Current:</b>			
U.S. Federal	\$ 738	\$ 555	\$ 1,937
State	1,710	564	43
Foreign	3,563	3,904	1,852
Total current	<u>6,011</u>	<u>5,023</u>	<u>3,832</u>
<b>Deferred:</b>			
U.S. Federal	(22,856)	(23,372)	(48,775)
State	(3,396)	(3,808)	(5,656)
Foreign	(494)	(82)	1,315
Total deferred	<u>(26,746)</u>	<u>(27,262)</u>	<u>(53,116)</u>
Total provision for (benefit from) income taxes	<u>\$ (20,735)</u>	<u>\$ (22,239)</u>	<u>\$ (49,284)</u>

Differences between income taxes calculated using the statutory federal income tax rate of 21% and the provision for income taxes are as follows (in thousands):

	Fiscal years ended July 31,		
	2024	2023	2022
Statutory federal income tax	\$ (5,634)	\$ (28,159)	\$ (48,240)
State taxes, net of federal benefit	(1,702)	(3,253)	(5,613)
Stock-based compensation	(4,415)	9,902	2,912
Non-deductible officers' compensation	4,996	2,783	4,484
Foreign income taxed at different rates	(960)	(55)	(365)
Research tax credits	(12,067)	(7,817)	(6,820)
Base erosion and anti-abuse tax	(3,091)	(935)	349
Foreign earnings taxed in the U.S.	2,390	2,199	1,201
Non-deductible acquisition costs	30	617	744
Permanent differences and others	1,254	1,576	476
Change in valuation allowance	491	903	1,588
Foreign derived intangible income	(2,027)	—	—
Total provision for (benefit from) income taxes	<u>\$ (20,735)</u>	<u>\$ (22,239)</u>	<u>\$ (49,284)</u>

The tax effects of temporary differences that gave rise to significant portions of deferred tax assets and liabilities are as follows (in thousands):

	As of July 31,	
	2024	2023
Accruals and reserves	\$ 27,636	\$ 24,899
Stock-based compensation	9,077	8,389
Deferred revenue	711	1,188
Capitalized research and development	110,502	59,332
Lease liabilities	9,908	11,555
Convertible debt	919	2,344
Net operating loss carryforwards	49,864	85,573
Tax credits	145,934	127,209
Total deferred tax assets	354,551	320,489
Less valuation allowance	65,791	59,356
Net deferred tax assets	288,760	261,133
Less deferred tax liabilities:		
Intangible assets	12,682	10,915
Operating lease assets	9,130	10,927
Property and equipment	184	576
Unremitted foreign earnings	851	931
Capitalized commissions	15,022	13,084
Total deferred tax liabilities	37,869	36,433
Total net deferred tax assets	\$ 250,891	\$ 224,700

The Company considered both positive and negative evidence, including future reversals of existing taxable temporary differences, projected future taxable income, tax planning strategies, differences between prior book and tax profits/losses, and results of future operations, and determined that a valuation allowance was not required for a significant portion of its deferred tax assets. A valuation allowance of \$65.8 million and \$59.4 million remained as of July 31, 2024 and 2023, respectively, primarily related to California, U.S. Federal, and Canada deferred tax assets. The increase of \$6.4 million in the valuation allowance in the current fiscal year relates primarily to net operating losses, and income tax credits in certain tax jurisdictions for which no tax benefit is expected to be recognized.

As of July 31, 2024, the Company had U.S. Federal, California, and other states net operating loss (“NOL”) carryforwards of \$157.8 million, \$61.9 million and \$173.9 million, respectively. The U.S. Federal and California NOL carryforwards will start to expire in 2029 and 2025, respectively.

As of July 31, 2024, the Company had research and development tax credit (“R&D credit”) carryforwards of the following (in thousands):

U.S. Federal	\$ 82,470
California	62,878
Total R&D credit carryforwards	\$ 145,348

U.S. Federal R&D credit carryforwards available at July 31, 2024 will expire starting in 2025. California R&D tax credits do not expire.

