

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

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended April 30, 2026

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: 001-38465**

DOCUSIGN, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or Other Jurisdiction of Incorporation)

91-2183967

(I.R.S. Employer Identification Number)

221 Main St.

Suite 800

San Francisco

California

94105

(Address of Principal Executive Offices) (Zip Code)

(415) 489-4940

(Registrant's Telephone Number, Including Area Code)

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, par value \$0.0001 per share	DOCU	The Nasdaq Global Select Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act 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	☐ Accelerated filer
☐ Non-accelerated filer	☐ Smaller reporting company
	☐ Emerging growth company

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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The registrant has 190,944,608 shares of common stock, par value \$0.0001, outstanding as of May 29, 2026.

DOCUSIGN, INC.
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NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which statements involve substantial risk and uncertainties. All statements contained in this Quarterly Report on Form 10-Q other than statements of historical fact, including statements regarding our future operating results and financial position, our business strategy and plans, market growth and trends, our product strategy and anticipated future products and capabilities, our objectives for future operations, and the impact of such assumptions on our financial condition and results of operations are forward-looking statements. Forward-looking statements generally relate to future events or our future financial or operating performance. In some cases, you can identify forward-looking statements because they contain words such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential,” or “continue” or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans or intentions.

Forward-looking statements contained in this Quarterly Report on Form 10-Q include, but are not limited to, statements about: our expectations regarding global macro-economic conditions, including the effects of inflation, volatile interest rates or foreign exchange rates, and market volatility on the global economy; our inability to accurately estimate our market opportunity; our ability to compete effectively in an evolving and competitive market; the impact of any interruptions or delays in performance of our technical infrastructure, or data breaches, cyberattacks or other fraudulent or malicious activity attempting to exploit our technology systems, platform or brand name; our ability to effectively sustain and manage our growth and future expenses and maintain or increase profitability; our ability to attract new customers and retain and expand our existing customer base, including our ability to attract large organizations as users; our ability to scale and update our platform to respond to customers’ needs and rapid technological change, including our ability to successfully incorporate artificial intelligence (“AI”) into our existing and future products and to successfully deploy them; our ability to successfully develop, launch, and sell Intelligent Agreement Management (“IAM”) solutions; our ability to expand use cases within existing customers and vertical solutions; our ability to expand our operations and increase adoption of our platform internationally; our ability to strengthen and foster our relationships with developers; our ability to retain our direct sales force, customer success team and strategic partnerships around the world; our ability to identify targets for and execute potential acquisitions and to successfully integrate and realize the anticipated benefits of such acquisitions; our ability to maintain, protect and enhance our brand; the sufficiency of our cash, cash equivalents and capital resources to satisfy our liquidity needs; limitations on us due to obligations we have under our credit facility; our ability to realize the anticipated benefits of our stock repurchase program; our failure or the failure of our software to comply with applicable industry standards, laws and regulations; our ability to maintain, protect and enhance our intellectual property; our ability to successfully defend litigation against us; our ability to maintain our corporate culture; our ability to offer high-quality customer support; our ability to hire, retain and motivate qualified personnel, including executive level management; our ability to successfully manage and integrate executive management transitions; uncertainties regarding the impact of general economic and market conditions, including as a result of geopolitical conflict or changes in trade policies and practices; and our ability to maintain proper and effective internal controls.

You should not rely upon forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this Quarterly Report on Form 10-Q primarily on our current expectations and projections about future events and trends that we believe may affect our business, financial condition, results of operations, and prospects. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties, and other factors described in the section titled “Risk Factors” and elsewhere in this Quarterly Report on Form 10-Q. Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time. It is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this Quarterly Report on Form 10-Q. We cannot assure you that the results, events, and circumstances reflected in the forward-looking statements will be achieved or occur, and actual results, events, or circumstances could differ materially from those described in the forward-looking statements. The forward-looking statements made in this Quarterly Report on Form 10-Q relate only to events as of the date on which such statements are made. We undertake no obligation to update any forward-looking statements after the date of this Quarterly Report on Form 10-Q or to conform such statements to actual results or revised expectations, except as required by law.

PART I - FINANCIAL INFORMATION

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

DOCUSIGN, INC. CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited)

(in thousands, except per share data)	April 30, 2026	January 31, 2026
Assets		
Current assets		
Cash and cash equivalents	\$ 548,027	\$ 602,442
Investments—current	266,152	264,084
Accounts receivable, net of allowance for doubtful accounts of \$8,378 and \$9,916 as of April 30, 2026 and January 31, 2026	300,684	516,429
Contract assets—current	8,024	10,782
Prepaid expenses and other current assets	132,729	97,101
Total current assets	1,255,616	1,490,838
Investments—noncurrent	209,897	208,393
Property and equipment, net	387,946	361,808
Operating lease right-of-use assets	160,090	165,578
Goodwill	459,148	458,446
Intangible assets, net	56,659	61,394
Deferred contract acquisition costs—noncurrent	468,452	474,628
Deferred tax assets—noncurrent	805,136	835,245
Other assets—noncurrent	181,061	173,220
Total assets	\$ 3,984,005	\$ 4,229,550
Liabilities and Equity		
Current liabilities		
Accounts payable	\$ 23,970	\$ 17,419
Accrued expenses and other current liabilities	108,002	113,358
Accrued compensation	175,575	260,840
Contract liabilities—current	1,564,942	1,631,168
Operating lease liabilities—current	16,055	16,623
Total current liabilities	1,888,544	2,039,408
Contract liabilities—noncurrent	29,735	29,956
Operating lease liabilities—noncurrent	167,278	168,496
Deferred tax liability—noncurrent	24,205	21,507
Other liabilities—noncurrent	54,495	52,363
Total liabilities	2,164,257	2,311,730
Commitments and contingencies (Note 7)		
Stockholders' equity		
Preferred stock, \$0.0001 par value; 10,000 shares authorized, 0 shares issued and outstanding as of April 30, 2026 and January 31, 2026	—	—
Common stock, \$0.0001 par value; 500,000 shares authorized, 193,057 shares issued and outstanding as of April 30, 2026; 500,000 shares authorized, 197,765 shares issued and outstanding as of January 31, 2026	19	20
Additional paid-in capital	3,920,519	3,777,995
Accumulated other comprehensive loss	(3,960)	(3,712)
Accumulated deficit	(2,096,830)	(1,856,483)
Total stockholders' equity	1,819,748	1,917,820
Total liabilities and equity	\$ 3,984,005	\$ 4,229,550

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

DOCUSIGN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (Unaudited)

(in thousands, except per share data)	Three Months Ended April 30,	
	2026	2025
Revenue	\$ 830,235	\$ 763,654
Cost of revenue	171,270	157,269
Gross profit	658,965	606,385
Operating expenses:		
Sales and marketing	296,175	296,413
Research and development	159,586	159,447
General and administrative	91,895	90,270
Total operating expenses	547,656	546,130
Income from operations	111,309	60,255
Interest expense	(551)	(478)
Interest income and other income, net	6,998	14,013
Income before provision for income taxes	117,756	73,790
Provision for income taxes	39,559	1,703
Net income	\$ 78,197	\$ 72,087
Net income per share attributable to common stockholders:		
Basic	\$ 0.40	\$ 0.35
Diluted	\$ 0.40	\$ 0.34
Weighted-average shares used in computing net income per share:		
Basic	195,489	203,280
Diluted	196,480	212,812
Comprehensive income:		
Foreign currency translation gain, net of tax	\$ 1,089	\$ 9,949
Unrealized gains (losses) on investments, net of tax	(1,337)	256
Other comprehensive income (loss)	(248)	10,205
Comprehensive income	\$ 77,949	\$ 82,292
Stock-based compensation expense included in costs and expenses:		
Cost of revenue	15,309	16,904
Sales and marketing	43,026	46,085
Research and development	54,476	54,431
General and administrative	28,566	28,176

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

DOCUSIGN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (Unaudited)

(in thousands)	Common Stock		Additional Paid-In Capital	Treasury Stock	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount					
Balances at January 31, 2026	197,765	\$ 20	\$ 3,777,995	\$ —	\$ (3,712)	\$ (1,856,483)	\$ 1,917,820
Exercise of stock options	3	—	53	—	—	—	53
Settlement of restricted stock units	2,418	—	—	—	—	—	—
Employee stock purchase plan	555	—	22,799	—	—	—	22,799
Tax withholding on net share settlement of restricted stock units and employee stock purchase plan	(892)	—	(41,802)	(192)	—	—	(41,994)
Retirement of treasury stock	—	—	—	192	—	(192)	—
Repurchases of common stock	(6,792)	(1)	—	—	—	(318,352)	(318,353)
Employee stock-based compensation	—	—	161,474	—	—	—	161,474
Net income	—	—	—	—	—	78,197	78,197
Other comprehensive loss, net	—	—	—	—	(248)	—	(248)
Balances at April 30, 2026	<u>193,057</u>	<u>\$ 19</u>	<u>\$ 3,920,519</u>	<u>\$ —</u>	<u>\$ (3,960)</u>	<u>\$ (2,096,830)</u>	<u>\$ 1,819,748</u>
Balances at January 31, 2025	202,477	\$ 20	\$ 3,321,242	\$ (2,871)	\$ (28,376)	\$ (1,287,323)	\$ 2,002,692
Exercise of stock options	42	—	699	—	—	—	699
Settlement of restricted stock units	2,157	—	—	—	—	—	—
Employee stock purchase plan	412	—	22,010	—	—	—	22,010
Tax withholding on net share settlement of restricted stock units and employee stock purchase plan	(789)	—	(67,275)	(321)	—	—	(67,596)
Repurchases of common stock	(2,265)	—	—	—	—	(183,838)	(183,838)
Employee stock-based compensation	—	—	158,543	—	—	—	158,543
Net income	—	—	—	—	—	72,087	72,087
Other comprehensive income, net	—	—	—	—	10,205	—	10,205
Balances at April 30, 2025	<u>202,034</u>	<u>\$ 20</u>	<u>\$ 3,435,219</u>	<u>\$ (3,192)</u>	<u>\$ (18,171)</u>	<u>\$ (1,399,074)</u>	<u>\$ 2,014,802</u>

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

DOCUSIGN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)

(in thousands)	Three Months Ended April 30,	
	2026	2025
Cash flows from operating activities:		
Net income	\$ 78,197	\$ 72,087
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	32,208	30,369
Amortization of deferred contract acquisition and fulfillment costs	67,358	66,482
Non-cash operating lease costs	4,864	4,660
Stock-based compensation expense	141,377	145,596
Deferred income taxes	33,032	(3,465)
Other	1,920	1,861
Changes in operating assets and liabilities:		
Accounts receivable	214,448	121,003
Prepaid expenses and other current assets	(31,832)	(28,551)
Deferred contract acquisition and fulfillment costs	(65,491)	(56,648)
Other assets	2,320	844
Accounts payable	3,222	(6,764)
Accrued expenses and other liabilities	(5,460)	4,625
Accrued compensation	(88,415)	(61,451)
Contract liabilities	(65,553)	(34,240)
Operating lease liabilities	(507)	(4,969)
Net cash provided by operating activities	321,688	251,439
Cash flows from investing activities:		
Purchases of marketable securities	(97,408)	(92,563)
Maturities of marketable securities	93,024	91,262
Purchases of strategic and other investments	(2,610)	—
Purchases of property and equipment	(32,253)	(23,624)
Net cash used in investing activities	(39,247)	(24,925)
Cash flows from financing activities:		
Repurchases of common stock	(317,510)	(183,431)
Payment of tax withholding obligation on net RSU settlement and ESPP purchase	(39,536)	(62,793)
Proceeds from exercise of stock options	53	699
Proceeds from employee stock purchase plan	22,799	22,010
Other	(220)	—
Net cash used in financing activities	(334,414)	(223,515)
Effect of foreign exchange on cash, cash equivalents and restricted cash	(481)	9,923
Net increase (decrease) in cash, cash equivalents and restricted cash	(52,454)	12,922
Cash, cash equivalents and restricted cash at beginning of period ⁽¹⁾	618,150	659,554
Cash, cash equivalents and restricted cash at end of period ⁽¹⁾	\$ 565,696	\$ 672,476

⁽¹⁾ \$17.7 million and \$15.7 million of restricted cash was included in Prepaid expenses and other current assets and Other assets—noncurrent as of April 30, 2026 and January 31, 2026. \$15.1 million and \$10.9 million of restricted cash was included in Prepaid expenses and other current assets and in Other assets—noncurrent as of April 30, 2025 and January 31, 2025.

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

DOCUSIGN, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited) (Continued)

(in thousands)	Three Months Ended April 30,			
	2026		2025	
Supplemental disclosure:				
Cash paid for operating lease liabilities	\$	5,792	\$	6,685
Cash paid for income taxes		2,580		2,416
Non-cash investing and financing activities:				
Property and equipment in accounts payable and accrued expenses and other current liabilities	\$	5,921	\$	784
Operating lease right-of-use assets exchanged for lease obligations, net of modifications		(575)		10,362
Excise tax payable on net stock repurchase		5,407		1,869
Repurchases of common stock in accrued expenses and other current liabilities		2,671		—

The accompanying notes are an integral part of these unaudited condensed consolidated financial statements.

DOCUSIGN, INC.
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DOCUSIGN, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

Note 1. Summary of Significant Accounting Policies

Organization and Description of Business

Docusign, Inc. ("Docusign", "we," "our" or "us") was incorporated in the State of Washington in April 2003. We merged with and into Docusign, Inc., a Delaware corporation, in March 2015.

Docusign solutions bring agreements to life, accelerating and simplifying the process of doing business. Docusign's core offerings — our AI-native IAM platform, the world's leading e-signature solution, and CLM solution — allow organizations to boost productivity, accelerate contract review cycles, and transform agreement data into insights and actions, while providing a customer-centric experience. The Docusign IAM platform is a system of record that enables customers of all sizes to ingest a vast, complex body of agreements into a single repository, build agreement workflows that operate at scale, and take action on high-accuracy insights, from agreement data.

Basis of Presentation and Principles of Consolidation

Our condensed consolidated financial statements include those of Docusign, Inc. and our subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation. The accompanying condensed consolidated financial statements have been prepared in accordance with United States ("U.S.") generally accepted accounting principles ("GAAP") for interim financial information. Certain information and note disclosures normally included in the financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to the applicable rules and regulations of the Securities and Exchange Commission ("SEC"). Therefore, these unaudited interim consolidated financial statements should be read in conjunction with the consolidated financial statements and related notes included in our fiscal 2026 Annual Report on Form 10-K.

Our condensed consolidated financial statements are unaudited and have been prepared on a basis consistent with that used to prepare the audited annual consolidated financial statements and, in our opinion, include all adjustments of a normal recurring nature necessary for the fair statement of our financial position, results of operations and cash flows. Our condensed consolidated balance sheet as of January 31, 2026 was derived from audited financial statements but does not include all disclosures required by U.S. GAAP. The results of operations for the three months ended April 30, 2026 are not necessarily indicative of the results to be expected for the year ending January 31, 2027.

Our fiscal year ends on January 31. References to fiscal 2027, for example, are to the fiscal year ending January 31, 2027. Certain prior year amounts have been reclassified to conform to current year presentation. These amounts were not material to any of the prior periods presented.

Change in Presentation of Revenue and Cost of Revenue

Effective in the first quarter of fiscal 2027, we changed the presentation of revenue and cost of revenue in our Consolidated Statements of Operations to combine the financial statement line items labeled "Subscription" and "Professional services and other". Accordingly, prior period amounts have been reclassified to conform to the current period presentation, in all material respects. These reclassifications did not impact total revenue and cost of revenue.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions in the condensed consolidated financial statements and notes thereto.

Significant items subject to such estimates and assumptions made by management include, but are not limited to, the determination of:

- the fair value of intangible assets acquired in business combinations;
- the average period of benefit associated with deferred contract acquisition costs and fulfillment costs;
- the fair value of certain stock awards issued;
- the useful life and recoverability of long-lived assets;
- the discount rate used for operating leases;
- the recognition and measurement of loss contingencies; and
- the recognition, measurement and valuation of deferred income taxes.

Significant Accounting Policies

There have been no changes to our significant accounting policies described in our fiscal 2026 Annual Report on Form 10-K that have had a material impact on our condensed consolidated financial statements and related notes.

Recently Adopted Accounting Pronouncements

In July 2025, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update 2025-05, "Financial Instruments—Credit Losses" ("ASU 2025-05"), which provides a practical expedient to measure credit losses on current accounts receivable and current contracts assets. The practical expedient allows companies to assume that current conditions as of the balance sheet date do not change for the remaining life of the asset when measuring credit losses. ASU 2025-05 is effective for annual filings for our fiscal year beginning February 1, 2026 and interim reporting periods in the same annual reporting period. We adopted this standard as of February 1, 2026 and elected to apply the related practical expedient. Adoption of this ASU did not have a material impact on our financial statements.

Recent Accounting Pronouncements

In November 2024, the FASB issued Accounting Standards Update 2024-03, "Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosure" ("ASU 2024-03"), which requires more detailed information about the types of expenses included in certain expense captions presented on the consolidated statements of operations. Additionally, this amendment requires the disclosure of a qualitative description of the amounts remaining in relevant expense captions that are not separately disaggregated quantitatively and the disclosure of the total amount of selling expenses. ASU 2024-03 is effective for annual filings for our fiscal year beginning February 1, 2027, and interim filings for the fiscal year beginning February 1, 2028, and can be applied either prospectively or retrospectively. Early adoption is permitted. We are currently evaluating the effect of adopting ASU 2024-03 on our financial statements.

In September 2025, the FASB issued Accounting Standards Update 2025-06, "Intangibles—Goodwill and Other— Internal-Use Software: Targeted Improvements to the Accounting for Internal-Use Software" ("ASU 2025-06"), which updates the capitalization criteria for internal-use software development costs and removes references to software development stages. ASU 2025-06 is effective for annual filings for our fiscal year beginning February 1, 2028 and interim reporting periods in the same annual period. We are currently evaluating the effect of adopting ASU 2025-06 on our financial statements.

In December 2025, the FASB issued Accounting Standards Update 2025-11, "Interim Reporting (Topic 270): Narrow-Scope Improvements" ("ASU 2025-11"), which clarifies interim reporting disclosure requirements and improves the navigability of the guidance in Accounting Standards Codification ("ASC") 270. ASU 2025-11 is effective for interim reporting periods within our fiscal year beginning February 1, 2028. We are currently evaluating the effect of adopting ASU 2025-11 on our financial statements.

Note 2. Revenue

Disaggregation of Revenue

Revenue by revenue type is as follows (in thousands):

(in thousands)	Three Months Ended April 30,	
	2026	2025
Subscription revenue ⁽¹⁾	\$ 811,220	\$ 746,202
Professional services and other revenue ⁽¹⁾	19,015	17,452
Total revenue	<u>\$ 830,235</u>	<u>\$ 763,654</u>

⁽¹⁾ Effective in the first quarter of fiscal 2027, we changed the presentation of revenue in our Consolidated Statements of Operations to combine the financial statement line items labeled "Subscription revenue" and "Professional services and other revenue". See Note 1, "Summary of Significant Accounting Policies" for further detail.

Performance Obligations

As of April 30, 2026, the amount of the transaction price allocated to remaining performance obligations for contracts greater than one year was \$2.3 billion. We expect to recognize 58% of the transaction price allocated to remaining performance obligations within the 12 months following April 30, 2026 in our condensed consolidated statement of operations and comprehensive income.

Contract Balances

Contract assets represent amounts for which we have recognized revenue, pursuant to our revenue recognition policy, for contracts that have not yet been invoiced to our customers where there is a remaining performance obligation, typically for multi-year arrangements. Total contract assets were \$8.0 million and \$10.8 million as of April 30, 2026 and January 31, 2026. The change in contract assets reflects the difference in timing between our satisfaction of remaining performance obligations and our contractual right to bill our customers.