Federal and California laws impose restrictions on the utilization of NOL carryforwards and R&D credit carryforwards in the event of a change in ownership of the Company, as defined by Internal Revenue Code 382 and 383. The Company experienced an ownership change in the past that does not materially impact the availability of its carryforwards. However, should there be an ownership change in the future, the Company’s ability to utilize existing carryforwards could be substantially restricted.

As of July 31, 2024, the Company has recorded a provisional estimate for foreign withholding taxes on undistributed earnings from foreign subsidiaries of \$0.9 million. The Company may repatriate foreign earnings in the future to the extent that the repatriation is not restricted by local laws or there are no substantial incremental costs associated with such repatriation.



Beginning in the Company's fiscal year 2023, the Tax Cuts and Jobs Act of 2017 eliminates the right to deduct research and development expenditures for tax purposes in the period the expenses were incurred and instead requires all U.S. and foreign research and development expenditures to be amortized over five and fifteen tax years, respectively. Congress has considered legislation that would defer the amortization requirement to later years, but as of July 31, 2024, the requirement has not been modified. Accordingly, the Company has capitalized research and development expenses for tax purposes in fiscal years 2024 and 2023.

### ***Unrecognized Tax Benefits***

Activity related to unrecognized tax benefits is as follows (in thousands):

	Fiscal years ended July 31,		
	2024	2023	2022
Unrecognized tax benefits - beginning of period	\$ 20,518	\$ 18,786	\$ 17,138
Gross increases - prior period tax positions	231	1	147
Gross decreases - prior period tax positions	(2,664)	(982)	—
Gross increases - current period tax positions	3,435	2,713	1,501
Unrecognized tax benefits - end of period	<u>\$ 21,520</u>	<u>\$ 20,518</u>	<u>\$ 18,786</u>

During the year ended July 31, 2024, the Company's unrecognized tax benefits increased by \$1.0 million. As of July 31, 2024, the Company had unrecognized tax benefits of \$13.1 million that, if recognized, would affect the Company's effective tax rate. The Company recognizes interest and penalties related to unrecognized tax benefits as income tax expense in its consolidated statements of operations. As of July 31, 2024, the total interest and penalties related to unrecognized tax benefits was not material.

The Company, or one of its subsidiaries, files income taxes in the U.S. Federal jurisdiction and various state and foreign jurisdictions. If the Company utilizes NOL carryforwards or tax credits in future years, the U.S. Federal, state and local, and non-U.S. tax authorities may examine the tax returns covering the period in which the net operating losses and tax credits arose. As a result, the Company's tax returns in the U.S. and California remain open to examination from fiscal years 2002 through 2024.

## **11. Defined Contribution and Other Post-Retirement Plans**

The Company's employee savings and retirement plan in the United States is qualified under Section 401(k) of the Internal Revenue Code. Employees on the Company's U.S. payroll are automatically enrolled when they meet eligibility requirements, unless they decline participation. Upon enrollment employees are provided with tax-deferred salary deductions and various investment options. Employees may contribute up to 60% of their eligible salary up to the statutory prescribed annual limit. The Company matches employees' contributions up to \$5,000 per participant per calendar year. Certain of the Company's foreign subsidiaries also have defined contribution plans in which a majority of its employees participate and the Company makes matching contributions. The Company's contributions to its 401(k) and foreign subsidiaries' plans were \$14.1 million, \$13.3 million, and \$13.1 million for the fiscal years ended July 31, 2024, 2023, and 2022, respectively.

## 12. Segment Information

The Company operates in one segment. The Company's chief operating decision maker (the "CODM"), its Chief Executive Officer, manages the Company's operations on a consolidated basis for purposes of allocating resources. When evaluating the Company's financial performance, the CODM reviews separate revenue information for the Company's subscription, support, term license, perpetual license, and services offerings, as well as revenue by geographic region, while all other financial information is reviewed on a consolidated basis. The Company's principal operations and decision-making functions are located in the United States.

The Company's long-lived assets for this disclosure are defined as property and equipment and operating lease assets. The Company's long-lived assets by geographic region are as follows (in thousands):

	July 31, 2024	July 31, 2023
Americas	\$ 69,004	\$ 72,089
EMEA	26,192	29,792
APAC	3,963	4,991
Total	<u>\$ 99,159</u>	<u>\$ 106,872</u>

## **Item 9. Changes in and Disagreements with Accountant on Accounting and Financial Disclosure**

None.