Contract liabilities consist of deferred revenue and payments received in advance of performance under the contract. Such amounts are generally recognized as revenue over the contractual period. For the three months ended April 30, 2026 and 2025, we recognized revenue of \$670.6 million and \$610.3 million that was included in the corresponding contract liability balance at the beginning of the periods presented.

We receive payments from customers based upon contractual billing schedules. We record accounts receivable when the right to consideration becomes unconditional. Payment terms on invoiced amounts are typically 30 days.

Note 3. Fair Value Measurements

The following table summarizes our financial assets that are measured at fair value on a recurring basis:

(in thousands)	April 30, 2026			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Level 1:				
Cash equivalents⁽¹⁾				
Money market funds	\$ 266,585	\$ —	\$ —	\$ 266,585
Level 2:				
Available-for-sale securities				
Commercial paper	32,384	1	(30)	32,355
Corporate notes and bonds	435,284	189	(761)	434,712
U.S. governmental securities	8,998	—	(16)	8,982
Level 2 total	476,666	190	(807)	476,049
Total	\$ 743,251	\$ 190	\$ (807)	\$ 742,634

(in thousands)	January 31, 2026			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Level 1:				
Cash equivalents⁽¹⁾				
Money market funds	\$ 248,251	\$ —	\$ —	\$ 248,251
Level 2:				
Available-for-sale securities				
Commercial paper	32,611	7	(6)	32,612
Corporate notes and bonds	425,648	806	(77)	426,377
U.S. governmental securities	13,498	1	(11)	13,488
Level 2 total	471,757	814	(94)	472,477
Total	\$ 720,008	\$ 814	\$ (94)	\$ 720,728

⁽¹⁾ Included in "cash and cash equivalents" in our consolidated balance sheets as of April 30, 2026 and January 31, 2026, in addition to cash of \$281.4 million and \$354.1 million.

We use quoted prices in active markets for identical assets to determine the fair value of our Level 1 investments. The fair value of our Level 2 investments is determined using pricing based on quoted market prices or alternative market observable inputs.

The fair values of our available-for-sale securities as of April 30, 2026, by remaining contractual maturities, were as follows (in thousands):

Due in one year or less	\$ 266,152
Due in one to two years	209,897
	<u>\$ 476,049</u>

As of April 30, 2026 and January 31, 2026, securities in an unrealized loss position were, individually and in aggregate, not material. An allowance for credit losses was deemed unnecessary for these securities, given the extent of the unrealized loss positions as well as the issuers' high credit ratings and consistent payment history.

We had no liabilities measured at fair value on a recurring basis as of April 30, 2026 and January 31, 2026.

Note 4. Property and Equipment, Net

Property and equipment, net consisted of the following:

(in thousands)	April 30, 2026	January 31, 2026
Computer and network equipment	\$ 86,560	\$ 123,226
Software, including capitalized software development costs	418,584	383,527
Furniture and office equipment	22,135	23,278
Leasehold improvements	66,976	66,832
	594,255	596,863
Less: Accumulated depreciation	(350,453)	(365,142)
	243,802	231,721
Work in progress	144,144	130,087
Total	<u>\$ 387,946</u>	<u>\$ 361,808</u>

Depreciation and amortization expense associated with property and equipment was \$27.5 million and \$23.4 million for the three months ended April 30, 2026 and 2025. This included amortization expense related to capitalized internally developed software costs of \$21.0 million and \$17.4 million for the three months ended April 30, 2026 and 2025.

For the three months ended April 30, 2026 and 2025, we capitalized \$44.8 million and \$29.7 million of internally developed software, including \$16.5 million and \$10.0 million of capitalized stock-based compensation expense in the three months ended April 30, 2026 and 2025.

Note 5. Deferred Contract Acquisition and Fulfillment Costs

The following table represents a rollforward of our deferred contract acquisition and fulfillment costs:

(in thousands)	Three Months Ended April 30,	
	2026	2025
Deferred Contract Acquisition Costs:		
Beginning balance	\$ 474,628	\$ 467,201
Additions to deferred contract acquisition costs	50,430	45,607
Amortization of deferred contract acquisition costs	(56,176)	(56,009)
Cumulative translation adjustment	(430)	5,170
Ending balance	<u>\$ 468,452</u>	<u>\$ 461,969</u>
Deferred Contract Fulfillment Costs:		
Beginning balance	\$ 27,933	\$ 23,657
Additions to deferred contract fulfillment costs	15,061	11,041
Amortization of deferred contract fulfillment costs	(11,182)	(10,473)
Cumulative translation adjustment	(345)	1,327
Ending balance	<u>\$ 31,467</u>	<u>\$ 25,552</u>

Note 6. Debt

Revolving Credit Facility

In May 2025, we entered into a new credit agreement with a syndicate of banks. The credit agreement provides for a secured revolving credit facility (the "Credit Facility") in an aggregate principal amount of \$750.0 million, which amount may be increased by an additional \$250.0 million subject to the terms of the credit agreement. This credit agreement superseded and replaced the revolving credit facility that we previously entered into in January 2021. We may use the proceeds of future borrowings under the Credit Facility to finance working capital, for capital expenditures and for other general corporate purposes, including permitted acquisitions.

The Credit Facility matures in May 2030 and requires us to comply with customary affirmative and negative covenants. We were in compliance with all covenants as of April 30, 2026. As of April 30, 2026, there were no outstanding borrowings under the Credit Facility. The Credit Facility is subject to customary fees for loan facilities of this type, including ongoing commitment fees at a rate between 0.10% and 0.30% per annum on the daily undrawn balance depending on certain conditions as provided in the credit agreement.

Note 7. Commitments and Contingencies

We have entered into certain noncancelable contractual arrangements that require future purchases of goods and services. These arrangements primarily relate to cloud infrastructure support and sales and marketing activities. As of April 30, 2026, our future noncancelable minimum payments due under these contractual obligations with a remaining term of more than one year were as follows:

Fiscal Period:	Amount (in thousands)	
2027, remainder	\$	27,354
2028		38,730
2029		29,244
2030		26,593
2031		26,724
Thereafter		1,992
Total	\$	150,637

We entered into an agreement, which includes a minimum commitment, with a public cloud computing service provider. As of April 30, 2026, our remaining minimum commitment under the agreement is \$241.4 million through fiscal 2030, which is excluded from the table above.

Indemnification

We enter into indemnification provisions under our agreements with customers and other companies in the ordinary course of business, including business partners, contractors and parties performing our research and development. Pursuant to these arrangements, we agree to indemnify and defend the indemnified party for certain claims and related losses suffered or incurred by the indemnified party from actual or threatened third-party claims because of our activities. The duration of these indemnification agreements is generally perpetual. The maximum potential amount of future payments we could be required to make under these indemnification clauses or agreements is not determinable. Historically, we have not incurred material costs to defend lawsuits or settle claims related to these indemnification agreements. As a result, we believe the fair value of these indemnification agreements is not material as of April 30, 2026, and January 31, 2026. We maintain commercial general liability insurance and product liability insurance to offset certain of our potential liabilities under these indemnification agreements.

We have entered into indemnification agreements with each of our directors, executive officers and certain other officers. These agreements require us to indemnify such individuals, to the fullest extent permitted by Delaware law, for certain liabilities to which they may become subject as a result of their affiliation with us.

Claims and Litigation

From time to time, we may be subject to legal proceedings, claims, investigations or other contingencies in the ordinary course of business. If we are unsuccessful in defending, or if we determine to settle, any of these matters, we may be required to pay substantial sums, be subject to injunction and/or be required to change how we operate our business, which could have a material adverse impact on our financial position or results of operations.

Legal costs associated with litigation are expensed as incurred. Unless otherwise stated, we are unable to reasonably estimate the loss or a range of possible loss for the matters described below. In certain instances, we may be unable to determine that a loss is probable, or to reasonably estimate the amount of loss or a range of loss, for a claim because of the limited information available and the potential effects of future events and decisions by third parties, such as courts and regulators, that will determine the ultimate resolution of the claim. We review loss contingencies at least quarterly to determine whether the likelihood of loss has changed and whether we can make a reasonable estimate of the loss or range of loss. When we determine that a loss from a claim is probable and reasonably estimable, we record a liability for an estimated amount. We also provide disclosure when we determine it is reasonably possible that a loss may be incurred or when it is reasonably possible that the amount of a loss will exceed its recorded liability. Because these issues are often subject to substantial uncertainty, the probability of a loss (if any) and/or the estimated amount of a loss are difficult to ascertain. While it is not feasible to predict the outcome of all proceedings and exposures with certainty, we believe the final outcome of these matters, including the cases described below, will not have a material adverse effect on our business, consolidated financial position, results of operations or cash flows.

Docusign, Inc. Securities Litigation and Related Derivative Litigation

On February 8, 2022, a putative securities class action was filed in the U.S. District Court for the Northern District of California, captioned *Weston v. Docusign, Inc., et al.*, Case No. 3:22-cv-00824, naming Docusign and certain of our then-current and former officers as defendants. The complaint (as amended on July 8, 2022, April 14, 2025 and May 22, 2025) alleged claims under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934, as amended, and Rule 10b-5 promulgated thereunder, based on allegedly false and misleading statements about our business and prospects during the course of the COVID-19 pandemic. On January 26, 2026, the Court granted our renewed motion to dismiss the case, entering judgment in our favor and against the plaintiffs that same day. Plaintiffs did not appeal this result and the matter is now closed.

Eight putative shareholder derivative cases were previously filed containing allegations based on or similar to those in the securities class action. The plaintiffs in each of these cases have voluntarily dismissed them or are in the process of doing so.

In addition, on June 3, 2025, two cases, captioned *Harbor Capital Appreciation Fund, et al. v. DocuSign, Inc., et al.*, Case No. 3:25-cv-04681, and *Advanced Series Trust, et al. v. DocuSign, Inc., et al.*, Case No. 3:25-cv-04683, were filed in the U.S. District Court for the Northern District of California by plaintiffs who had opted out of the class certified in *Weston v. Docusign*. These opt-out cases allege substantially similar claims as in the class action, which we deny. On July 18, 2025, the cases were stayed pending the resolution of the motion to dismiss the securities class action and on May 6, 2026 the Court lifted the stay in light of the dismissal of that action. We are pursuing the voluntary dismissal of these cases following the dismissal of the securities class action.

Note 8. Stockholders' Equity

Equity Incentive Plans

We maintain two stock-based compensation plans: the 2018 Equity Incentive Plan (the "2018 Plan") and the Amended and Restated 2011 Equity Incentive Plan.

As of April 30, 2026, 56.2 million shares of our common stock were available for issuance under the 2018 Plan.

Restricted Stock Units

RSU activity for the three months ended April 30, 2026 was as follows:

(in thousands, except per share data)	Number of Units	Weighted-Average Grant Date Fair Value
Unvested at January 31, 2026	23,792	\$ 64.34
Granted	2,044	45.73
Vested	(2,422)	64.85
Canceled	(805)	65.53
Unvested at April 30, 2026	<u>22,609</u>	<u>\$ 62.56</u>

As of April 30, 2026, our total unrecognized compensation cost related to RSUs was \$1.0 billion. We expect to recognize this expense over the remaining weighted-average period of approximately 2.3 years.

As of April 30, 2026, the grant date fair value of unvested RSUs subject to market-based and performance-based vesting conditions (“PSU”) was \$166.3 million. The number of RSUs granted or canceled included in the table above reflects shares that could be eligible to vest at 100% of target for PSUs and includes adjustments for over or under achievement for PSUs granted in prior periods.

Employee Stock Purchase Plan

The Employee Stock Purchase Plan (“ESPP”) allows eligible employees to purchase shares of our common stock at a discounted price, normally through payroll deductions, subject to the terms of the ESPP and applicable law. As of April 30, 2026, 14.5 million shares of our common stock were reserved for issuance under the ESPP.

Compensation expense related to the ESPP was \$4.3 million and \$3.5 million for the three months ended April 30, 2026 and 2025.

Stock Repurchase Program

Our board of directors authorized a stock repurchase program, which commenced in March 2022. Most recently, in March 2026, our board of directors authorized an increase to our existing stock repurchase program for an additional amount of up to \$2.0 billion of our outstanding common stock, increasing our total authorization to an aggregate \$4.5 billion. As of April 30, 2026, our total remaining authorization under our stock repurchase plan is up to \$2.4 billion.

The following table summarizes the share repurchase activity under our stock repurchase program:

(in thousands)	Three Months Ended April 30,	
	2026	2025
Number of shares repurchased	6,792	2,265
Aggregate purchase price ¹	\$ 318,352	\$ 183,838

¹Included in the repurchase amount is the 1% excise tax as a result of the Inflation Reduction Act (“IRA”).

Note 9. Net Income per Share Attributable to Common Stockholders

The following table presents the calculation of basic and diluted net income per share attributable to common stockholders for periods presented:

(in thousands, except per share data)	Three Months Ended April 30,	
	2026	2025
Numerator:		
Net income attributable to common stockholders	\$ 78,197	\$ 72,087
Denominator:		
Weighted-average common shares outstanding, basic	195,489	203,280
Effect of dilutive securities	991	9,532
Weighted-average common shares outstanding, diluted	196,480	212,812
Net income per share attributable to common stockholders:		
Basic	\$ 0.40	\$ 0.35
Diluted	\$ 0.40	\$ 0.34

Outstanding potentially dilutive securities that were excluded from the diluted per share calculations because they would have been antidilutive are as follows:

(in thousands)	Three Months Ended April 30,	
	2026	2025
RSUs	13,151	1,077
ESPP	189	—
Total antidilutive securities	13,340	1,077

Note 10. Income Taxes

Our provision for income taxes for interim periods is determined using an estimate of our annual effective tax rate as prescribed under ASC 740, "Income Taxes", adjusted for discrete items, if any, that are taken into account in the relevant period. Each quarter, we update our estimate of the annual effective tax rate, and if our estimated tax rate changes, we make a cumulative adjustment, which results in a provision for or benefit from income taxes in the current quarter.

We recorded an income tax provision of \$39.6 million and \$1.7 million for the three months ended April 30, 2026 and 2025. In the three months ended April 30, 2026, the tax provision was driven by U.S. and foreign earnings and expense related to stock-based compensation. In the three months ended April 30, 2025, the tax provision was driven by U.S. and foreign earnings, partially offset by excess tax benefits from stock-based compensation.

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was enacted in the United States. The legislation included significant tax law changes, including the restoration of immediate expensing for domestic research and development costs. The impact of these changes are included in our tax provision and have resulted in additional tax expense in the three months ended April 30, 2026 compared to the same period in 2025.

We regularly assess the need for a valuation allowance on our deferred tax assets. In making this assessment, we consider both positive and negative evidence related to the likelihood of realization of the deferred tax assets to determine, based on the weight of available evidence, whether it is more likely than not that some or all the deferred tax assets will not be realized. As of April 30, 2026, we continue to maintain a valuation allowance against our California deferred tax assets. We will continue to monitor the need for a valuation allowance against our deferred tax assets on a quarterly basis. As of April 30, 2026, our gross unrecognized tax benefits totaled \$105.3 million, excluding related accrued interest and penalties, of which \$84.8 million would impact the effective tax rate if recognized. Our policy is to account for interest and penalties related to uncertain tax positions as a component of income tax provision. We do not expect material changes to our gross unrecognized tax benefits within the next 12 months.

Note 11. Segment and Geographic Information

We operate in one operating segment and one reportable segment as we report financial information, including net income determined in accordance with U.S. GAAP among other measures, on a consolidated basis to our Chief Operating Decision Maker (“CODM”), the Chief Executive Officer. The CODM uses consolidated financial information to make operating decisions, allocate resources, and evaluate financial performance, primarily by monitoring actual results compared to forecasted results as well as by reviewing year-over-year results and trending historical performance.

The CODM also reviews significant segment expenses for our single reportable segment. Significant segment expenses include cost of revenue, sales and marketing expenses, research and development expenses, and general and administrative expenses, all of which are presented in our consolidated statements of operations and comprehensive income. Other segment items include interest expense, interest and other income, and provision for income taxes, which are also presented in our consolidated statements of operations and comprehensive income.

We generate revenue primarily from sales of subscriptions to access our software platform and related subscriptions of our customers.

Segment assets are reported on the consolidated balance sheets as total assets.

Our reported measure of segment profit is as follows:

(in thousands)	Three Months Ended April 30,	
	2026	2025
Net income	78,197	72,087

The following amounts are included in our reported measure of segment profit:

(in thousands)	Three Months Ended April 30,	
	2026	2025
Revenues from external customers	830,235	763,654
Depreciation and amortization	32,208	30,369
Interest income	8,730	10,703
Provision for income taxes	39,559	1,703

Revenue by geography is based on the address of the customer as specified in our master subscription agreements with our customers. Revenue by geographic area was as follows:

(in thousands)	Three Months Ended April 30,	
	2026	2025
U.S.	\$ 576,322	\$ 546,208
International	253,913	217,446
Total revenue	<u>\$ 830,235</u>	<u>\$ 763,654</u>

No single country other than the U.S. had revenue greater than 10% of total revenue in the three months ended April 30, 2026 and 2025.

Note 12. Subsequent Events

In May 2026, we entered into an agreement to lease office space. The lease will commence in fiscal 2027. The noncancelable lease term for the space will expire in fiscal 2039. The aggregate base rent payments, net of tenant incentives expected to be received, under the lease are estimated to be approximately \$34.3 million. We will recognize the related right-of-use asset and lease liability, which have not yet been determined, at the lease commencement date.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our condensed consolidated financial statements and related notes included elsewhere in this Quarterly Report on Form 10-Q and with our audited consolidated financial statements included in our fiscal 2026 Annual Report on Form 10-K. As discussed in the section titled "Note Regarding Forward-Looking Statements," the following discussion and analysis contains forward-looking statements that involve risks and uncertainties, as well as assumptions that, if they never materialize or prove incorrect, could cause our results to differ materially from those expressed or implied by such forward-looking statements. Factors that could cause or contribute to these differences include, but are not limited to, those identified below and those discussed in the section titled "Risk Factors" under Part II, Item 1A in this Quarterly Report on Form 10-Q and in our fiscal 2026 Annual Report on Form 10-K. Our fiscal year ends January 31.

Executive Overview of First Quarter Results

Overview

Docusign solutions bring agreements to life, accelerating and simplifying the process of doing business. Docusign's core offerings — our AI-native IAM platform, the world's leading e-signature solution, and CLM solution — allow organizations to boost productivity, accelerate contract review cycles, and transform agreement data into insights and actions, while providing a customer-centric experience. The Docusign IAM platform is a system of record that enables customers of all sizes to ingest a vast, complex body of agreements into a single repository, build agreement workflows that operate at scale, and take action on high-accuracy insights from agreement data. As of April 30, 2026, nearly 1.9 million customers and more than a billion users worldwide utilize Docusign to accelerate and simplify the process of doing business.

We generate substantially all our revenue from sales of subscriptions, which accounted for 98% of our revenue in the three months ended April 30, 2026 and 2025. Our subscription fees include the use of our products and access to customer support. Subscriptions generally range from one to three years, and substantially all our multi-year customers pay in annual installments, one year in advance. We also generate revenue from professional and other non-subscription services, which consists primarily of fees associated with providing new customers with deployment and integration services.

One pillar of our long-term strategy is to evolve our go-to-market ("GTM") channels from the historically direct sales-driven approach. We are currently investing in three routes to market, including direct sales, our partner channel, and digital self-service purchasing. We expect that Docusign's IAM platform will increasingly be offered across all three channels.

We offer subscriptions to our products to businesses of all sizes, from global enterprises down to small and medium-sized businesses ("SMBs"). We offer more than 1,100 active partner integrations with the applications that many of our customers already use so that they can create, commit and manage agreements directly within these applications. We have a diverse customer base spanning across virtually all industries and around the world with no significant customer concentration. No single customer accounted for more than 10% of total revenue in any of the periods presented.

We focused initially on selling our products to commercial businesses and SMBs and later expanded our focus to target enterprise customers. The number of our customers with greater than \$300,000 in annualized contract value was 1,258 customers as of April 30, 2026 compared to 1,123 customers as of April 30, 2025. Each of our customer types has a different purchasing pattern. SMBs typically become customers by quickly utilizing our digital and self-serve channels and generate smaller average contract values, while commercial and enterprise customers typically involve longer sales cycles, larger contract values and greater expansion opportunities for us.

Financial Results for the Three Months Ended April 30, 2026 and 2025

(in thousands)	Three Months Ended April 30,	
	2026	2025
Total revenue	\$ 830,235	\$ 763,654
Total costs and expenses	718,926	703,399
Total stock-based compensation expense	141,377	145,596
Income from operations	111,309	60,255
Net income	78,197	72,087
Net cash provided by operating activities	321,688	251,439
Purchases of property and equipment	(32,253)	(23,624)

Cash, cash equivalents, restricted cash and investments were \$1.0 billion as of April 30, 2026.

Key Factors Affecting Our Performance

We believe that our future performance will depend on many factors, including the following:

Investing for Growth

We believe that our market opportunity is large, and we plan to invest to support long-term growth. We have two priorities in our long-term strategy. The first is to transform IAM into an end-to-end platform for customers. IAM enables customers to manage agreements across every part of an organization and build workflows in functions including sales, human resources, legal, and procurement.

Our second priority is to expand our AI data and innovation advantage through IAM as the orchestration layer for agreements. At DocuSign, we have leveraged differentiated and large-scale proprietary data, built an expansive ecosystem of integrations with leading AI providers, and developed AI solutions that operate at enterprise scale. We aim to deliver category-leading value in the agreement management market while continuing our evolution as a platform company.

We believe these combined efforts will strengthen our ability to retain and grow within our existing customer base, while also attracting new customers.

Growing Customer Base

As of April 30, 2026, we had nearly 1.9 million total customers, including approximately 284,000 direct customers across our large enterprise, commercial, and small and medium-sized business (SMB) segments, served by our direct sales force. We had over 1.7 million customers, including approximately 268,000 direct customers as of April 30, 2025.

In fiscal 2027, we categorize our total customer base into three groups based on annual recurring revenue ("ARR"). We generally define through a flexible framework companies with ARR (actual or potential) exceeding certain dollar thresholds as enterprise customers, commercial customers, and SMB customers. While the vast majority of our SMB customers are served through digital and self-service channels, a portion of this segment is managed via our direct sales channels and included in our direct customer count. Total customers reflects the aggregate of all segments across both direct and self-service channels.

We believe that our ability to increase the number of customers using our products, particularly the number of enterprise and commercial customers, is an indicator of our market penetration, the growth of our business, and our potential future business opportunities. By increasing awareness of our products, further developing our sales and marketing expertise, and continuing to build features tuned to different industry needs, we have expanded the diversity of our customer base to include organizations of all sizes across nearly every industry.

Increasing International Revenue

International revenue increased by 17% in the three months ended April 30, 2026, compared to the three months ended April 30, 2025. Additionally, our international revenue represented 31% of our total revenue in the three months ended April 30, 2026, compared to 28% in the three months ended April 30, 2025.

We started our international selling efforts in English-speaking common law countries, such as Canada, the UK and Australia, where we were able to leverage our core technologies due to similar approaches to electronic signature in these jurisdictions and the U.S. We have since made significant investments to be able to offer our products in select civil law countries. For example, in Europe, we offer Standards-Based Signature (“SBS”) technology tailored for the European Union’s (“EU”) electronic Identification, Authentication, and Trust Services (“eIDAS”) regulations. SBS supports signatures that involve digital certificates, including those specified in the EU’s eIDAS regulations for advanced and qualified electronic signatures.

We believe there is a substantial opportunity for us to increase our international customer base by leveraging and expanding investments in our technology, direct sales force, and strategic partnerships around the world, as well as helping existing U.S.-based customers manage agreements across their international businesses. We have experienced increased demand across multiple regions and are focusing our sales and marketing resources to capitalize on the potential growth of these markets. Additionally, we expect to continue to develop and enhance our strategic partnerships in key international markets as we grow internationally, with a particular focus on IAM.

Components of Results of Operations

Revenue

We derive revenue primarily from the sale of subscriptions and, to a lesser extent, professional services.

Revenue	Revenue consists primarily of subscription revenue, which includes fees for the use of our software platform and our technical infrastructure and access to customer support, which includes phone or email support. We typically invoice customers annually in advance. We recognize subscription revenue ratably over the term of the contract subscription period beginning on the date access to our software platform is provided. Revenue also includes professional services revenue, which consists of fees associated with new customers requesting deployment and integration services. We price professional services on a time and materials basis and on a fixed fee basis. We generally have standalone value for our professional services and recognize revenue based on standalone selling price as services are performed or upon completion of services for fixed fee contracts. Other revenue includes amounts derived from sales of on-premises solutions.
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Overhead Allocation

We allocate shared overhead costs, such as facilities (including rent, utilities and depreciation on equipment shared by all departments), information technology, information security and recruiting costs to all departments based on headcount. As such, these allocated overhead costs are reflected in cost of revenue and each operating expense category.

Cost of Revenue

Cost of Revenue	Cost of Revenue consists primarily of costs related to subscription revenue. These costs primarily consist of expenses related to hosting our software platform and providing support. These expenses consist of employee-related costs, including salaries, bonuses, benefits, stock-based compensation, and other related costs associated with our technical infrastructure, customer success and customer support. These expenses also consist of software and maintenance costs, third-party hosting fees, third-party AI infrastructure costs, outside services associated with the delivery of our subscription services, amortization expense associated with capitalized internal-use software and acquired intangible assets, credit card processing fees and allocated overhead costs. Cost of Revenue also includes costs related to professional services revenue. These costs primarily consist of personnel costs for our professional services delivery team, travel-related costs and allocated overhead costs.
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Gross Profit and Gross Margin

Gross profit is total revenue less total cost of revenue. Gross margin is gross profit expressed as a percentage of total revenue. We expect that gross profit and gross margin will continue to be affected by various factors including our pricing, timing and amount of investment to maintain or expand our hosting capability, the growth of our software platform support and professional services team, stock-based compensation expenses, amortization of costs associated with capitalized internal use software and acquired intangible assets and allocated overhead costs.

Operating Expenses

Our operating expenses consist of sales and marketing, research and development, and general and administrative expenses. As our revenues continue to increase, our operating expenses as a percentage of revenue may increase or decrease at different rates, driven by the timing of revenue recognition, the timing of hiring, our investments in growth and other factors.

Sales and Marketing Expense	Sales and marketing expense consists primarily of personnel costs, including sales commissions. These expenses also include expenditures related to advertising, marketing, promotional events, and brand awareness activities, as well as allocated overhead costs. We expect sales and marketing expense to continue to increase in absolute dollars as we enhance our product offerings and implement marketing strategies.
Research and Development Expense	Research and development expense consists primarily of personnel costs. These expenses also include non-personnel costs, such as subcontracting, consulting and professional fees for third-party development resources, as well as allocated overhead costs. Our research and development efforts focus on maintaining and enhancing existing functionality and adding new functionality. We expect research and development expense to increase in absolute dollars as we invest in the enhancement of our software platform.
General and Administrative Expense	General and administrative expense consists primarily of employee-related costs for those employees providing administrative services such as legal, human resources, information technology related to internal systems, accounting, and finance. These expenses also include certain third-party consulting services, certain facilities costs, allocated overhead costs, and lease-related charges. We expect general and administrative expense to increase in absolute dollars to support the overall growth of our operations.

Interest Expense

Interest expense consists primarily of commitment fees on the undrawn balance of the Credit Facility and the amortization of the associated issuance costs.

Interest Income and Other Income, Net

Interest income and other income, net, consists primarily of interest earned on our cash, cash equivalents and investments, changes in fair value of our strategic investments and foreign currency transaction gains and losses.

Provision for Income Taxes

Our income tax provision consists primarily of U.S. federal, state and foreign income taxes. The difference between the effective tax rate and the federal statutory tax rate is primarily driven by tax expense related to stock-based compensation partially offset by a benefit for the U.S. federal research tax credit.

We regularly assess the need for a valuation allowance on our deferred tax assets. In making this assessment we consider both positive and negative evidence related to the likelihood of realization of the deferred tax assets to determine, based on the weight of available evidence, whether it is more likely than not that some or all the deferred tax assets will not be realized. In the event we change our determination as to the amount of deferred tax assets that can be realized, we will adjust our valuation allowance with a corresponding impact to the provision for income taxes in the period in which such determination is made.

Discussion of Results of Operations

The following table summarizes our historical consolidated statements of operations data:

(in thousands, except percentages)	Three Months Ended April 30,			
	2026	As % of revenue	2025	As % of revenue
Revenue ⁽¹⁾	\$ 830,235	100 %	\$ 763,654	100 %
Cost of revenue ⁽¹⁾	171,270	21	157,269	21
Gross profit	658,965	79	606,385	79
Operating expenses:				
Sales and marketing	296,175	36	296,413	39
Research and development	159,586	19	159,447	21
General and administrative	91,895	11	90,270	11
Total operating expenses	547,656	66	546,130	71
Income from operations	111,309	13	60,255	8
Interest expense	(551)	—	(478)	—
Interest income and other income, net	6,998	1	14,013	1
Income before provision for income taxes	117,756	14	73,790	9
Provision for income taxes	39,559	5	1,703	—
Net income	\$ 78,197	9 %	\$ 72,087	9 %

⁽¹⁾ Effective in the first quarter of fiscal 2027, we changed the presentation of revenue and cost of revenue in our Consolidated Statements of Operations to combine the financial statement line items labeled "Subscription" and "Professional services and other".

The following discussion and analysis is for the three months ended April 30, 2026, compared to the same period in 2025, unless otherwise stated.

Revenue

(in thousands, except for percentages)	Three Months Ended April 30,		
	2026	2025	2026 versus 2025
Revenue	\$ 830,235	\$ 763,654	9 %

Revenue increased by \$66.6 million, or 9%, in the three months ended April 30, 2026. The increase was primarily due to the expansion of revenue from our commercial and enterprise accounts, as well as our digital channel. We continue to invest in a variety of customer programs and initiatives, which, along with expanded customer use cases, have helped increase our subscription revenue over time.

Cost of Revenue and Gross Margin

(in thousands, except for percentages)	Three Months Ended April 30,		
	2026	2025	2026 versus 2025
Cost of revenue	\$ 171,270	\$ 157,269	9 %
Gross margin	79 %	79 %	— pts

Cost of revenue increased by \$14.0 million, or 9%, in the three months ended April 30, 2026, primarily driven by higher costs to support our growing customer base. The increase in the three months ended April 30, 2026 primarily consisted of a \$6.3 million increase in information technology costs, particularly hosting costs to support the expansion of IAM and to continue our migration of customer data to cloud storage.

Sales and Marketing

(in thousands, except for percentages)	Three Months Ended April 30,		2026 versus 2025
	2026	2025	
Sales and marketing	\$ 296,175	\$ 296,413	— %
Percentage of revenue	36 %	39 %	

Sales and marketing expenses remained relatively flat in the three months ended April 30, 2026. Marketing and advertising costs decreased in line with our go-to-market strategy, primarily due to changes in timing of our customer events in addition to a reduction in spending on paid search. This was largely offset by an increase in personnel costs due to annual merit increases as we continue to invest in our workforce.

Research and Development

(in thousands, except for percentages)	Three Months Ended April 30,		2026 versus 2025
	2026	2025	
Research and development	\$ 159,586	\$ 159,447	— %
Percentage of revenue	19 %	21 %	

Research and development expenses remained relatively flat in the three months ended April 30, 2026. Personnel costs, including stock-based compensation, increased primarily due to higher headcount, annual merit increases, and higher incentive compensation as we continue to invest in our workforce to support product innovation. This was largely offset by an increase in capitalized software development costs.

General and Administrative

(in thousands, except for percentages)	Three Months Ended April 30,		2026 versus 2025
	2026	2025	
General and administrative	\$ 91,895	\$ 90,270	2 %
Percentage of revenue	11 %	11 %	

General and administrative expenses increased by \$1.6 million, or 2%, in the three months ended April 30, 2026, primarily due to an increase in personnel expense related to higher headcount, higher incentive compensation, and annual merit increases. This was partially offset by a reduction in professional fees including an increase in litigation related insurance reimbursements.

Other Income

(in thousands, except for percentages)	Three Months Ended April 30,		2026 versus 2025
	2026	2025	
Interest income and other income, net	\$ 6,998	\$ 14,013	(50)%
Percentage of revenue	1 %	1 %	

Interest income and other income, net decreased by \$7.0 million in the three months ended April 30, 2026. The interest income earned during the three months ended April 30, 2026 was partially offset by foreign currency exchange losses. The decrease was primarily due to the strengthening of the euro and British pound compared to the U.S. dollar, which resulted in a net increase in foreign currency exchange losses of \$5.5 million.

Provision for Income Taxes

(in thousands, except for percentages)	Three Months Ended April 30,		2026 versus 2025
	2026	2025	
Provision for income taxes	\$ 39,559	\$ 1,703	2,223 %
Percentage of revenue	5 %	— %	

Provision for income taxes increased by \$37.9 million, or 2,223%, in the three months ended April 30, 2026. The increase is primarily attributable to higher profit before taxes and higher forecasted annual effective tax rate driven by the impacts of the OBBBA enacted in the second quarter of fiscal 2026, and an increase in tax expense related to stock-based compensation in the first quarter of fiscal 2027.

Liquidity and Capital Resources

Our principal sources of liquidity were cash, cash equivalents and investments, as well as cash generated from operations. As of April 30, 2026, we had \$814.2 million in cash and cash equivalents and short-term investments. We also had \$209.9 million in long-term investments that provide additional capital resources. We finance our operations primarily through payments by our customers for use of our product offerings and related services, and we have additional borrowing capacity available from our credit facility.

In May 2025, we entered into an agreement with a syndicate of banks, which provides for a revolving credit facility in the aggregate principal amount of \$750.0 million and may be increased by an additional \$250.0 million subject to customary terms and conditions. The Credit Facility superseded and replaced the revolving credit facility that we previously entered into in January 2021. As of April 30, 2026, there were no outstanding borrowings under the Credit Facility, and we were in compliance with related covenants. The Credit Facility matures in May 2030 and is available to optimize our capital structure and strengthen our balance sheet. We have included additional information in [Note 6](#) to the Condensed Consolidated Financial Statements, included in [Part I, Item 1](#) of this Quarterly Report on Form 10-Q.

We believe that our sources of liquidity, including our cash, cash equivalents and investments, and expected future operating cash flows, and borrowing capacity available to us from our Credit Facility, are adequate to meet our potential cash commitments as well as meet our working capital and capital expenditure needs for the foreseeable future, including upcoming maturities of our contractual obligations over the next 12 months.

We typically invoice our customers annually in advance. Therefore, a substantial source of our cash is from such invoices, which are included on our consolidated balance sheets in contract liabilities until revenue is recognized and in accounts receivable until cash is collected. Accordingly, collections from our customers have a material impact on our cash flows from operating activities. Contract liabilities consist of the unearned portion of billed fees for our subscriptions, which is subsequently recognized as revenue in accordance with our revenue recognition policy.

Our future capital requirements will depend on many factors including our growth rate, customer retention and expansion, inflation, tax withholding obligations related to settlement of our RSUs, the timing and extent of spending to support our efforts to develop our software platform, the expansion of sales and marketing activities and the continuing market acceptance of our software platform. We may in the future enter into arrangements to acquire or invest in complementary businesses, technologies and intellectual property rights. We may be required to seek additional equity or debt financing. In the event that additional financing is required from outside sources, we may not be able to raise it on terms acceptable to us or at all. If we are unable to raise additional capital when desired, our business, operating results and financial condition would be adversely affected.

Our principal contractual obligations and commitments consist of obligations under operating leases, as well as noncancelable contractual commitments that primarily relate to cloud infrastructure support and sales and marketing activities. Refer to [Note 7](#) to the Condensed Consolidated Financial Statements, included in [Part I, Item 1](#) of this Quarterly Report on Form 10-Q.

We do not have any special purpose entities, and we do not engage in off-balance sheet financing arrangements.

In addition to our contractual commitments, our board of directors has authorized a stock repurchase program, which commenced in March 2022. During the three months ended April 30, 2026, we repurchased 6.8 million shares of common stock for \$317.5 million through our stock repurchase program. The program has no minimum purchase and no mandated end date. The repurchase program may be suspended or discontinued at any time at our discretion. We expect that our existing sources of liquidity, including our existing cash, cash equivalents and investments, expected future operating cash flows, and the borrowing capacity of our credit facility, will finance the repurchase of common stock at management's discretion. The timing and amount of any repurchases of common stock will be determined by management based on its evaluation of market conditions and other factors.

Cash Flows

The following table summarizes our cash flows for the periods indicated:

(in thousands)	Three Months Ended April 30,	
	2026	2025
Net cash provided by (used in):		
Operating activities	\$ 321,688	\$ 251,439
Investing activities	(39,247)	(24,925)
Financing activities	(334,414)	(223,515)
Effect of foreign exchange on cash, cash equivalents and restricted cash	(481)	9,923
Net change in cash, cash equivalents and restricted cash	<u>\$ (52,454)</u>	<u>\$ 12,922</u>

Cash Flows from Operating Activities

Cash provided by operating activities was \$321.7 million in the three months ended April 30, 2026. Our primary sources of cash provided by operating activities were billings and the related cash collections in addition to interest income. Our primary uses of cash include the payment of employee salaries and benefits in addition to vendor payments.

Cash provided by operating activities was \$251.4 million for the three months ended April 30, 2025. Our primary sources of cash provided by operating activities were billings and the related cash collections in addition to interest income. Our primary uses of cash include payment of employee salaries and benefits in addition to vendor payments.

Cash Flows from Investing Activities

For the three months ended April 30, 2026, net cash used in investing activities of \$39.2 million was primarily driven by \$32.3 million in purchases of property and equipment as we continued to invest in capitalized software development projects in addition to \$4.4 million net purchase of marketable securities.

For the three months ended April 30, 2025, net cash used in investing activities of \$24.9 million was primarily driven by \$23.6 million in purchases of property and equipment as we continued to invest in capitalized software development projects and to support operations at our data centers.

Cash Flows from Financing Activities

For the three months ended April 30, 2026, net cash used in financing activities of \$334.4 million was primarily driven by \$317.5 million to repurchase 6.8 million shares of common stock through our stock repurchase program and \$16.7 million payments for tax withholding on share settlements, net of proceeds associated with equity plans.

For the three months ended April 30, 2025, net cash used in financing activities of \$223.5 million was primarily driven by \$183.4 million to repurchase 2.3 million shares of common stock through our stock repurchase program and \$40.1 million payments for tax withholding on share settlements, net of proceeds associated with equity plans.

Critical Accounting Policies and Estimates

We prepare our financial statements in accordance with GAAP. Preparing these financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses and related disclosures. We evaluate our estimates and assumptions on an ongoing basis. Our estimates are based on historical experience and various other assumptions that we believe to be reasonable under the circumstances. Our actual results could differ from these estimates.

The critical accounting estimates, assumptions and judgments that we believe to have the most significant impact on our consolidated financial statements are revenue recognition, deferred contract acquisition costs, stock-based compensation, income taxes, and loss contingencies.

There have been no material changes to our critical accounting policies and estimates as described in our fiscal 2026 Annual Report on Form 10-K.

Recent Accounting Pronouncements

Refer to [Note 1](#) in the Notes to the Condensed Consolidated Financial Statements in [Part I, Item 1](#) of this Quarterly Report on Form 10-Q for a discussion of recent accounting pronouncements.