## **Item 9A. Controls and Procedures**

### ***Evaluation of Disclosure Controls and Procedures***

Our management, with the participation of our principal executive officer and principal financial officer, has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act), as of the end of the period covered by this Annual Report on Form 10-K. Based on such evaluation, our principal executive officer and principal financial officer have concluded that, as of such date, our disclosure controls and procedures were effective.

### ***Management's Annual Report on Internal Control Over Financial Reporting***

Our management is responsible for establishing and maintaining adequate internal control over our financial reporting as defined in Rule 13a-15(f) or 15d-15(f) of the Exchange Act. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles, and includes those policies and procedures that: (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of our assets; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that our receipts and expenditures are being made only in accordance with authorizations of our management and directors; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of our assets that could have a material effect on our financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Our management assessed the effectiveness of our internal control over financial reporting as of July 31, 2024, using the criteria set forth in *Internal Control—Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment and those criteria, management concluded that our internal control over financial reporting was effective, at a reasonable level of assurance, as of July 31, 2024.

Our internal control over financial reporting has been audited by KPMG LLP, an independent registered public accounting firm, as stated in their report, which appears in Part II, Item 8 of this Annual Report on Form 10-K.

### ***Inherent Limitations of Internal Controls***

Our management, including our principal executive officer and principal financial officer, does not expect that our disclosure controls and procedures or our internal controls will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, within the Company have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the control. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in conditions, or the degree of compliance with the policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

### ***Changes in Internal Control over Financial Reporting***

There were no changes in our internal control over financial reporting during the quarter ended July 31, 2024 identified in management's evaluation pursuant to Rules 13a-15(d) or 15d-15(d) of the Exchange Act that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## **Item 9B. Other Information**

None.

**Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.**

None.

## PART III

### **Item 10.           *Directors, Executive Officers and Corporate Governance***

We have adopted a Code of Business Conduct and Ethics that applies to all of our directors, officers, and employees, including our principal executive officer and principal financial officer. The Code of Business Conduct and Ethics is posted on our investor relations website.

We will post any amendments to, or waivers from, a provision of this Code of Business Conduct and Ethics by posting such information on our investor relations website.

The other information required by this item will be contained in our definitive proxy statement to be filed with the SEC in connection with our 2024 Annual Meeting of Stockholders (the “Proxy Statement”), which is expected to be filed not later than 120 days after the end of our fiscal year ended July 31, 2024, and is incorporated in this report by reference.

### **Item 11.           *Executive Compensation***

The information required by this item will be set forth in the Proxy Statement and is incorporated herein by reference.

### **Item 12.           *Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters***

The information required by this item will be set forth in the Proxy Statement and is incorporated herein by reference.

### **Item 13.           *Certain Relationships and Related Transactions, and Director Independence***

The information, if any, required by this item will be set forth in the Proxy Statement and is incorporated herein by reference.

### **Item 14.           *Principal Accountant Fees and Services***

The information required by this item will be set forth in the Proxy Statement and is incorporated herein by reference.

## PART IV

### Item 15. *Exhibits and Financial Statement Schedules*

(a) The following documents are filed as part of this report:

1. Consolidated Financial Statements

See Index to Consolidated Financial Statements at Item 8 herein.

2. Financial Statement Schedules

Schedules have been omitted because the information required to be set forth therein is not applicable or is shown in the financial statements or notes herein.

3. Exhibits

## EXHIBIT INDEX

The exhibits listed below are filed or incorporated by reference as part of this Annual Report on Form 10-K.