Non-GAAP Financial Measures and Other Key Metrics

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

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

Non-GAAP gross profit, non-GAAP gross margin, non-GAAP income from operations, non-GAAP operating margin and non-GAAP net income: We define these non-GAAP financial measures as the respective GAAP measures, excluding expenses related to stock-based compensation, employer payroll tax on employee stock transactions, amortization of acquisition-related intangibles, and, as applicable, other special items. The amount of employer payroll tax-related items on employee stock transactions is dependent on our stock price and other factors that are beyond our control and do not correlate to the operation of the business. When evaluating the performance of our business and making operating plans, we do not consider these items (for example, when considering the impact of equity award grants, we place a greater emphasis on overall stockholder dilution rather than the accounting charges associated with such grants). We believe it is useful to exclude these expenses in order to better understand the long-term performance of our core business and to facilitate comparison of our results to those of peer companies and over multiple periods. In addition to these exclusions, we subtract an assumed provision for income taxes to calculate non-GAAP net income. We utilize a fixed long-term projected tax rate in our computation of the non-GAAP income tax provision to provide better consistency across the reporting periods. For the three months ended April 30, 2026 and 2025, we have determined the projected non-GAAP tax rate to be 21% and 20%, respectively.

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

Annual Recurring Revenue: We calculate ARR as the annualized value of active customer contracts as of the measurement date. This calculation assumes that any contract expiring within the next 12 months renews on its existing terms, and excludes non-recurring revenue streams recognized at a point in time. When evaluating ARR on a product basis for contracts spanning multiple product lines, we allocate the support contract value to each product offering based on its proportional share of the total contract value. To annualize contracts, we divide the total committed contract value by the number of months in the subscription term and multiply by twelve. For international contracts denominated in foreign currencies, ARR is translated into U.S. dollars using a fixed exchange rate set at the beginning of each fiscal year. We adjust previously reported ARR annually to reflect these exchange rate changes for comparative purposes. We believe ARR measures our business performance and serves as a leading indicator of future revenue growth. We report total ARR annually at the end of the fiscal year. Because quarterly net new ARR represents only a fraction of our overall book of business, it is subject to timing volatility and can be highly volatile on a year-over-year basis. Because the objective of ARR is to evaluate the long-term growth of our business, these quarterly timing fluctuations can detract from the insight and usefulness of ARR. ARR is an operating metric and should be viewed independently of revenue, deferred revenue, and remaining performance obligations; it does not represent revenue under U.S. GAAP on an annual basis. IAM represented 12.6% of our total ARR as of April 30, 2026, and 10.8% of our total ARR as of January 31, 2026.

Reconciliation of gross profit and gross margin:

(in thousands)	Three Months Ended April 30,	
	2026	2025
GAAP gross profit	\$ 658,965	\$ 606,385
Add: Stock-based compensation	15,309	16,904
Add: Employer payroll tax on employee stock transactions	1,126	1,873
Add: Amortization of acquisition-related intangibles	1,495	3,565
Non-GAAP gross profit	<u>\$ 676,895</u>	<u>\$ 628,727</u>
GAAP gross margin	79.4 %	79.4 %
Non-GAAP adjustments	2.1 %	2.9 %
Non-GAAP gross margin	81.5 %	82.3 %

Reconciliation of income from operations and operating margin:

(in thousands)	Three Months Ended April 30,	
	2026	2025
GAAP income from operations	\$ 111,309	\$ 60,255
Add: Stock-based compensation	141,377	145,596
Add: Employer payroll tax on employee stock transactions	8,185	12,259
Add: Amortization of acquisition-related intangibles	4,735	6,919
Non-GAAP income from operations	<u>\$ 265,606</u>	<u>\$ 225,029</u>
GAAP operating margin	13.4 %	7.9 %
Non-GAAP adjustments	18.6 %	21.6 %
Non-GAAP operating margin	32.0 %	29.5 %

Reconciliation of net income:

(in thousands)	Three Months Ended April 30,	
	2026	2025
GAAP net income	\$ 78,197	\$ 72,087
Add: Stock-based compensation	141,377	145,596
Add: Employer payroll tax on employee stock transactions	8,185	12,259
Add: Amortization of acquisition-related intangibles	4,735	6,919
Add: Income tax and other tax adjustments	(17,572)	(46,010)
Non-GAAP net income	<u>\$ 214,922</u>	<u>\$ 190,851</u>

Computation of free cash flow:

(in thousands)	Three Months Ended April 30,	
	2026	2025
Net cash provided by operating activities	\$ 321,688	\$ 251,439
Less: Purchases of property and equipment	(32,253)	(23,624)
Non-GAAP free cash flow	<u>\$ 289,435</u>	<u>\$ 227,815</u>
Net cash used in investing activities	<u>\$ (39,247)</u>	<u>\$ (24,925)</u>
Net cash used in financing activities	<u>\$ (334,414)</u>	<u>\$ (223,515)</u>

ITEM 3. 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 the result of fluctuations in foreign currency exchange and interest rates.

Interest Rate Risk

As of April 30, 2026, we had cash, cash equivalents, restricted cash, and investments totaling \$1.0 billion, which consisted primarily of bank deposits, money market funds, commercial paper, corporate notes and bonds and U.S. government agency securities. Interest-earning instruments carry a degree of interest rate risk. Our investment portfolio is composed of highly rated securities and limits the amount of credit exposure to any one issuer. A hypothetical 100 basis point increase in interest rates would result in an approximate \$3.0 million decrease in the fair value of our investment portfolio as of April 30, 2026. Such losses would only be realized if we sold the investments prior to maturity. We do not enter into investments for trading or speculative purposes and have not used any derivative financial instruments to manage our interest rate risk exposure. Additionally, the Credit Facility, which is undrawn as of April 30, 2026, can be borrowed based on floating interest rate indexes, thus exposing us to potential interest rate fluctuations should we decide to access the facility.

Foreign Currency Exchange Risk

Our reporting currency is the U.S. dollar, and the functional currency of each of our subsidiaries is either its local currency or the U.S. dollar, depending on the circumstances. The assets and liabilities of each of our subsidiaries are translated into U.S. dollars at exchange rates in effect at each balance sheet date. Operations accounts are translated using the average exchange rate for the relevant period. A strengthening or weakening of the U.S. dollar against the other currencies may negatively or positively affect our operating results as expressed in U.S. dollars. Foreign currency translation adjustments are accounted for as a component of "Accumulated other comprehensive loss" within "Stockholders' equity". Gains or losses due to remeasurements of transactions denominated in foreign currencies are included in "Interest income and other income, net" in our consolidated statements of operations and comprehensive income. We have not engaged in the hedging of foreign currency transactions to date, although we may choose to do so in the future. We do not believe that an immediate 10% increase or decrease in the relative value of the U.S. dollar to other currencies would have a material effect on our operating results.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer (our principal executive officer) and Chief Financial Officer (our 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 Securities Exchange Act of 1934 (the “Exchange Act”)), as of April 30, 2026. Based on such evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that as of April 30, 2026, our disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act (a) is recorded, processed, summarized and reported within the time periods specified by Securities and Exchange Commission (“SEC”) rules and forms and (b) is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding any required disclosure.

Changes in Internal Control Over Financial Reporting

There were no changes in our internal control over financial reporting identified in management’s evaluation pursuant to Rules 13a-15(d) or 15d-15(d) under the Exchange Act during the first quarter of fiscal 2027 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls and Procedures

Our management, including our Chief Executive Officer and Chief Financial Officer, believes that our disclosure controls and procedures and internal control over financial reporting are designed to provide reasonable assurance of achieving their objectives and are effective at the reasonable assurance level. However, our management does not expect that our disclosure controls and procedures or our internal control over financial reporting 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, have been detected. 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 controls. 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 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.

PART II - OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are subject to legal proceedings and claims from time to time in the ordinary course of business. We have received, and may in the future continue to receive claims from third parties asserting, among other things, infringement of their intellectual property rights. Future litigation may be necessary to defend ourselves, our partners and our customers by determining the scope, enforceability and validity of third-party proprietary rights, or to establish our proprietary rights. The results of any current or future litigation cannot be predicted with certainty, and regardless of the outcome, litigation can have an adverse impact on us because of defense and settlement costs, diversion of management resources and other factors.

For more information on legal proceedings, refer to 'Claims and Litigation' in [Note 7](#) to our consolidated financial statements in this Quarterly Report on Form 10-Q.

ITEM 1A. RISK FACTORS

Risk Factors Summary

These summary risks provide an overview of many of the risks we are exposed to in the normal course of our business. As a result, the following summary risks do not contain all the information that may be important to you, and you should read them together with the more detailed discussion of risks set forth following this section under the heading "Risk Factors," and with the other information in this Quarterly Report on Form 10-Q. Additional risks beyond those discussed below in "Risk Factors" or elsewhere in this Quarterly Report on Form 10-Q that we do not currently anticipate or that we currently deem immaterial could have an adverse effect on our business, results of operations, financial condition or prospects, and could cause the trading price of our common stock to decline.

These risks include, but are not limited to, the following:

Business and Industry Risks

- Any decrease in adoption or sales of our eSignature product, without corresponding adoption or sales of our other solutions in our IAM platform.
- Our IAM platform failing to achieve market acceptance or to meet our customers' evolving needs.
- Disruptions to our business, strategy and demand for our solutions due to advances in, and uses of, AI and other technologies.
- Any inability to deliver excellent service and support to customers, retain and expand sales to existing customers, and attract new customers.
- Damage to our systems, data, reputation, brand and customer trust due to data breaches, cyberattacks, malicious activity, or failures of our (or third party cloud providers') technical infrastructure.
- Our inability to compete in an evolving and highly competitive market.
- Any real or perceived improper use of, disclosure of, or access to sensitive customer data.
- An over-estimation of our market opportunity.
- Any loss of highly skilled personnel, including our management team or other key employees, or inability to attract, integrate and retain such employees necessary to support our business.
- Our inability to maintain successful relationships with our strategic partners or to establish and maintain relationships with partners that provide complementary technology.
- Any inability to effectively develop and expand our marketing and sales capabilities.

Financial Risks, including Taxation

- Any fluctuations in our financial results or failure to meet expectations of securities analysts or investors.
- Our long and unpredictable sales cycles, which often require considerable time and expense.
- The delay in reflecting downturns or upturns in sales contracts in our operating results due to recognition of subscription revenue.
- Any failure to forecast our revenue accurately, or failure to match our expenditures with corresponding revenue.
- Any operational challenges in connection with our current or future international operations.
- A lack of additional capital or the availability to use it on reasonable terms to support business growth and objectives.
- Any limits on our ability to use our net operating loss carryforwards to offset future taxable income.

Legal and Regulatory Risks

- Any actual or perceived failure to comply with laws and regulations affecting our business.

- Legal proceedings against us by third parties for various claims, including any current or future legal proceedings.
- Any failure to adequately protect our proprietary rights, including intellectual property rights.

Risks Related to our Common Stock

- Any volatility in the market price of our common stock.

General Risks

- Unfavorable conditions in our industry or the global economy or reductions in information technology spending.
- Natural catastrophic events and man-made problems, including the effects of climate change.

Risk Factors

Our business involves significant risks, some of which are described below. You should carefully consider the following risks, together with all the other information in this Quarterly Report on Form 10-Q, including in the preceding Risk Factors Summary, and our consolidated financial statements and the related notes included elsewhere in this Quarterly Report on Form 10-Q.

Business and Industry Risks

We derive a majority of our revenue from our eSignature product, and slower or declining adoption or sales of our eSignature product, without corresponding adoption or sales of our other products and solutions in our IAM platform, could cause our operating results to suffer.

Sales of subscriptions to our eSignature product account for the substantial majority of our subscription and professional services revenue. Although we continue to add to our suite of other products and solutions in our IAM platform for automating the agreement process, we expect that we will be substantially dependent on our eSignature product to generate revenue for the foreseeable future. As a result, our operating results could suffer due to:

- any decline in demand for our eSignature product;
- the failure of our eSignature product to maintain market acceptance;
- the market for electronic signatures failing to grow, or growing more slowly than we expect;
- new products and technologies from our competitors that replace or represent an improvement over our eSignature product;
- new technological innovations or standards that our eSignature product does not address;
- changes in regulations;
- sensitivity to our current or future pricing;
- our inability to release enhanced versions of our eSignature product on a timely basis; and
- macro- and micro-economic factors, including inflation, changes in interest rates or foreign exchange rates, increased debt and equity market volatility, tariffs and changes in trade policies and practices, geopolitical conflict or public health crises.

We have experienced, and may continue to experience, declines and fluctuations in the demand for our eSignature product due to a number of factors, including changing patterns of customer adoption and retention, shifts in customer spending levels, a highly competitive market, and general economic and global market conditions. We will need to maintain or increase sales of subscriptions to our eSignature product, in addition to increasing the usage and adoption of our other product offerings, in order to support our growth and operating objectives. If customer adoption and expansion of our eSignature product falls below our expectations, our business, financial condition, and operating results would be adversely affected.

If our IAM platform, products and solutions do not evolve to meet the needs of our customers or fail to achieve sufficient market acceptance, our financial results and competitive position will suffer.

We spend substantial amounts of time and money to research, develop and enhance our existing products, add new offerings, incorporate additional functionality, and solve new use cases to meet our customers' rapidly evolving demands. Maintaining adequate research and development resources, such as the appropriate personnel and development technology, to meet the demands of our customers and potential customers is essential to our business. If we are unable to develop products and solutions internally due to a lack of research and development resources, we may be forced to rely on acquisitions to expand into certain markets or technologies, which can be costly. When we develop or acquire new or enhanced products and solutions, we typically incur expenses and expend resources upfront to develop, market, promote and sell them. For example, in April 2024, we launched our IAM platform. When we

introduce new or enhanced products and solutions, they must achieve high levels of market acceptance to justify the amount of our investment in developing or acquiring them and bringing them to market.

Our platform, products, solutions or enhancements to our existing products and solutions could also fail to attain sufficient market acceptance for many reasons, including:

- failure to predict market demand for particular features or functions, or to timely meet demand;
- defects, errors or failures in our platform, products and solutions;
- negative publicity about their performance or effectiveness;
- changes in applicable legal or regulatory requirements, or increased legal or regulatory scrutiny, adversely affecting our products and solutions;
- delays in releasing our products and solutions to the market;
- negative customer perception of our IAM platform or new products and solutions;
- inability to effectively execute our go-to-market and sales-directed strategies for our IAM platform, including the implementation of additional pricing models for products or enhancements; and
- introduction or anticipated introduction of competing products by our competitors.

If the release of these or other new and enhanced products, solutions or functionalities as part of our platform do not meet customer needs or if our customers do not accept them, our business, operating results and financial condition would be harmed. The adverse effect on our financial results may be particularly acute because of the significant research, development, marketing, sales and other expenses we will have incurred.

Rapid and unpredictable advances in AI and other technologies could reduce demand for our solutions, disrupt our business and strategy, and cause competitive and financial harm.

While we believe recent technological advances complement Docusign's strategy and will ultimately benefit our business, AI and other technological advances are unpredictable, and there can be no assurance that our strategy will succeed. We may fail to predict or respond effectively to market demand for AI-powered solutions, or customer concerns regarding those solutions. Even if we successfully create, market and sell AI-based offerings that meet customer demand, the costs of developing and operating such solutions (including initial training costs and ongoing processing and inference costs) may reduce profitability and adversely affect our results of operations.

Advances in AI have made and may continue to make some foundational capabilities for agreements (such as analyzing, summarizing and comparing text) cheaper and easier to replicate, enabling companies not previously focused on agreements to provide solutions that compete with some or all of ours. In addition, advances in AI may significantly lower the cost of developing software, enabling companies to quickly and cheaply create agents or other homegrown alternatives that perform some or all of the functions they currently obtain from Docusign.

If providers of large language models, data platform companies, enterprise software companies, "hyperscalers," or other businesses develop solutions that provide comparable functionality at lower cost or in more convenient formats, demand for our products would suffer and our business, financial condition and results of operations would be adversely affected.

If we are unable to deliver excellent service and support to customers, retain and expand sales to existing customers, and attract new customers, our revenue growth will be adversely affected.

Our ability to retain and grow our customer base depends on our ability to deliver excellent service and support to our customers. Any failure to maintain high-quality customer support and meet or exceed customer expectations could adversely affect customer retention, growth, and our financial condition and results of operations.

To increase our revenue, we must continue to grow our customer base. As our market matures, product and service offerings evolve, and competitors introduce lower cost and/or differentiated products or solutions that compete or are perceived to compete with our products and solutions, our ability to attract new customers could be impaired. This may be especially challenging where organizations have already invested significantly in an existing solution. If our pricing is not competitive or we cannot attract new customers and subsequently maintain and expand those customer relationships, our business and operating results may be harmed.

Our ability to increase our revenue also depends on our ability to expand the sales of our products and solutions to, and renew subscriptions with, existing customers and their organizations. Our existing customers, especially our enterprise customers, must increase their use of our products and solutions by purchasing new products, additional subscriptions and our enhanced products and solutions. We may also, from time to time, invest in products and functionalities to

diversify our sales and marketing strategy. If these or other efforts to attract new customers or expand sales to our existing customers are not successful, our business, operating results and financial condition may suffer.

Moreover, a majority of our subscription contracts are for one year. Our customers have no obligation to renew their subscriptions and we cannot guarantee that our customers will renew their subscriptions with us for a similar or greater contract period or on the same or more favorable terms. Our renewal and expansion rates may decline or fluctuate as a result of a number of factors, including customer spending levels, customer dissatisfaction, decreases in the number of users with our customers, changes in the type and size of our customers, pricing, competitive conditions, customer attrition and general economic and global market conditions, including as a result of inflation, changes in interest rates, increased debt and equity market volatility, tariffs and changes in trade policies and practices, geopolitical conflicts or public health crises. If we are unable to improve our renewal rates, our revenue may decline and our business may suffer. Furthermore, if our customers do not renew their subscriptions for our products and solutions or if they reduce their subscription amounts at the time of renewal, our revenue will decline, and our business, operating results and financial condition will suffer.

Our systems and security measures have been, and may in the future be, compromised or subject to data breaches, cyberattacks, or other malicious activity, and third parties have attempted and may continue to attempt to exploit our platform or brand to defraud others, which could result in customers reducing or stopping their use of our products, our reputation being harmed, and significant liabilities and adverse effects on our operating results and financial condition.

Our operations involve the storage and transmission of customer data, personal data and other sensitive or confidential information, and our corporate environment contains important company data and/or business records, employee data and data from partner, vendor or other relationships, as well as a wide variety of our own internal company, partner and employee information. Our employees, service providers and third parties providing services to us often work on a remote or hybrid arrangement basis, which may involve relying on less secure systems and may increase the risk of cybersecurity-related incidents. We cannot guarantee these private work environments and electronic connections to our work environment have the same robust security measures as those deployed in our physical offices. We also rely on third-party and public-cloud infrastructure, and we depend in part on third-party security measures on such infrastructure to protect against unauthorized access, cyberattacks and the mishandling of customer data. Our ability to monitor our third-party service providers' data security is limited and any breach of our providers' security measures may result in unauthorized access to, or misuse, loss or destruction of, our and our customers' data. We also rely on other third parties, including open-source software providers, model-providers for AI features and others; and vulnerabilities, misconfigurations, or supply chain compromises impacting any of these third parties could adversely impact our systems and data.

While we have security measures in place designed to protect our production and development environments and other systems, maintain the integrity of customer, company, partner and employee information, and prevent data loss, misappropriation and other security breaches and incidents, there can be no assurance that such security measures will be effective, or effective at all times. We are a frequent target of cyberattacks and have faced security incidents in the past that did not have a material impact on our operations. In these cases, upon detection, we took prompt action to prevent any additional unauthorized access, put further security controls in place and worked with law enforcement agencies, when appropriate. While we have taken and will continue to take steps to address cyberattacks and security incidents, these efforts to investigate, mitigate, contain, and remediate any such incidents may not always be entirely successful, and there can be no assurance that there will be no impact to our operations from these or similar incidents in the future. Despite our prevention and response efforts, any security incident or breach, even if immaterial and properly addressed, could result in negative publicity, loss of customers, damage to our reputation and could impair our sales and harm our business.

Like other organizations providing valuable technology and services, we are subject to increasing cyberattacks from malicious third parties using widely varying and frequently changing tactics, which may be enhanced or facilitated by AI technology, and may include phishing and fraud campaigns targeting our personnel via email, text, instant messaging and voice calls. As AI technologies develop rapidly, threat actors are using these technologies to create new attack methods that are increasingly automated, targeted, and coordinated and more difficult to defend against. In addition, we may face increased risk in our ability to maintain the performance, reliability, security and availability of our products and technical infrastructure to the satisfaction of our customers.

We are subject to increasingly frequent and sophisticated cyberattacks, including advanced persistent threats by state-sponsored actors, cyberattacks relying on complex social engineering or "phishing" tactics, ransomware attacks and other methods including credential stuffing and account takeover attacks, prompt injection, deepfakes, denial or degradation of service attacks, malicious code (e.g., viruses and worms), and many other techniques that may lead to the loss, theft or misuse of personal, corporate or financial information, fraudulent payments, identity theft, and disrupting or disabling our services. Bad actors, nation-states, and nation-state-supported actors engage in

cyberattacks, including for geopolitical reasons and in connection with global or regional conflicts and operations. The frequency and sophistication of cybersecurity threats against us and our partners, service providers or customers may often become further heightened in connection with such geopolitical tensions. If bad actors gain improper access to our systems or databases or those of our partners, service providers, and other third parties who have access to our data, they may be able to steal, publish, delete, copy, unlawfully or fraudulently use or modify data, including personal information and/or blackmail us to pay a ransom. Additionally, bad actors have misused our platform and/or our brand name to attempt to deceive or defraud others, and may continue to do so. If our efforts to prevent these activities, or limit their impact, are unsuccessful, our reputation and brand could be harmed, we could lose customers, and our business and financial condition could be adversely affected.

If our security measures, or the security measures of our partners, service providers, or customers, are compromised, our reputation could be damaged and our ability to attract and retain customers could be adversely affected. We could also be subject to negative publicity, increased costs to remedy any problems and otherwise respond to any incident, monetary and other losses for us or our customers, identity theft for our customers, the inability to expand our business, additional scrutiny, restrictions, fines or penalties from regulatory or governmental authorities, loss of customers and customer confidence in our services, ongoing regulatory oversight, assessments and audits, exposure to civil litigation, and/or a breach of our contracts with third parties. All of the foregoing could expose us to significant liability and harm our business, financial condition, and operating results.

Despite significant efforts to identify vulnerabilities and create security barriers to such threats, it is virtually impossible for us, our service providers, our partners and our customers to entirely mitigate these risks. Further, we could be forced to use significant financial and operational resources in response to a cyberattack, security incident, or breach, including repairing system damage, increasing security protection costs, investigating and remediating any information security vulnerabilities, complying with data breach notification obligations and applicable laws, and defending against and resolving legal and regulatory claims, all of which could divert resources and the attention of our management and key personnel away from our business operations and materially and adversely affect our business, financial condition, and operating results. Additionally, there can be no assurance that any limitations of liability provisions in our contracts would be enforceable or adequate in the event of a security breach or would otherwise protect us from any such liabilities or damages with respect to any particular claim.

We also cannot be sure that our existing general liability insurance coverage, cybersecurity coverage, and coverage for errors or omissions will continue to be available on acceptable terms or will be available in sufficient amounts to cover one or more large claims, or that insurers will not deny coverage as to any future claim. Furthermore, our insurance coverage may not extend to all risks we face, including all AI-related security risks, and may not cover us for all losses for errors or omissions caused by AI. Cyberattacks or security incidents may result in increased costs for such insurance as well. One or more large, successful claims against us in excess of our available insurance coverage, or changes in our insurance policies, including premium increases or large deductible or coinsurance requirements, could have an adverse effect on our business, operating results and financial condition.

The market in which we participate is evolving and highly competitive, which may negatively affect our ability to add new customers, retain existing customers and grow our business.

Our products and solutions address a market that is evolving and highly competitive. We have customers in a wide variety of industries, including real estate, financial services, insurance, manufacturing, and healthcare and life sciences. We intend to continue to expand our sales efforts internationally, where many countries may have less familiarity with and acceptance of e-signature solutions. It is difficult to predict customer demand for our products and solutions, customer retention and expansion rates, the size and growth rate of the market for agreement automation, the entry of competitive products or the success of existing competitive products. We expect that we will continue to need intensive sales efforts to educate prospective customers, particularly enterprise and commercial customers and international customers, about the uses and benefits of our products and solutions. Additionally, we face competition from different companies depending on the product or solution. For example, our primary global e-signature competitor is currently Adobe Acrobat Sign. We also face competition from a select number of vendors that focus on specific industries, geographies or product areas such as contract lifecycle management and advanced contract analytics. We may also face greater competition from non-specialist solutions relying on generic large language models (“LLMs”), generative AI and general-purpose agents to address a broad range of business needs. As we attempt to sell our products and solutions to new and existing customers, we must convince them that our products and solutions are superior to other solutions available to their organizations, including generic LLMs, software created using natural language prompts and generative AI (referred to as vibe coding) and other emerging technologies.

Many of our competitors have longer operating histories than us, significantly greater financial, technical, marketing and other resources, stronger brand and customer recognition, larger intellectual property portfolios and broader global distribution. As a result, our competitors may be able to respond more quickly and effectively than we can to new or

changing opportunities, technologies, standards or customer requirements. Our competitors may also offer lower pricing than we do or bundle certain competing products and services at a lower price. Further, we could lose customers if our competitors develop new competitive products and solutions, acquire competitive products, reduce prices, form strategic alliances with other companies, are acquired by third parties with greater resources or develop and market new technologies that render our existing or future products less competitive, unmarketable or obsolete. For example, advances in AI and other technologies may fundamentally alter the market for our services in unpredictable ways and reduce customer demand. If we are unable to effectively compete, our business, operating results and financial condition would be harmed.

We collect, store, and process a large amount of customer, employee, partner, and service provider data, including sensitive data. Any actual or perceived improper use of, disclosure of, or access to such data could harm our reputation, as well as have an adverse effect on our business.

We collect, store and process personal information and other data from and about our customers, employees, partners and service providers. In addition, customers use our products and solutions to obtain and store personal information, health information (including protected health information) and personal financial information. Our handling of data is thus subject to a variety of laws and regulations around the world, including regulation by various government agencies, such as the respective data protection authorities of the United Kingdom and EU member states who enforce the General Data Protection Regulation, the U.S. Federal Trade Commission (the “FTC”), the U.S. Department of Health and Human Services Office for Civil Rights (the “OCR”), the California Privacy Protection Agency, and other various federal, state, local and foreign agencies and other authorities, such as each U.S. state’s attorney general. Our data handling also is subject to contractual obligations and industry standards.

We have internal and publicly posted policies, notices, and other related documentation regarding our collection, data categorization or identification, processing, use, disclosure, deletion and security of information. Although we endeavor to comply with our policies and documentation, we may at times fail to do so or be accused of having failed to do so. Increased regulatory focus on “dark patterns,” data minimization and transparency, along with heightened scrutiny of any statements related to the use of AI, all increase the risk of allegations that our notices and related documentation may be alleged to be non-compliant, deceptive, unfair or otherwise inaccurate. The publication of our privacy notices and other related documentation that provide commitments about data privacy and security can subject us to potential claims and enforcement actions if they are found to be non-compliant, deceptive, unfair, or otherwise misrepresent our actual practices. These could materially and adversely affect our business, financial condition and results of operations, and subject us to investigations, fines or penalties from regulators or government authorities, or civil litigation.

We are subject to various evolving laws and regulations governing our use of our business data. For more information on these laws and regulations, see the risk factors *“We are subject to laws and regulations affecting our business, including those related to e-signature, marketing, advertising, privacy, data protection and information security. Our actual or perceived failure to comply with laws or regulations could harm our business.”* and *“Complying with laws and regulations related to privacy and data protection could result in additional costs and liabilities to us or inhibit sales of our software.”* If we are not able to comply with these laws or regulations or if we become liable under these evolving laws or regulations, we could be directly harmed, and we may be forced to implement new measures to reduce our exposure to this liability. This may require us to expend substantial resources or to discontinue certain solutions, which would negatively affect our business, operating results and financial condition. In addition, the increased attention focused upon liability issues as a result of lawsuits and legislative proposals could harm our reputation or otherwise impact the growth of our business. Any costs incurred as a result of this potential liability could harm our business and operating results.

Additionally, any failure or perceived failure by us to comply with laws, regulations, policies, legal or contractual obligations, industry standards, or regulatory guidance relating to privacy or data security, may result in governmental investigations and enforcement actions, litigation, fines and penalties or adverse publicity, and could cause our customers and partners to lose trust in us, which could have an adverse effect on our reputation and business.

If we have overestimated our market opportunity, our future growth rate may be limited.

We have estimated our market size and opportunity based on internally generated data and assumptions, as well as data published by third parties, which we have not independently verified. While we believe our market size estimates are reasonable, such information is inherently imprecise and subject to a high degree of uncertainty. If our third-party or internally generated data prove to be inaccurate or we make errors in our assumptions based on that data, our actual market may be more limited than our estimates. In addition, these inaccuracies or errors may cause us to misallocate capital and other critical business resources, which could harm our business. Even if our market size estimates are correct, we may not continue to grow our share of the market and our business could be harmed.

We depend on co-located data centers and third-party cloud providers, as well as our own technical operations infrastructure, to provide our products and solutions to our customers in a timely manner. Interruptions or

delays in performance of our products and solutions could result in customer dissatisfaction, damage to our reputation, loss of customers, limited growth and reduction in revenue.

We currently serve our customers from third-party data center hosting facilities and cloud service providers. Our customers need to be able to access our products at any time, without interruption or degradation of performance. In some cases, third-party cloud providers run their own platforms that we access, and we are, therefore, vulnerable to their service interruptions. As a result, we depend, in part, on our providers' ability to protect our service supply chain against damage or interruption, including from natural disasters, regional or global conflicts, power or telecommunications failures, criminal acts and similar events. In some instances, we may not be able to identify the cause or causes of these performance problems immediately, and it could take considerable time for such problems to become pronounced enough for us to detect or for our customers to detect and inform us. In the event that our data center and service arrangements are terminated, or if there are any lapses of service or damage to a data center, we could experience lengthy interruptions in our service as well as delays and additional expenses in arranging new facilities and services. Even with current and planned disaster recovery arrangements, our disaster recovery planning may not account for all eventualities and our business could be harmed.

In addition to third-party data centers and cloud service providers, we also rely on our own technical operations infrastructure to support and serve our increasing customer base. We must maintain sufficient excess capacity in our operations infrastructure to ensure that our products and solutions are accessible within an acceptable load time. Design and mechanical errors, spikes in usage volume and failure to follow system protocols and procedures could cause our systems to fail, resulting in interruptions in our products and solutions.

Any interruptions or delays in our service, whether or not caused by our products, whether as a result of third-party error, our own error, natural disasters and the effects of climate change, operational disruptions related to labor shortages, public health crises, or security breaches, whether accidental or willful, could harm our relationships with customers and cause our revenue to decrease and/or our expenses to increase. Also, in the event of damage or interruption, our insurance policies may not adequately compensate us for any losses that we may incur. These factors in turn could further reduce our revenue, subject us to liability and cause us to issue credits or cause customers to fail to renew their subscriptions, any of which could adversely affect our business.

We use AI in our business, and challenges with properly governing its use could result in reputational harm, competitive harm, and legal liability, and adversely affect our results of operations.

We use AI-powered tools and services as part of operating our business, and we also incorporate AI features and applications into our products and solutions. We are also making further investments in expanding AI capabilities in our products and solutions. AI technologies can be complex and are rapidly evolving, and while we believe that product features powered by next generation AI technologies, such as generative AI, will help drive the future growth of our business, there is no guarantee that such new product features will ultimately be successful. Our competitors and other third parties may incorporate AI into their products more quickly or more successfully than us, which could impair our ability to compete effectively. Furthermore, we are increasingly developing and deploying agentic AI workflows and autonomous agents designed to perform tasks and make decisions with limited human intervention. These agentic systems may act in ways that are unpredictable, exceed their intended authorization, or fail to align with our corporate policies or legal obligations. Errors, "hallucinations," or unintended actions taken by these agents—especially in customer-facing or operationally critical environments—could lead to significant financial loss, data breaches, contractual breaches, or regulatory non-compliance. Furthermore, we may face allegations of "AI washing" if our disclosures about our AI capabilities or our AI-related governance are deemed to be exaggerated or misleading, which could result in enforcement actions, litigation or reputational harm.

The development and use of AI present various intellectual property, data privacy, and security risks. Significant investment in the development and maintenance of proprietary datasets and training models and the development of appropriate protections, safeguards, and policies for handling the processing of data, including transparency of customer data extraction and usage in training models may be costly and may subject us to legal liability. Additionally, the agentic AI systems described above may inadvertently access or disclose sensitive information beyond their intended scope or be subject to "prompt injection" and other cyberattacks that could cause the agents to take unauthorized or harmful actions. Any integration of third-party AI functionality with our products and solutions relies on safeguards implemented by the third-party developers of the underlying AI models, including those related to the accuracy, bias, and other variables of the data, and these safeguards may be insufficient. The continued use of AI technology to develop our products and solutions may give rise to risks related to intellectual property infringement. If the AI technology we use generates code or materials that are similar to other proprietary code or materials, or to software that is protected by patents, we could be subject to intellectual property infringement claims. We may also not be able to anticipate and detect security vulnerabilities in such AI-generated software code, including those that could

be induced by a maliciously trained AI model. To the extent we use third-party AI technology to develop software code, the terms of use of these tools may reserve rights in the generated code. We could also suffer loss of confidentiality, trade secret rights or other intellectual property rights or cause harm to privacy rights of third parties because of our use of AI technology.

Existing laws and regulations may be interpreted, or new laws and regulations regarding AI have been and may in the future be adopted and interpreted, in ways which could negatively affect the way we use AI in our products. For example, the EU Artificial Intelligence Act prohibits certain AI applications and systems with unacceptable risk and imposes additional requirements on the use of other high-risk or limited-risk AI applications or systems, which may require the implementation of additional quality assurance controls and measures to be reviewed and approved by regulatory submissions of our products. In the U.S., ongoing tension between the states and the federal government over how best to regulate AI may result in increased uncertainty, risk and compliance costs for our business. Intellectual property ownership issues, licensing and privacy rights surrounding AI technologies are evolving and have not been fully addressed by U.S. federal or state courts or foreign jurisdictions, which may expose us to claims of intellectual property infringement or misappropriation or privacy rights violations, or result in inquiries by government bodies or agencies. A number of jurisdictions, including many U.S. states such as California and Colorado, have proposed or enacted laws regarding automated decision-making, algorithmic discrimination and so called “high-risk” AI technologies (mandating, among other provisions, requirements for risk management, impact assessments, consumer notices and human oversight), which may impact our use of AI and AI-powered tools.

If the content, analyses, or recommendations arising from our AI product offerings are, or are alleged to be, inaccurate, deficient, offensive, or biased, or if they have a perceived or actual negative impact on human rights, privacy rights, employment, or in other social contexts, we may experience brand and reputational harm or legal liability, and our business, financial condition, and results of operations may be adversely affected. The significant technical complexity of AI technology also requires specialized expertise and may increase compensation-related expenses. Competition for specialized personnel in the AI industry is intense, and failing to attract, integrate, or retain such expertise could adversely affect our business. Finally, the AI models we develop may not perform as expected when deployed, which could lead to financial losses or harm our competitive position. Any of the foregoing risks could adversely affect our business, financial condition, and results of operations.

We rely on the performance of highly skilled personnel, including our management and other key employees, and failing to attract, integrate, or retain such employees could harm our business.

Our success and future growth depend upon the continued services of highly skilled personnel, including our management team and other key employees. Changes in our management team resulting from the hiring or departure of executives and key employees from time to time could disrupt our business.

Any future significant leadership changes or senior management transitions involve inherent risk. In addition, executive leadership transition periods can be disruptive and may result in a loss of personnel with deep institutional or technical knowledge, or result in changes to business strategy or objectives, and may negatively impact our operations and relationships with employees and customers due to increased or unanticipated expenses, operational inefficiencies, uncertainty regarding changes in strategy, decreased employee morale and productivity, and increased turnover.

Our future success, and our ability to achieve our operational and business objectives, depends in large part on the successful recruitment, integration and continued service of senior management and other key personnel. In particular, we are highly dependent on the services of our senior management team, many of whom are essential to the development of our technology, platform, future vision, and strategic direction. Our senior management and key employees are employed on an at-will basis, meaning that we may terminate their employment at any time, with or without cause, and they may resign at any time, with or without cause. If we lose one or more of our senior management or other key employees and are unable to find adequate replacements, or if we fail to attract, integrate, retain and motivate members of our senior management team and key employees or otherwise fail to retain a significant portion of our workforce, our business could be harmed.

We also are dependent on the continued service of our existing software engineers because of the complexity of our products and solutions. In particular, we compete with many other companies for software developers with high levels of experience and skilled sales and operations professionals in a tight U.S. labor market. We also require skilled product development, marketing, sales, finance and operations professionals, and we may not be successful in attracting and retaining the professionals we need, particularly in our principal U.S. locations in the San Francisco Bay Area and Seattle. Additionally, while we currently employ a hybrid model where most employees have the flexibility to work from home, changes to our workplace arrangements could impact our ability to maintain our corporate culture or productivity, increase attrition or limit our ability to attract employees if individuals prefer to work full time at home or in the office. Competition for employees in our industry (and especially with expertise in AI technology and at our principal U.S.

locations) is intense, and many of the companies we compete with for experienced personnel have greater resources than we do. To remain competitive, we may experience increased compensation-related expenses.

Our sales to government entities and highly regulated organizations are subject to a number of challenges and risks.

We sell to U.S. federal, state and local, as well as non-U.S. government agencies, public sector customers, and state-owned enterprises, and to customers in highly regulated industries such as financial services, pharmaceuticals, insurance, healthcare and life sciences. Sales to such entities are subject to a number of challenges and risks, including those related to our status as a service provider to U.S. local, state and federal governmental agencies. Selling to such entities can be highly competitive, expensive and time-consuming, often requiring significant upfront time and expense to meet unique compliance requirements, some of which may be statutory or regulatory, without any assurance that these efforts will generate a sale. These longer sale cycles make the timing of future revenue from these entities difficult to predict.

Further, government compliance requirements may change, restricting our ability to sell into the government sector until we have met those updated requirements. For example, executive orders and regulations may impose new compliance obligations or restrictions on federal contractors, and noncompliance with such limits or restrictions could impact our business with government entities. Any actual or perceived failure to meet government contract compliance obligations may also create the risk of statutory penalties as well as standard breach of contract risk.

Government demand and payment for our offerings are affected by public sector budgetary cycles and funding authorizations, changes in government buying patterns, and funding reductions or delays, including as a result of macro-economic factors, including inflation, changes in interest rates, government shutdowns, or reductions in the government workforce, geopolitical conflicts and public health crises, which may adversely affect public sector demand for our products and solutions.

We sell to public sector customers primarily through third-party resellers and distributors, who contract directly with government customers and are subject to complex laws, executive orders, regulations and contractual requirements applicable to government contractors, including Federal Acquisition Regulations, and the Defense Federal Acquisition Regulations in the U.S. and public procurement, anti-corruption, trade and competition laws. If our third-party resellers and distributors fail to comply with these obligations, are suspended, debarred, or otherwise lose the ability to sell to public sector customers, our public sector sales and growth prospects could suffer and our operating results could be adversely affected.