Exhibit Number	Description	Incorporated by Reference From Form	Incorporated by Reference From Exhibit Number	Date Filed
3.1	Amended and Restated Certificate of Incorporation	8-K	3.1	December 21, 2022
3.2	Amended and Restated Bylaws	8-K	3.2	December 21, 2022
4.1	Form of Common Stock Certificate of Guidewire Software, Inc.	S-1/A	4.1	January 9, 2012
4.2	Indenture between Guidewire Software, Inc. and U.S. Bank National Association, dated as of March 13, 2018	8-K	4.1	March 13, 2018
4.3	First Supplemental Indenture between Guidewire Software, Inc. and U.S. Bank National Association, dated as of March 13, 2018	8-K	4.2	March 13, 2018
4.4	Form of 1.25% Convertible Senior Note Due March 15, 2025	8-K	4.3	March 13, 2018
4.5	Description of Guidewire Software, Inc.'s Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934, as amended	Filed herewith	—	—
10.1#	Guidewire Software, Inc. 2011 Stock Plan and Forms of Agreements thereunder	S-1/A	10.5	December 13, 2011
10.2#	Guidewire Software, Inc. Form of Performance-Based Restricted Stock Unit Award Agreement under the 2011 Stock Plan	10-Q	10.9	December 2, 2015
10.3#	Guidewire Software, Inc. Forms of Notice of Restricted Stock Unit Award and Restricted Stock Unit Award Agreement (Performance-Based) under the 2011 Stock Plan	10-Q	10.5	March 5, 2020
10.4#	Guidewire Software, Inc. Form of Restricted Stock Unit Award Agreement (Global Time-Based) under the 2011 Stock Plan	10-Q	10.2	March 5, 2020
10.5#	Guidewire Software, Inc. Form of Restricted Stock Unit Award Agreement (U.S. Time-Based) under the 2011 Stock Plan	10-Q	10.1	March 5, 2020
10.6#	Guidewire Software, Inc. Form of Restricted Stock Unit Award Agreement (U.S. Time-Based, Executives) under the 2011 Stock Plan	10-Q	10.3	March 5, 2020
10.7#	Guidewire Software, Inc. Long Term Incentive Plan and Form of Notice and Restricted Stock Unit Award Agreement thereunder	10-Q	10.4	March 5, 2020
10.8#	Amended and Restated 2020 Stock Plan and forms of agreement thereunder	10-Q	10.1	December 8, 2023
10.9#	Form of Restricted Stock Unit Award Agreement for Company Employees under the Guidewire Software, Inc. Amended and Restated 2020 Stock Plan	10-K	10.9	September 18, 2023
10.10#	Form of Global Restricted Stock Unit Award Agreement for Company Employees under the Guidewire Software, Inc. Amended and Restated 2020 Stock Plan	10-K	10.10	September 18, 2023
10.11#	Form of Stock Option Agreement under the Guidewire Software, Inc. Amended and Restated 2020 Stock Plan	10-K	10.11	September 18, 2023



10.12#	Form of Global Stock Option Agreement under the Guidewire Software, Inc. Amended and Restated 2020 Stock Plan	10-K	10.12	September 18, 2023
10.13#	Form of Restricted Stock Award Agreement under the Guidewire Software, Inc. Amended and Restated 2020 Stock Plan	10-K	10.13	September 18, 2023
10.14#	Form of Performance-Based Restricted Stock Award Agreement under the Guidewire Software, Inc. Amended and Restated 2020 Stock Plan	10-K	10.14	September 18, 2023
10.15#	Guidewire Software, Inc. Senior Executive Incentive Bonus Plan	S-1/A	10.12	December 13, 2011
10.16#	Guidewire Software, Inc. Form of Executive Agreement	10-K	10.16	September 18, 2023
10.17#	Executive Agreement between Guidewire Software, Inc. and Michael Rosenbaum, dated as of August 3, 2019	8-K	10.1	August 5, 2019
10.18#	First Amendment to Executive Agreement between Guidewire Software, Inc. and Mike Rosenbaum, dated as of November 4, 2020	10-Q	10.1	December 9, 2020
10.19#	Executive Agreement between Guidewire Software, Inc. and John Mullen, dated as of February 3, 2022	10-Q	10.1	June 7, 2022
10.20#	Form of Indemnification Agreement for directors and executive officers	S-1/A	10.1	October 28, 2011
10.21	Guidewire Software, Inc. Form of Capped Call Confirmation	8-K	10.1	March 13, 2018
10.22	Lease Agreement between Bay Meadows Station 2 Investors, LLC and Guidewire Software, Inc. dated as of December 18, 2017	10-K	10.11	September 19, 2018
10.23	Assignment of Lease, dated as of February 11, 2023, by and between Guidewire Software, Inc. and Roblox Corporation	8-K	10.1	March 3, 2023
10.24	Sublease, dated as of February 11, 2023, by and between Roblox Corporation and Guidewire Software, Inc.	8-K	10.2	March 3, 2023
21.1	Subsidiaries of the Registrant	Filed herewith	—	—
23.1	Consent of KPMG LLP, Independent Registered Public Accounting Firm	Filed herewith	—	—
31.1	Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act	Filed herewith	—	—
31.2	Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act	Filed herewith	—	—
32.1*	Certification of the Chief Executive Officer and the Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act	Furnished herewith	—	—
101.INS	Inline XBRL Instance Document	Filed herewith	—	—
101.SCH	Inline XBRL Taxonomy Extension Schema Document	Filed herewith	—	—
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document	Filed herewith	—	—
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document	Filed herewith	—	—
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document	Filed herewith	—	—