In addition, both government agencies and entities in highly regulated industries may demand shorter subscription periods or other contract terms that differ from our standard arrangements, including terms that can lead those customers to seek broader rights in our offerings than would be standard. Such agencies and entities may have statutory, contractual or other legal rights to terminate contracts with us or our partners due to a default or for convenience, and any such termination may adversely affect our business, operating results and financial condition.

If we are unable to maintain successful relationships with our partners, our business, operating results and financial condition could be harmed.

In addition to our direct sales force and our website, we use strategic partners, such as global system integrators, value-added resellers and independent software vendors, to sell our subscription offerings and solutions. Our agreements with our partners are generally nonexclusive, meaning our partners may offer their customers products and services of several different companies, including products and services that compete with ours, or may themselves become competitors. If our partners do not effectively market and sell our subscription offerings and solutions, choose to use greater efforts to market and sell their own products and services or those of our competitors, or fail to meet the needs of our customers, our ability to grow our business and sell our subscription offerings and solutions may be harmed. Furthermore, our partner relationships and customer demand may be impacted by inflation and interest rate changes, policy changes and other global financial, economic, political, and health events. Our partners may cease marketing our subscription offerings or solutions with limited or no notice and with little or no penalty. In addition, acquisitions of our partners by our competitors could result in a decrease in the number of our current and potential customers, as our partners may no longer facilitate the adoption of our products and solutions by potential customers. The loss of a substantial number of our partners, our possible inability to replace them or the failure to recruit additional partners could harm our growth objectives and operating results. Even if we are successful in maintaining and recruiting new partners, we cannot assure you that these relationships will result in increased customer usage of our products and solutions or increased revenue. Additionally, as the scale of our partnership efforts increases with our growth, the successful implementation of these relationships may become more time-consuming, difficult and costly to realize, which could negatively impact our business performance or our brand reputation.

Failure to establish and maintain relationships with partners that can provide complementary technology offerings and software integrations could limit our ability to grow our business.

Our products and solutions seamlessly integrate with hundreds of other software applications, including Salesforce, Microsoft, SAP, Google, ServiceNow, and Workday. Our growth strategy includes expanding the use of our products and solutions through complementary technology offerings and software integrations, such as third-party APIs, model context protocol or MCP, and agentic AI integrations. While we have established partnerships with providers of complementary offerings and software integrations, we cannot guarantee that we will be successful in continuing to maintain and scale these partnerships or establishing partnerships with additional providers as we grow. In the future, third-party providers of complementary technology offerings and software integrations may decline to enter into, or may later terminate, relationships with us; change their features or platforms; restrict our access to their applications and platforms; alter the terms governing use of and access to their applications and APIs; implement other changes that could functionally limit or terminate our ability to use these third-party technology offerings and software integrations with our platform; or themselves become competitors, any of which could negatively impact our offerings and harm our business.

We have in the past, and may in the future, engage in acquisition and investment activities, which could divert the attention of management, disrupt our business, dilute stockholder value and adversely affect our operating results and financial condition.

As part of our business strategy, we continually evaluate opportunities to acquire or invest in businesses, products or technologies that we believe could complement or expand our products and solutions, enhance our technical capabilities or otherwise offer growth opportunities. For example, in May 2024, we acquired Lexion, an AI-powered contract management platform which features intelligent contract repository and agreement workflow automation and reporting. In the future, we may be unable to identify suitable acquisition candidates and, even if we do, we may not be able to complete desired acquisitions on favorable terms, if at all. If we are unable to complete acquisitions, we may not be able to strengthen our competitive position or achieve our goals. Future acquisitions and investments may result in unforeseen operating difficulties and expenditures, including disrupting our ongoing operations, diverting management attention, increasing our expenses, and subjecting us to additional liabilities. An acquisition may also negatively affect our financial results because it may:

- require us to incur charges or assume substantial debt;
- cause adverse tax consequences or unfavorable accounting treatment;
- expose us to claims and disputes by third parties, including intellectual property and privacy claims and disputes;
- not generate sufficient financial return to offset additional costs and expenses related to the acquisition;
- cause us to incur liabilities for activities of the acquired company before the acquisition;
- cause us to record impairment charges associated with goodwill and other acquired intangible assets; and
- cause other unforeseen operating difficulties and expenditures.

Moreover, to pay for an acquisition or investment, we would have to use cash, incur debt and/or issue equity securities, each of which may affect our financial condition or the value of our common stock and (in the case of equity financing) could result in dilution to our stockholders.

In addition, a failure to successfully integrate the operations, personnel or technologies of an acquired business could impact our ability to realize the full benefits of such an acquisition. Our limited experience acquiring companies increases these risks. If we are unable to achieve the anticipated strategic benefits of an acquisition or if the integration or the anticipated financial and strategic benefits, including any anticipated cost savings, revenue opportunities or operational synergies, of such an acquisition are not realized as rapidly as or to the extent anticipated by us, our business, operating results and financial condition could suffer.

Failure to effectively develop and expand our marketing and sales capabilities could harm our ability to increase our customer base and achieve broader market acceptance of our products and solutions.

Our ability to increase our customer base and achieve broader market acceptance of our products and solutions depends to a significant extent on our ability to expand our marketing and sales operations. We continue to make investments in our sales force and strategic partnerships, including expansion and training, both domestically and internationally. We also dedicate significant resources to our sales and marketing efforts by investing in advertising campaigns on a variety of media platforms, including online and social media. The effectiveness of our online advertising has varied over time and may vary in the future due to competition for key search terms, changes in search engine use and changes in the search algorithms used by major search engines. If we cannot cost-effectively deploy our expanding sales force, both domestically and internationally, and use our marketing tools, or if we fail to promote our

products and solutions efficiently and effectively, our ability to acquire new customers and our financial condition may suffer.

We may need to reduce or change our pricing model to remain competitive.

Different pricing structures apply to our Docusign product offerings. For eSignature, we price our subscriptions based on the functionality required by our customers and the quantity of Envelopes required by our customers. We expect that we may need to change our pricing or pricing structures from time to time, including in connection with the launch of our IAM platform and new or enhanced offerings or in response to competitive pressures. For example, in the second quarter of fiscal 2025, we began to offer our IAM platform on a user-based subscription with transaction-based add-ons. The rollout of our IAM platform and additional pricing model began gradually, starting in the second quarter of fiscal 2025, and our pricing structures may continue to change. Additionally, as new or existing competitors introduce new competitive products 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 must also determine the appropriate price to enable us to compete effectively in non-U.S. markets. Moreover, mid- to large-size enterprises may demand substantial price discounts as part of the negotiation of sales contracts. As a result, we may be required or choose to reduce our prices or otherwise change our pricing model, which could adversely affect our business, operating results and financial condition.

We may not be able to scale our business quickly enough to meet the growing needs of our customers and if we are not able to grow efficiently, our operating results could be harmed.

As use of our products and solutions grows and as customers use them for more types of transactions, we will need to devote additional resources to improving our application architecture, integrating with third-party systems and maintaining or scaling our technology infrastructure and performance. In addition, we will need to appropriately scale our internal business systems and our services organization, including customer support and professional services, to serve our growing customer base.

Any failure of or delay in these efforts could cause impaired system performance and reduced customer satisfaction. These issues make our products and solutions less attractive to customers, resulting in decreased sales to new customers, lower renewal rates by existing customers, or the issuance of service credits or refunds, which could hurt our revenue growth and our reputation. Even if we are able to upgrade our systems and expand our staff, any such expansion will be expensive and complex, requiring management time and attention. We could also face inefficiencies or operational failures as a result of our efforts to scale our infrastructure. Moreover, there are inherent risks associated with upgrading, improving and expanding our systems infrastructure. We cannot be sure that the expansion and improvements to our systems infrastructure will be effectively implemented on a timely basis, if at all. These efforts may be costly and could adversely affect our financial results.

Additionally, from time to time, we realign our resources and talent to implement stage-appropriate business strategies, which could include furloughs, layoffs and reductions in force. For more information on reductions in force, see the risk factor above *“We rely on the performance of highly skilled personnel, including our management and other key employees, and failing to attract, integrate, or retain such employees could harm our business.”* If there are unforeseen expenses associated with such realignments in our business strategies, and we incur unanticipated charges or liabilities, then we may not be able to effectively realize the expected cost savings or other benefits of such actions. Failure to manage any growth or any scaling back of our operations could have an adverse effect on our business, operating results, and financial condition.

If our products and solutions fail to perform properly and if we fail to develop enhancements to resolve any defect or other problems, we could lose customers or become subject to service performance or warranty claims and our market share could decline.

Our operations are dependent upon our ability to prevent system interruptions and, as we continue to grow, we will need to devote additional resources to improving our infrastructure in order to maintain the performance of our products and solutions. The applications underlying our products and solutions are inherently complex and may contain material defects or errors, which may cause disruptions in availability or other performance problems. We have from time to time found defects in our products and solutions and may discover additional defects in the future that could result in data unavailability or unauthorized access or other harm to, or loss or corruption of, our customers' data. While we implement bug fixes and upgrades as part of our regularly scheduled system maintenance, we may not be able to reasonably anticipate and correct defects or errors before implementing our products and solutions. Consequently, we or our customers may discover defects or errors after our products and solutions have been employed. If we fail to perform timely maintenance or if customers are otherwise dissatisfied with the frequency and/or duration of our maintenance services and related system outages, our existing customers could elect to not renew their subscriptions, delay or

withhold payment to us, or cause us to issue credits, make refunds or pay penalties, and potential customers may not adopt our products and solutions and our brand and reputation could be harmed. In addition, the occurrence of any material defects, errors, disruptions in service or other performance problems with our software could result in warranty or other legal claims against us and diversion of our resources. The costs incurred in addressing and correcting any material defects or errors in our software and expanding our infrastructure and architecture in order to accommodate increased demand for our products and solutions may be substantial and could adversely affect our operating results.

If we fail to promote or maintain our brand, our ability to expand our customer base will be impaired and our financial condition may suffer.

We believe that promoting and maintaining the DocuSign brand is important to supporting continued acceptance of our existing and future solutions, attracting new customers to our products and solutions and retaining existing customers. We also believe that the importance of our brand will increase as competition in our market increases. Successfully promoting and maintaining our brand will depend largely on the effectiveness of our marketing efforts, and our ability to provide reliable and useful solutions to meet the needs of our customers at competitive prices, maintain our customers' trust, continue to develop new functionality and solutions and successfully differentiate our products and solutions from those of our competitors. Additionally, the performance of our partners may affect our brand and reputation if customers do not have a positive experience with our partners' services. We invest significantly in sales and marketing activities to attract new customers and expand use cases with existing customers, but these activities may not generate customer awareness or yield increased revenue, and even if they do, any increased revenue may not offset the expenses we incurred in building our brand. If we fail to successfully promote and maintain our brand, we may fail to attract enough new customers or retain our existing customers to the extent necessary to realize a sufficient return on our brand-building efforts, and our business could suffer.

Further, we have also made public commitments to our corporate environmental, social, and governance ("ESG") and human capital management initiatives, including reductions in carbon emissions and fostering a culture that celebrates and harnesses the strength of our people. Any perceived changes in our dedication to these commitments or our failure to achieve progress in these areas on a timely basis, or at all, could adversely impact our relationships with our customers and employees and affect our reputation and the value of our brand.

If we fail to offer high-quality support, our business and reputation could suffer.

Many of our customers rely on our customer support and professional services personnel to deploy and use our products and solutions successfully. High-quality support is important for the renewal and expansion of our agreements with existing customers. The importance of high-quality support will increase as we expand our business and pursue new customers. If we do not help our customers quickly resolve issues and provide effective ongoing support, our ability to sell our products and solutions to existing and new customers could suffer and our reputation with existing or potential customers could be harmed.

Financial Risks, including Taxation

We expect fluctuations in our financial results, making it difficult to project future results, and if we fail to meet the expectations of securities analysts or investors, the price of our common stock could decline.

Our operating results have fluctuated in the past and are expected to fluctuate in the future due to a variety of factors, many of which are outside of our control. As a result, our past results may not be indicative of our future performance and comparing our operating results on a period-to-period basis may not be meaningful. For example, we have, in the past, experienced net losses and, even in periods in which we generate net income, we may not be able to maintain or increase our level of profitability. In addition to the other risks described herein, factors that may affect our operating results or cause our financial results to fluctuate include the following:

- general economic, market and industry conditions, including as a result of inflation, changes in interest rates or foreign exchange rates, increased debt and equity market volatility, tariffs and changes in trade policies and practices, geopolitical conflict or public health crises;
- fluctuations in demand for, or pricing of, our products and solutions, including due to the effects of global macro-economic conditions, and differing levels of demand for our products as our customers' priorities, resources, financial conditions and economic outlook change;
- our ability to attract new customers;
- our ability to renew our subscriptions with, and expand sales of our products and solutions to, our existing customers;
- timing of sales and revenue recognition;

- customer delays in purchasing decisions in anticipation of new products or product enhancements by us or our competitors;
- changes in customers' budgets and in the timing of their budget cycles and purchasing decisions, including cost-cutting measures or other effects of macro-economic conditions;
- the timing and success of new product and service introductions by us or our competitors or any other change in the competitive dynamics of our industry, including consolidation or new entrants among competitors, customers, or strategic partners;
- our ability to control costs, including our operating expenses, and related impact to our operating margin;
- the timing of costs related to our go-to-market strategy including expansion of our sales capacity and marketing;
- potential accelerations of prepaid expenses and deferred costs;
- the amount and timing of non-cash expenses, including stock-based compensation, impairments and other non-cash charges;
- the amount and timing of costs associated with recruiting, training and integrating new employees, and retaining existing employees;
- the amount and timing of costs associated with restructuring plans;
- the time and costs related to litigation, including securities litigation;
- issues relating to acquisitions and partnerships with third parties;
- the impact of new accounting pronouncements;
- changes in laws and regulations that affect our business, including changes in trade policies and practices;
- significant security breaches of, technical difficulties with, or interruptions to, the delivery and use of our products and solutions; and
- awareness of our brand on a global basis.

If our operating results fall below the expectations of investors and securities analysts who follow our stock, the price of our common stock could decline substantially, and we could face costly lawsuits, including securities class action lawsuits.

Our sales cycle with enterprise and commercial customers can be long and unpredictable, and our sales efforts require considerable time and expense.

Our ability to increase our revenue and grow our business is partially dependent on the widespread acceptance of our products and solutions by large businesses and other commercial organizations. We often need to spend significant time and resources to better educate and familiarize these potential customers with the value proposition of our products and solutions. The length of our sales cycle for these customers from initial evaluation to payment for our offerings is generally three to nine months, but can vary substantially from customer to customer and from offering to offering. Customers frequently require considerable time to evaluate, test and qualify our offerings prior to entering into or expanding a subscription. This is particularly true of CLM and our other advanced offerings, where longer evaluation, testing and qualification processes often result in longer sales cycles than for our eSignature product, and may also affect sales cycles for our IAM solutions as we market them to a growing number of potential customers. The timing of our sales with our enterprise customers, and related effects on revenue recognition and ARR, is difficult to predict because of the length and unpredictability of the sales cycle for these customers. During the sales cycle, we expend significant time and money on sales and marketing and contract negotiation activities, which may not result in a sale.

Additional factors that may influence the length and variability of our sales cycle include:

- the effectiveness of our sales force;
- the discretionary nature of purchasing and budget cycles and decisions;
- the obstacles placed by customers' procurement process;
- economic conditions, including due to inflation, changes in interest rates, government shutdowns or reductions in the government workforce, increased debt and equity market volatility, geopolitical conflict, public health crises and other factors impacting customer budgets;
- the customer's integration complexity;
- the customer's familiarity with e-signature and agreement automation processes;
- the complexity of contracts and regulatory requirements for certain large business customers, including customers in the public sector or other highly regulated industries;
- customer evaluation of competing products during the purchasing process;
- the competitive market for our products and services; and
- evolving customer demands.

Because we recognize revenue from subscriptions over the term of the relevant contract, downturns or upturns in sales contracts are not immediately reflected in full in our operating results.

We recognize revenue over the term of each of our contracts, which are typically one year in length but may be up to three years or longer. As a result, much of our revenue is generated from the recognition of contract liabilities from contracts entered into during previous periods. Consequently, a shortfall in demand for our products and solutions and professional services or a decline in new or renewed contracts in any one quarter may not significantly reduce our revenue for that quarter but could negatively affect our revenue in future quarters. Our revenue recognition model also makes it difficult for us to rapidly increase our revenue through additional sales contracts in any period, as revenue from new customers is recognized over the applicable term of their contracts.

If we fail to forecast our revenue accurately, or if we fail to match our expenditures with corresponding revenue, our operating results could be adversely affected.

You should not rely on the revenue growth of any prior quarterly or annual period as an indication of our future performance. Future growth rates are also subject to a number of assumptions and uncertainties, including the effectiveness of our sales and growth strategy and general macro-economic conditions. For example, it has been, and may continue to be, difficult for us to forecast our operating results due to recent macro-economic events, including interest rate volatility and inflation and concerns about a potential economic downturn. Accordingly, we may be unable to prepare accurate internal financial forecasts or replace anticipated revenue that we do not receive as a result of delays arising from these factors. If we do not address these risks successfully, our operating results could differ materially from our estimates and forecasts or the expectations of investors, causing our business to suffer and our stock price to decline.

Our current operations are international in scope and we plan further geographic expansion, creating a variety of operational challenges.

A component of our growth strategy involves the further expansion of our operations and customer base internationally. In each of the years ended January 31, 2026, 2025 and 2024 total revenue generated from customers outside the U.S. was 29%, 28% and 26% of our total revenue. As of April 30, 2026, approximately 41% of our full-time employees were located outside of the U.S. We maintain offices in multiple locations in the U.S. and internationally. We are continuing to adapt to and develop strategies to address international markets but there is no guarantee that such efforts will have the desired effect. We expect that our international activities will continue to grow as we continue to pursue opportunities in existing and new international markets, which will require significant management attention and financial resources.

Our current international operations and future initiatives involve a variety of risks, including:

- changes in a specific country's or region's political or economic conditions, including the pace of the digital transformation of business in that country or region;
- the need to adapt and localize our products for specific countries, including providing customer support in different languages;
- greater difficulty collecting accounts receivable and longer payment cycles;
- potential changes in trade relations or business practices or preferences as a result of U.S. policy initiatives;
- unexpected changes in laws and regulatory requirements, including but not limited to, taxes or trade laws;
- more stringent regulations relating to privacy and data security and the unauthorized use of, or access to, commercial and personal information, particularly in Europe;
- differing labor regulations, especially in Europe, where labor laws are generally more advantageous to employees as compared to those in the U.S., including deemed hourly wage and overtime regulations in these locations;
- challenges inherent in efficiently managing an increased number of employees;
- difficulties in managing a business in new markets with diverse cultures, languages, and customs, as well as legal, alternative dispute and regulatory systems;
- increased travel, real estate, infrastructure and legal compliance costs associated with international operations;
- currency exchange rate fluctuations;
- limitations on our ability to reinvest earnings from operations in one country to fund the capital needs of our operations in other countries;
- laws and business practices favoring local competitors or general preferences for local vendors;
- limited or insufficient intellectual property protection or difficulties enforcing our intellectual property;
- regional or global conflicts, including sanctions or other laws and regulations prohibiting or limiting operations in certain jurisdictions;
- political instability or terrorist activities;

- exposure to liabilities under anti-corruption and anti-money laundering laws, including the U.S. Foreign Corrupt Practices Act of 1977, as amended ("FCPA"), the U.S. domestic bribery statute contained in 18 U.S.C. § 201, the U.S. Travel Act, the U.K. Bribery Act, and similar laws and regulations in other jurisdictions;
- adverse tax burdens and foreign exchange controls that could make it difficult to repatriate earnings and cash; and
- exposure to regional or global public health issues, and to travel restrictions and other measures undertaken by governments in response to such issues.