101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document	Filed herewith	—	—
104	Cover Page Interactive Data File (formatted as inline XBRL with applicable taxonomy extension information contained in Exhibits 101)	Filed herewith	—	—

# Indicates management contract or compensatory plan.

\* The certifications furnished in Exhibit 32.1 hereto are deemed to accompany this Annual Report on Form 10-K and will not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended. Such certifications will not be deemed to be incorporated by reference into any filings under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except to the extent that the registrant specifically incorporates it by reference.

## Signatures

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: September 16, 2024

### GUIDEWIRE SOFTWARE, INC.

By: /s/ JEFF COOPER

Jeff Cooper

Chief Financial Officer  
(Principal Financial and Accounting Officer)

### POWER OF ATTORNEY

Each person whose individual signature appears below hereby authorizes and appoints Mike Rosenbaum, Jeff Cooper, and Winston King, and each of them, with full power of substitution and resubstitution and full power to act without the other, as his or her true and lawful attorney-in-fact and agent to act in his or her name, place and stead and to execute in the name and on behalf of each person, individually and in each capacity stated below, and to file any and all amendments to this Annual Report on Form 10-K, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents, and each of them, full power and authority to do and perform each and every act and thing, ratifying and confirming all that said attorneys-in-fact and agents or any of them or their or his substitute or substitutes may lawfully do or cause to be done by virtue thereof.

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ MIKE ROSENBAUM</u> Mike Rosenbaum	Chief Executive Officer and Director (Principal Executive Officer)	September 16, 2024
<u>/s/ JEFF COOPER</u> Jeff Cooper	Chief Financial Officer (Principal Financial and Accounting Officer)	September 16, 2024
<u>/s/ MICHAEL KELLER</u> Michael Keller	Director (Chairman of the Board)	September 16, 2024
<u>/s/ DAVID BAUER</u> David Bauer	Director	September 16, 2024
<u>/s/ MARGARET DILLON</u> Margaret Dillon	Director	September 16, 2024
<u>/s/ PAUL LAVIN</u> Paul Lavin	Director	September 16, 2024
<u>/s/ CATHERINE P. LEGO</u> Catherine P. Lego	Director	September 16, 2024
<u>/s/ RAJANI RAMANATHAN</u> Rajani Ramanathan	Director	September 16, 2024
<u>/s/ MARCUS S. RYU</u> Marcus S. Ryu	Director	September 16, 2024

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## Our Leadership

### Board of Directors

**Mike Rosenbaum**  
Chief Executive Officer

**Michael Keller**  
Chairman

**Marcus Ryu**  
Co-Founder

**Mark Anquillare**

**David Bauer**

**Margaret Dillon**

**Paul Lavin**

**Catherine Lego**

**Rajani Ramanathan**

### Executive Team

**Mike Rosenbaum**  
Chief Executive Officer

**John Mullen**  
President

**Jeff Cooper**  
Chief Financial Officer

**Winston King**  
Chief Administrative Officer,  
General Counsel and Secretary

### Investor Relations

E-mail: [ir@guidewire.com](mailto:ir@guidewire.com)