Our limited experience in operating our business internationally increases the risk that any potential future expansion efforts that we undertake may not be successful. If we invest substantial time and resources to further expand our international operations and are unable to do so successfully and in a timely manner, our business and operating results will suffer.

Our credit facility provides our lenders with a first-priority lien against substantially all of our assets, and contains financial covenants and other restrictions on our actions, which could limit our operational flexibility and otherwise adversely affect our financial condition.

Our credit facility restricts our ability to, among other things:

- use our accounts receivable, inventory, trademarks and most of our other assets as security in other borrowings or transactions, unless the value of the assets subject thereto does not exceed a certain threshold;
- incur additional indebtedness;
- incur liens upon our property;
- dispose of certain assets;
- declare dividends or make certain distributions; and
- undergo a merger or consolidation or other transactions.

Our credit facility also requires that our Consolidated Leverage Ratio (as defined in the credit facility) not exceed specified levels, or that our Consolidated Interest Coverage Ratio (as defined in the credit facility) be less than specified levels. Our ability to comply with these and other covenants is dependent upon several factors, some of which are beyond our control.

Our failure to comply with the covenants or payment requirements, or the occurrence of other events specified in our credit facility, could result in an event of default under the credit facility, which would give our lenders the right to terminate their commitments to provide additional loans under the credit facility and to declare all borrowings outstanding, together with accrued and unpaid interest and fees, to be immediately due and payable. In addition, we have granted our lenders first-priority liens against all of our assets as collateral. Failure to comply with the covenants or other restrictions in the credit facility could result in a default. If the debt under our credit facility was to be accelerated, we may not have sufficient cash on hand or be able to sell sufficient collateral to repay it, which would have an immediate adverse effect on our business and operating results.

We may require additional capital to support business growth and objectives, and this capital might not be available to us on reasonable terms, if at all, and may result in stockholder dilution.

We fund our operations through payments by our customers for use of our product offerings and related services. Our capital resources also include a secured revolving credit facility of up to \$750.0 million, which may be increased by an additional \$250.0 million subject to the terms of the credit agreement.

Based upon our current operating plan, we believe that our existing cash, cash equivalents and investments are sufficient to fund our current operating expenses and capital expenditure requirements based on historical forecasts. We have based this assessment on assumptions that may prove to be wrong, and it is possible that we could use our capital resources sooner than we currently expect. This estimate does not reflect the possibility that we may not be able to access a material portion of our existing cash, cash equivalents and investments due to market conditions. For example, if banks or financial institutions wind down and liquidate, enter receivership or become insolvent in the future in response to financial conditions affecting the banking system and financial markets, our ability to access our existing cash, cash equivalents and investments may be threatened and could have a material adverse effect on our business and financial condition.

We also intend to continue to make investments to support our business and, in the future, we may require additional funds. Additional financing may not be available on favorable terms, if at all. In addition, in the event that we incur

additional debt, including under the credit facility, the debt holders would have rights senior to holders of common stock to make claims on our assets. Additionally, the credit facility restricts our ability to pay dividends on common stock and the terms of any future debt could restrict our operations. Further, if we issue additional equity securities, stockholders will experience dilution, and the new equity securities could have rights senior to those of our common stock. If adequate funds are not available on acceptable terms when we require it, we may be unable to invest in future growth opportunities, which could harm our business, operating results and financial condition.

Our ability to use our net operating loss carryforwards to offset future taxable income may be subject to certain limitations.

As of April 30, 2026, we had accumulated net operating loss carryforwards and research tax credits in our federal, state and foreign jurisdictions with varying expiration dates.

Under Sections 382 and 383 of the Internal Revenue Code of 1986, as amended, our ability to utilize net operating loss carryforwards or other tax attributes, such as research tax credits, in any taxable year may be limited if we experience an “ownership change.” An “ownership change” generally occurs if one or more stockholders or groups of stockholders who own at least 5% of our stock increase their ownership by more than 50 percentage points over their lowest ownership percentage within a rolling three-year period. Similar rules may apply under state and foreign tax laws. Future issuances of our stock could cause an “ownership change.” It is possible that any future ownership change could have a material effect on the use of our net operating loss carryforwards or other tax attributes, which could adversely affect our profitability.

If our estimates or judgments relating to our critical accounting policies prove to be incorrect, our operating results could be adversely affected.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in our consolidated financial statements and accompanying notes. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, as provided in the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” Our operating results may be adversely affected if our assumptions change or if actual circumstances differ from those in our assumptions, which could cause our operating results to fall below the expectations of securities analysts and investors, resulting in a decline in the trading price of our common stock.

We are exposed to fluctuations in currency exchange rates, which could negatively affect our operating results.

Our sales contracts are primarily denominated in U.S. dollars, and therefore a substantial portion of our revenue is not subject to foreign currency risk. However, a strengthening of the U.S. dollar could increase the real cost of our offerings to our customers outside of the U.S., which could adversely affect our operating results. In addition, an increasing portion of our operating revenues and operating expenses is earned or incurred outside of the U.S., and an increasing portion of our assets is held outside of the U.S. These operating revenues, expenses and assets are denominated in foreign currencies and are subject to fluctuations due to changes in foreign currency exchange rates. If we are not able to successfully manage, or to implement strategies to manage, against the risks associated with currency fluctuations, our operating results could be adversely affected.

Additionally, global events as well as geopolitical developments, including regional conflicts in Europe and the Middle East, fluctuating commodity prices, trade tariff developments and inflation have caused, and may in the future cause, global economic uncertainty and uncertainty about the interest rate environment, which could amplify the volatility of currency fluctuations. We have not engaged in the hedging of foreign currency transactions to date, so we may not be able to effectively offset the adverse financial impacts that may result from unfavorable movements in foreign currency exchange rates, which could adversely affect our operating results.

We could be required to collect additional sales taxes or other indirect taxes or be subject to other tax liabilities that may increase the costs our clients would have to pay for our offering and adversely affect our operating results.

A successful assertion by one or more states or foreign jurisdictions requiring us to collect taxes where we presently do not do so, or to collect more taxes in a jurisdiction in which we currently do collect some taxes, could result in substantial tax liabilities, including taxes on past sales, as well as penalties and interest. Any imposition by state or local governments or other jurisdictions of sales tax or other indirect tax collection obligations on out-of-jurisdiction sellers could also create additional administrative burdens for us, put us at a competitive disadvantage if they do not impose similar obligations on our competitors and decrease our future sales, which could have a material adverse impact on our business and operating results.

Legal and Regulatory Risks

We are subject to laws and regulations affecting our business, including those related to e-signature, marketing, advertising, privacy, data protection and information security. Our actual or perceived failure to comply with laws or regulations could harm our business.

The U.S. federal government and various state and foreign governments have adopted or proposed limitations on the collection, distribution, use and storage of data relating to individuals and businesses, including the use of contact information and other data for marketing, advertising and other communications with individuals and businesses. In the U.S., various laws, and regulations and agency rules and opinions apply to the collection, processing, disclosure and security of certain types of data, including:

- The ESIGN Act in the U.S. and similar U.S. state laws, particularly the Uniform Electronic Transactions Act (the “UETA”), which authorize the creation of legally binding and enforceable agreements utilizing electronic signatures and records. We are particularly reliant on the UETA and the ESIGN Act, which together have solidified the legal landscape in the U.S. for use of electronic signatures and records by providing that electronic signatures and records carry the same weight and have the same legal effect as paper documents and wet ink signatures.
- The EU’s eIDAS, and ongoing regulatory and standards developments, including eIDAS 2.0 amendments, which may impose additional requirements on trust services and qualified providers in the EU.
- The Electronic Communications Privacy Act, the Computer Fraud and Abuse Act, the Gramm Leach Bliley Act, and state laws relating to privacy and data security. Amendments to state cybersecurity regulations, such as updates to financial services cybersecurity requirements in New York State and elsewhere may further increase our compliance burdens.
- Additionally, the FTC and many U.S. state attorney generals are interpreting federal and state consumer protection laws as imposing standards for the online collection, use, dissemination, and security of personal information. For example, California has enacted the California Consumer Privacy Act (as amended, the “CCPA”), that subjects businesses to new regulations promulgated through a recently created enforcement agency called the California Privacy Protection Agency. Over a third of other U.S. states have passed comparable legislation, and several additional U.S. states may pass similar legislation with potentially greater penalties, and more rigorous compliance requirements relevant to our business.
- The Health Insurance Portability and Accountability Act (“HIPAA”) in the U.S. (as amended and supplemented by the Health Information Technology for Economic and Clinical Health Act of 2009 (“HITECH”)), and even more stringent state health information privacy laws, impose mandatory contractual terms and other obligations with respect to safeguarding the privacy, security and transmission of protected health information and de-identified health information. We may function as a HIPAA business associate for certain of our customers and, as such, are subject to applicable privacy and data security requirements. Failure to comply with applicable HIPAA requirements can result in significant civil monetary penalties and, in certain circumstances, criminal penalties and fines.

Additionally, we are subject to various other laws and regulations affecting our business. For example, the SEC has adopted cybersecurity risk management and disclosure rules, which require mandatory disclosure of information pertaining to cybersecurity incidents and cybersecurity risk management, strategy and governance. In March 2024, the SEC also adopted (but subsequently stayed the implementation of) amendments that would require public companies to disclose certain climate-related information in our annual reports beginning with our annual report covering fiscal year ended January 31, 2026. Additionally, California recently adopted the Climate Corporate Data Accountability Act and the Climate-Related Financial Risk Act, each of which mandate certain climate-related public disclosure requirements (although there are proposals to stay such requirements until 2028).

We expect that new laws, regulations and industry standards will evolve, and new laws, including novel forms of digital regulation, will continue to be proposed and enacted relating to privacy, data protection, marketing, advertising, electronic signatures, consumer communications and information security in the U.S., the EU and other jurisdictions, and we cannot determine the impact this may have on our business. Future laws, regulations, standards and other obligations or any changed interpretation of existing laws or regulations could impair our ability to develop and market new functionality and maintain and grow our customer base and increase revenue. For example, changes in the regulatory landscape relating to new and evolving technologies, such as advances in AI technologies, and future restrictions on the collection, use, sharing or disclosure of data, or additional requirements for the express or implied consent of our customers, partners or end consumers for the use and disclosure of such information could require us to incur additional costs or modify our products and solutions, possibly in a material manner, and could limit our ability to

develop new functionality. Any actual or perceived failure to comply with these or other laws or regulations could harm our business, and result in legal liability, regulatory action, or brand and reputational harm.

Complying with laws and regulations related to privacy and data protection could result in additional costs and liabilities to us or inhibit sales of our software.

A wide variety of state, national, and international laws, regulations, and industry standards apply to the collection, use, retention, protection, disclosure, transfer and other processing of personal data and other information, the scope of which are consistently changing, subject to differing interpretations, and may be inconsistent across countries or conflict with other rules. Data protection and privacy-related laws and regulations are evolving and may result in increasing regulatory and public scrutiny and escalating levels of enforcement and sanctions. Complying with these various laws and regulations could cause us to incur substantial costs or require us to change our business practices, systems, and compliance procedures in a manner adverse to our business. For more information on these laws and their impact on our business, see the risk factor *"We are subject to laws and regulations affecting our business, including those related to e-signature, marketing, advertising, privacy, data protection and information security. Our actual or perceived failure to comply with laws or regulations could harm our business."*

Internationally, virtually every jurisdiction in which we operate has established its own privacy and data security legal framework, which may include compliance requirements for us, our customers and partners. For example, in Europe, the General Data Protection Regulation (the "EU GDPR") contains robust obligations on data controllers and processors and fulsome documentation requirements for corporate data protection compliance programs. Our obligations under the EU GDPR and other similar regional European data privacy and protection regulations (collectively the "GDPR") include stringent data protection and cybersecurity requirements, making it more costly to provide our services in a compliant manner and increasing our risk in the event of non-compliance. We are also certified under the Asia-Pacific Economic Cooperation Cross-Border Privacy Rules System and the APEC Privacy Recognition for Processors System. A breach of these or other data protection regulations could result in regulatory investigations, reputational damage, fines and sanctions, orders to cease or change our processing of data, enforcement notices, or assessment notices (for a compulsory audit). Such penalties, which under GDPR may include fines up to the greater of €20 million (£17.5 million) or 4% of global turnover, are in addition to any civil litigation claims by customers and data subjects. We may also face civil claims including representative actions and other class action-type litigation (where individuals have suffered harm), potentially amounting to significant compensation or damages liabilities, as well as associated costs, diversion of internal resources, and reputational harm.

Additionally, the GDPR imposes strict rules on the transfer of personal data out of the EU or the UK to any country whose laws have not been deemed by regulators in the EU or UK to ensure an "adequate" level of data protection safeguards (such as the U.S.), and requires appropriate transfer mechanisms and, in some cases, transfer impact assessments and supplementary measures. These obligations may evolve, be interpreted or applied in a manner that is inconsistent from one jurisdiction to another and may conflict with other requirements or our practices.

Legal developments in Europe, including the EU Data Act, continue to evolve, creating complexity and uncertainty regarding transfers of personal data from the EU and the UK to the U.S. We currently utilize a combination of Binding Corporate Rules and Standard Contractual Clauses as the approved data transfer mechanisms by the EU Commission for corresponding applicable data transfer activity. While we do not anticipate any immediate changes in our current operations, we will continue to monitor these legal developments. As supervisory authorities continue to issue further guidance on the cross-border transfers of personal data, we could incur greater costs and be required to modify the manner or location in which we operate.

We have been and may in the future be subject to legal proceedings and litigation for a variety of claims, including labor and employment issues, intellectual property disputes, securities law violations, derivative litigation and other matters, which may be costly and may subject us to significant liability and increased costs of doing business. Our business may suffer if it is alleged or determined that our technology infringes the intellectual property rights of others or if the cost and time-commitment of litigation diverts resources from our other business activities.

From time to time, we have been and may in the future be involved as a party or an indemnitor in legal proceedings, disputes or regulatory inquiries that arise in the ordinary course of business. These may include alleged claims, lawsuits and proceedings regarding labor and employment issues, commercial disagreements, securities law violations and other matters. In particular, companies in the software industry are often required to defend against litigation claims based on allegations of infringement or other violations of intellectual property rights. We have from time to time been subject to intellectual property claims and disputes and may be subject to such claims in the future. In addition, many of these companies have the capability to dedicate substantially greater resources to enforce their alleged intellectual property rights and to defend claims that may be brought against them. Any litigation may also involve patent holding companies or other adverse patent owners that have no relevant product revenue and against which our patents may therefore provide little or no deterrence. If a third party is able to obtain an injunction preventing us from utilizing such third-party intellectual property rights, or if we cannot license or develop technology for any infringing aspect of our

business, we would be forced to limit or stop sales of our software or cease business activities employed by such intellectual property and may be unable to compete effectively. Any inability to license third-party technology in the future would have an adverse effect on our business or operating results and would adversely affect our ability to compete.

Such disputes may require us to redesign our products, delay releases, enter into costly settlement or license agreements, pay costly damage awards, or face a temporary or permanent injunction prohibiting us from marketing or selling our products and solutions. Requiring us to change one or more aspects of the way we deliver our products and solutions may harm our business. We may also be contractually obligated to indemnify our customers in the event of infringement of a third party's intellectual property rights. Responding to such claims, including those currently pending, regardless of their merit, can be time consuming and costly to defend in litigation and damage our reputation and brand.

For more information on our pending legal proceedings, see Part II Item 1. Legal Proceedings of this Quarterly Report on Form 10-Q.

Regardless of the merits or ultimate outcome of any claims that have been or may be brought against us or that we may bring against others, lawsuits are time-consuming and expensive to resolve, divert management's time and attention, and could harm our reputation. Although we carry general liability and other forms of insurance, our insurance may not cover potential claims that arise or may not be adequate to indemnify us for all liability that may be imposed. We may also determine that the most cost-effective way to resolve a dispute is to enter into a settlement agreement. Litigation is inherently unpredictable and we cannot predict the timing, nature, controversy or outcome of lawsuits or assure you that the results of any of these actions will not have an adverse effect on our business, operating results or financial condition.

We could incur substantial costs in protecting or defending our proprietary rights, and any failure to adequately protect our rights could impair our competitive position and we may lose valuable assets, experience reduced revenue and incur costly litigation to protect our rights.

Our success is dependent, in part, upon protecting our proprietary technology. We rely on a combination of patents, copyrights, trademarks, service marks, trade secret laws and contractual provisions in an effort to establish and protect our proprietary rights. However, the steps we take to protect our intellectual property may be inadequate. While we have been issued patents in the U.S. and other countries and have additional patent applications pending, we may be unable to obtain patent protection for the technology covered in our patent applications and such patents may no longer provide us with competitive advantages. In addition, any patents issued in the future may not provide us with competitive advantages or may be successfully challenged by third parties. Any of our patents, trademarks or other intellectual property rights may be challenged or circumvented by others or invalidated through administrative process or litigation. There can be no guarantee that others will not independently develop similar products, duplicate any of our products or design around our patents. Despite our precautions, it may be possible for unauthorized third parties to copy our products or aspects of our platform and use information that we regard as proprietary to create products and solutions that compete with ours. Some license provisions protecting against unauthorized use, copying, transfer and disclosure of our products may be unenforceable under the laws of jurisdictions outside the U.S. Additionally, we are unable to predict or assure that rights previously granted by third parties to intellectual property licensed or assigned to us will not hamper our ability to assert our intellectual property rights or hinder the settlement of currently pending or future disputes; or that any of our pending or future copyright or trademark applications will be issued or have the coverage originally sought. To the extent we expand our international activities, our exposure to unauthorized copying and use of our products and proprietary information may increase.

We enter into confidentiality and invention assignment agreements with our employees and consultants and enter into confidentiality agreements with the parties with whom we have strategic relationships and business alliances. No assurance can be given that these agreements will be effective in controlling access to and distribution of our products and proprietary information or prevent infringement, violation, or misappropriation of our intellectual property. Further, these agreements do not prevent our competitors or partners from independently developing technologies that are substantially equivalent or superior to our products and solutions.

In order to protect our intellectual property rights, we may be required to spend significant resources to monitor and protect and enforce these rights, including through litigation. Litigation brought to protect and enforce our intellectual property rights could be costly, time consuming and distracting to management and could result in the impairment or loss of portions of our intellectual property. Furthermore, our efforts to enforce our intellectual property rights may be met with defenses, counterclaims and countersuits attacking the validity and enforceability of our intellectual property rights. Our inability to protect our proprietary technology against unauthorized copying or use, as well as any costly litigation or diversion of our management's attention and resources, could delay further sales or the implementation of our products and solutions, impair the functionality of our products and solutions, delay introductions of new solutions,

result in our substituting inferior or more costly technologies into our products and solutions or injure our reputation. Moreover, there could be public announcements of the results of hearings, motions or other interim proceedings or developments, and if securities analysts or investors perceive these results to be negative, it could have a substantial adverse effect on the price of our common stock. Furthermore, legal standards relating to the validity, enforceability and scope of protection of intellectual property rights are uncertain and any changes in, or unexpected interpretations of, intellectual property laws may compromise our ability to enforce our intellectual property rights. Any of our intellectual property rights may be successfully challenged, opposed, diluted, misappropriated or circumvented by others or invalidated, narrowed in scope or held unenforceable through administrative process or litigation. Any of these results could adversely affect our business, operating results and financial condition.

We will not be able to protect our intellectual property if we are unable to enforce our rights or if we do not detect unauthorized use of our intellectual property. Intellectual property protection may not be available to us in every country in which our products and services are available, or may be limited in some countries. Moreover, policing unauthorized use of our technologies, trade secrets and intellectual property may be difficult, expensive and time-consuming, particularly in foreign countries where the laws may not be as protective of intellectual property rights as those in the U.S. and where mechanisms for enforcement of intellectual property rights may be less effective. For example, some foreign countries have compulsory licensing laws under which a patent owner must grant licenses to third parties. In addition, many countries limit the enforceability of patents against certain third parties, including government agencies or government contractors. In these countries, patents may provide limited or no benefit. If we fail to adequately protect our intellectual property and proprietary rights, our business, operating results and financial condition could be adversely affected.

Many of our customers deploy our products and solutions globally, and our products and solutions must comply with certain legal and regulatory requirements in varying countries. If our products and solutions fail to meet these requirements, we could incur significant liabilities and our financial condition may suffer.

Many customers use our products and solutions globally to comply with safe harbors and other legislation in the countries in which they transact business. For example, some of our customers rely on government authorizations we maintain, such as FedRAMP in the U.S, or certifications such as our qualification as a Trust Service Provider under eIDAS in the EU to help satisfy their own legal and regulatory compliance requirements. If a court or regulatory body determines that our products and solutions are inadequate to meet these requirements, documents executed through our products and solutions could, in some instances, be rendered unenforceable, resulting in potential loss of customers, liability under customer contracts, and brand and reputational damage. Additionally, changes to qualified electronic signature standards and emerging AI and digital identity governance frameworks could necessitate product modifications or recertifications, and any delay or failure to obtain or maintain such authorizations could adversely affect our ability to serve certain customers and markets.

We use open source software in our products, which could subject us to litigation or other actions.

We use open source software in our products and solutions. Any use of open source software may expose us to greater risks than the use of commercial software because open source licensors generally do not provide warranties or controls on the functionality or origin of the software. Any use of open source software may involve security risks, making it easier for hackers and other third parties to determine how to compromise our platform. On occasion, companies that use open source software have faced claims challenging their use of open source software or compliance with open source license terms. There is evolving legal precedent for interpreting the terms of certain open source licenses, including the determination of which works are subject to the terms of such licenses. As a result, we could be subject to lawsuits by parties claiming ownership of what we believe to be open source software. Litigation could be costly for us to defend, have a negative effect on our operating results and financial condition or require us to devote additional research and development resources to change our products. In addition, if we were to combine our proprietary software products with open source software in a certain manner, we could, under certain of the open source licenses, be required to release the source code of our proprietary software products. This would allow our competitors to create similar offerings with lower development effort and time and ultimately could result in a loss of sales for us. If we inappropriately use or incorporate open source software subject to certain types of open source licenses that challenge the proprietary nature of our software products, we may be required to re-engineer our products, discontinue the sale of our products and solutions or take other remedial actions that may divert resources away from or delay our development efforts.

Indemnity provisions in various agreements potentially expose us to substantial liability for intellectual property infringement, data protection and other losses.

Our agreements with some customers and other third parties include indemnification provisions under which we agree to indemnify them for losses suffered or incurred as a result of claims of intellectual property infringement, data protection, violations, data breaches or cyberattacks, damages caused by us to property or persons, or other liabilities relating to or arising from our offerings, solutions or other contractual obligations. Some of these indemnity provisions provide for uncapped liability for which we would be responsible, and some indemnity provisions survive termination or expiration of the applicable agreement. Large indemnity payments could harm our business, operating results and financial condition. Although we normally contractually limit our liability with respect to such obligations, such limitations may not be enforceable in all jurisdictions, and we may still incur substantial liability related to them and we may be required to cease use of certain functions of our products and solutions as a result of any such claims. In addition, our customer agreements generally include a warranty that the proper use of Docusign by a customer in accordance with the agreement and applicable law will be sufficient to meet the definition of an “electronic signature” as defined in the Electronic Signatures in Global and National Commerce Act (“ESIGN Act”) and eIDAS. Any warranty or indemnification claim brought by our customers could result in damage to our reputation and harm our business and operating results.

Changes in tax laws, rulings and interpretations may subject us to potential adverse tax consequences, which could negatively affect our financial position and results of operations.

We are a U.S.-based multinational company subject to tax in multiple U.S. and foreign tax jurisdictions. Significant judgment is required in determining our global provision for income taxes, deferred taxes and other tax liabilities and receivables, and in evaluating our tax positions and other tax attributes on a worldwide basis. We are subject to the periodic examination of our domestic and foreign tax returns by the Internal Revenue Service, state, local, and foreign tax authorities, some of whom are challenging our tax positions. We regularly assess the likelihood of adverse outcomes from these examinations in determining the adequacy of our provision for income taxes and other tax liabilities and have reserved for potential adjustments that may result from these examinations. While we believe our tax estimates are reasonable, the ultimate outcome may differ from the amounts recorded in our financial statements and could materially affect our financial results in the period or periods for which such determination is made. We consider many factors when evaluating and estimating our tax positions and tax benefits, which may require periodic adjustments and may not accurately forecast actual tax audit outcomes. If the ultimate determination of income and other tax liabilities differ from the amounts recorded or accrued, our business, financial condition or results of operations may be adversely impacted.

Changes in tax laws or tax rulings, or changes in interpretations of existing laws, could materially affect our financial position, results of operations, and cash flows. Tax laws are regularly being re-examined and evaluated globally. New laws and interpretations of the law are taken into account for financial statement purposes in the quarter or year that they become applicable. Tax authorities are increasingly scrutinizing the tax positions and transfer pricing of companies and we are (and may continue to be) subject to tax audits in a number of jurisdictions.

Over the last several years, the Organization for Economic Cooperation and Development (“OECD”) has been working on a Base Erosion and Profit Shifting Project that, if implemented, would change various aspects of the existing framework under which our tax obligations are determined in many of the countries in which we do business. A number of countries have enacted legislation to implement the OECD’s 15% global minimum tax regime. As additional jurisdictions enact legislation, transitional relief expires, and other provisions of the minimum tax legislation become effective, our effective tax rate and cash tax payments could increase in future years.

The requirements of being a public company, including developing and maintaining proper and effective disclosure controls and procedures and internal control over financial reporting, may strain our resources and divert management’s attention away from other business concerns.

As a public company, we are subject to the reporting requirements of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), the Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act, the listing requirements of Nasdaq and other applicable securities rules and regulations that impose various requirements on public companies. Our management and other personnel devote a substantial amount of time to compliance with these requirements and such compliance has increased, and will continue to increase, our legal, accounting and financial costs.

The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. In order to maintain and improve the effectiveness of such controls, we have expended, and anticipate that we will continue to expend, significant resources, including on accounting and financial staff with appropriate public company experience and technical accounting knowledge to assist in our compliance efforts.

We have incurred and expect to continue to incur significant expenses and devote substantial management effort toward compliance with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act. To assist us in

complying with these requirements we may need to hire more employees in the future, or engage outside consultants, which will increase our operating expenses.

Despite significant investment, our current controls and any new controls that we develop may become inadequate because of changes in business conditions. Any failure to implement and maintain effective internal control over financial reporting could adversely affect the results of periodic management evaluations and annual independent registered public accounting firm attestation reports regarding the effectiveness of our internal control over financial reporting that are required to be included in the periodic reports that we file with the SEC. If our management team or independent registered public accounting firm were to furnish an adverse report, or if it is determined that we have a material weakness or significant deficiency in our internal control over financial reporting, investors could lose confidence in the accuracy and completeness of our financial reports, the market price of our common stock could decline, and we could be subject to sanctions or investigations by Nasdaq, the SEC or other regulatory authorities or shareholder litigation.

In addition, as we continue to scale and improve our operations, including our internal systems and processes, we currently utilize, and in the future may seek to implement, a variety of critical systems, such as billing, human resources, financial reporting and accounting systems. The implementation and transition to any new critical system may be disruptive to our business if they do not work as planned or if we experience issues related to such implementation or transition, which could have a material adverse effect on our operations and result in compromised internal reporting and processes. Moreover, since most of our employees (including those critical to maintaining an effective system of disclosure controls and internal control over financial reporting) are working and are expected to continue to work for the near term, in either a fully remote or a hybrid environment, risks that we have not contemplated may arise and result in our failure to maintain effective disclosure controls or internal control over financial reporting.

We are subject to governmental export and import controls that could impair our ability to compete in international markets or subject us to liability if we violate the controls.

Our products and solutions are subject to U.S. export controls, including the Export Administration Regulations and economic sanctions administered by the Office of Foreign Assets Control, and we incorporate encryption technology into certain products and solutions. These encryption products and the underlying technology may be exported outside of the U.S. to most jurisdictions only with export authorizations, including by license, a license exception or other appropriate government authorizations.

Furthermore, our activities are subject to U.S. economic sanctions laws and regulations that prohibit dealings without the required authorizations with countries, governments and parties targeted by U.S. sanctions. The U.S. government may not grant us the required authorization for a particular sale. Even if the required authorization for a particular sale is ultimately granted, it may be time-consuming and may result in the delay or loss of sales opportunities. While we take precautions to prevent business dealings in violation of these laws, including obtaining government authorizations, implementing IP address blocking and screenings against U.S. government and international lists of restricted and prohibited persons, we cannot guarantee that the precautions we take will prevent violations of export control and sanctions laws. Violations of U.S. sanctions or export control laws can result in significant fines or penalties and possible incarceration for responsible employees and managers could be imposed for criminal violations of these laws.

In addition, if our strategic partners fail to adhere to U.S. sanctions and export control laws, we may also be adversely affected, through reputational harm as well as other negative consequences including government investigations and penalties. We presently incorporate export control compliance requirements into our strategic partner agreements; however, no assurance can be given that our strategic partners will comply with such requirements.

Foreign governments also regulate the import and export of certain encryption and other technology, and have implemented, and may in the future implement, sanctions and export control laws that could limit our ability to distribute our products and solutions or could limit our end-customers' ability to implement our products and solutions in those countries. Changes in our products and solutions or future changes in export and import regulations may create delays in the introduction of our products and solutions in international markets, prevent our end-customers with international operations from deploying our products and solutions globally or, in some cases, prevent the export or import of our products and solutions to certain countries, governments or parties altogether. Any decreased use of our products and solutions or limitation on our ability to export or sell our products and solutions would adversely affect our business, operating results and prospects.

We are subject to anti-corruption, anti-bribery, anti-money laundering, and similar laws, and non-compliance with such laws can subject us to criminal and/or civil liability and harm our business.

We are subject to the FCPA, the U.S. domestic bribery statute contained in 18 U.S.C. § 201, the U.S. Travel Act, the U.K. Bribery Act, and other anti-bribery and anti-money laundering laws in the countries in which we conduct activities. As we increase our international sales and business and sales to the public sector internationally, we may engage with business partners and third-party intermediaries to market our products and solutions and to obtain necessary permits, licenses, and other regulatory approvals. In addition, we or our third-party intermediaries may have direct or indirect interactions with officials and employees of government agencies or state-owned or affiliated entities. We can be held liable for the corrupt or other illegal activities of these third-party intermediaries and our employees, representatives, contractors, partners, and agents, even if we do not explicitly authorize such activities.

While we have policies and controls to address compliance with such laws, we cannot assure you that our employees and agents will not take actions in violation of our policies and applicable law, for which we may be ultimately held responsible. As we increase our international sales and business, our risks under these laws may increase.

Detecting, investigating and resolving actual or alleged violations can require a significant diversion of time, resources and attention from senior management. In addition, noncompliance with anti-corruption, anti-bribery, or anti-money laundering laws could subject us to whistleblower complaints, investigations, sanctions, settlements, prosecution, other enforcement actions, disgorgement of profits, significant fines, damages, other civil and criminal penalties or injunctions, suspension and/or debarment from contracting with certain persons, the loss of export privileges, reputational harm, adverse media coverage and other collateral consequences. If any subpoenas or investigations are launched, or governmental or other sanctions are imposed, or if we do not prevail in any relevant civil or criminal litigation, our business, operating results and financial condition could be materially harmed. In addition, responding to any action will likely result in a materially significant diversion of management's attention and resources and significant defense costs and other professional fees. Enforcement actions and sanctions could further harm our business, operating results and financial condition.

Risks Related to our Common Stock

Our stock price may be volatile, and the value of our common stock may decline.

The market price of our common stock may be highly volatile and may fluctuate or decline substantially as a result of a variety of factors, some of which are beyond our control or are related in complex ways, including:

- actual or anticipated fluctuations in our financial condition and operating results;
- customer demand for our solutions and the pace of the digital transformation of business;
- changes in senior management or key personnel;
- general economic, regulatory and market conditions, including inflation and interest rate fluctuations;
- variance in our financial performance from expectations of securities analysts;
- issuance of research reports by securities analysts, including publishing unfavorable reports;
- certain assumptions or perceptions made by our customers or industry and securities analysts related to our IAM platform;
- changes in the prices of subscriptions to our products and solutions;
- changes in our projected operating and financial results;
- changes in laws or regulations applicable to our products and solutions;
- announcements by us or our competitors of significant business developments, acquisitions or new offerings;
- rumors and market speculation made by external parties that involve us or other companies in our industry;
- our involvement in any litigation;
- future sales of our common stock or other securities by us or our stockholders;
- the consummation, and the anticipated benefits, of our stock repurchase program;
- the trading volume of our common stock;
- changes in the anticipated future size and growth rate of our market;
- changes and uncertainty in the political climate in the U.S.; and
- terrorist attacks, natural disasters and the effects of climate change, regional and global conflicts, sanctions, laws and regulations that prohibit or limit operations in certain jurisdictions, public health crises or other such events impacting countries where we have operations.

In addition, broad market and industry fluctuations, as well as general economic, political, regulatory and market conditions, may negatively impact the market price of our common stock. In the past, companies that have experienced volatility in the market price of their securities have been subject to securities class action litigation. We have been, and may in the future be, subject to this type of litigation, which could result in substantial costs, divert our management's attention from our business and adversely affect our business. For more information on our pending legal proceedings, see Part II Item 1. Legal Proceedings of this Quarterly Report on Form 10-Q.

Anti-takeover provisions in our charter documents and under Delaware law could make an acquisition of our company more difficult, limit attempts by our stockholders to replace or remove our current management and limit the market price of our common stock.

Provisions in our amended and restated certificate of incorporation and amended and restated bylaws may have the effect of delaying or preventing a change of control or changes in our management. Our amended and restated certificate of incorporation and amended and restated bylaws include provisions that:

- authorize our board of directors to issue, without further action by the stockholders, shares of undesignated preferred stock with terms, rights and preferences determined by our board of directors that may be senior to our common stock;
- require that any action to be taken by our stockholders be effected at a duly called annual or special meeting and not by written consent;
- specify that special meetings of our stockholders can be called only by our board of directors, the chairperson of our board of directors, or our chief executive officer;
- establish an advance notice procedure for stockholder proposals to be brought before an annual meeting, including proposed nominations of persons for election to our board of directors;
- establish that our board of directors is divided into three classes, with each class serving three-year staggered terms;
- prohibit cumulative voting in the election of directors;
- provide that our directors may be removed for cause only upon the vote of sixty-six and two-thirds percent (66 2/3%) of our outstanding shares of common stock;
- provide that vacancies on our board of directors may be filled only by a majority of directors then in office, even though less than a quorum; and
- require the approval of our board of directors or the holders of at least sixty-six and two-thirds percent (66 2/3%) of our outstanding shares of common stock to amend our bylaws and certain provisions of our certificate of incorporation.

These provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our board of directors, which is responsible for appointing the members of our management. In addition, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the Delaware General Corporation Law, which generally, subject to certain exceptions, prohibits a Delaware corporation from engaging in any of a broad range of business combinations with any “interested” stockholder for a period of three years following the date on which the stockholder became an “interested” stockholder. Any delay or prevention of a change of control transaction or changes in our management could cause the market price of our common stock to decline.

Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware or the U.S. federal district courts are the exclusive forums for substantially all disputes between us and our stockholders, which could limit our stockholders’ ability to obtain a favorable judicial forum for disputes with us or our directors, officers or other employees.

Our amended and restated certificate of incorporation provides that the Court of Chancery of the State of Delaware is the sole and exclusive forum for any derivative action or proceeding brought on our behalf, any action asserting a breach of fiduciary duty owed by any of our directors, officers or other employees to us or our stockholders, any action asserting a claim against us arising pursuant to any provisions of the Delaware General Corporation Law, our amended and restated certificate of incorporation or our amended and restated bylaws, or any action asserting a claim against us that is governed by the internal affairs doctrine. If a court were to find any of these exclusive-forum provisions in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving the dispute in other jurisdictions, which could seriously harm our business.

Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all claims brought to enforce any duty or liability created by the Securities Act or the rules and regulations thereunder. Our amended and restated certificate of incorporation, however, provides that the U.S. federal district courts will be the exclusive forum for resolving any complaint asserting a cause of action arising under the Securities Act. In December 2018, the Delaware Chancery Court issued an opinion invalidating provisions similar to ours limiting to U.S. federal court the forum in which a stockholder is able to bring a claim under the Securities Act (“Federal Forum Provision”). On March 18, 2020, however, the Delaware Supreme Court reversed the decision of the Delaware Chancery Court and held that such provisions are facially valid. In light of that recent decision, we announced that we may in the future enforce our Federal Forum Provision. While there can be no assurance that federal courts or other state courts will follow the holding of the

Delaware Supreme Court or determine that the Federal Forum Provision should be enforced in a particular case, application of the Federal Forum Provision generally means that suits brought by our stockholders to enforce any duty or liability created by the Securities Act must be brought in federal court and cannot be brought in state court. While the Federal Forum Provision does not apply to suits brought to enforce any duty or liability created by the Exchange Act, Section 27 of the Exchange Act creates exclusive federal jurisdiction over all claims brought to enforce any duty or liability created by the Exchange Act or the rules and regulations thereunder. Accordingly, actions by our stockholders to enforce any duty or liability created by the Exchange Act or the rules and regulations thereunder also must be brought in federal court. Our stockholders will not be deemed to have waived our compliance with the federal securities laws and the regulations promulgated thereunder.

Any person or entity purchasing or otherwise acquiring or holding any interest in any of our securities shall be deemed to have notice of and consented to our exclusive forum provisions, including the Federal Forum Provision. These provisions may limit a stockholder's ability to bring a claim in a judicial forum of the stockholder's choosing for disputes with us or our directors, officers, or other employees, which may discourage lawsuits against us and our directors, officers, and other employees.

General Risks

Unfavorable conditions in our industry or the global economy or reductions in information technology spending could limit our ability to grow our business and negatively affect our operating results.

Our operating results may vary based on the impact of changes in our industry or the global economy on us and our existing and prospective customers. The revenue growth and profitability of our business depend on demand for our products and solutions. Current or future economic and global market uncertainties or downturns could adversely affect our business and operating results. Economic uncertainty and associated macro-economic conditions make it difficult for our customers and us to accurately forecast and plan future business activities, and could cause our customers to slow spending on our products. Negative conditions in the general economy both in the U.S. and abroad, including conditions resulting from inflation, changes in interest rates or foreign exchange rates, tariffs and changes in trade policies and practices, gross domestic product growth, financial and credit market fluctuations, geopolitical conflict, natural catastrophes and the effects of climate change, public health crises, and terrorist attacks in the U.S., Europe, the Asia Pacific region or elsewhere, could cause a decrease in business investments, including spending on information technology, and negatively affect the growth of our business. In addition, unfavorable conditions in certain industry sectors could impact customers or partners disproportionately, which could also impact the demand for our products. To the extent our products and solutions are perceived by customers and potential customers as costly, or too difficult to deploy or migrate to, our revenue may be disproportionately affected by delays or reductions in general information technology spending. Also, competitors, many of whom are larger and more established than we are, may respond to market conditions by lowering prices and attempting to lure away our customers. In addition, the increased pace of consolidation in certain industries may result in reduced overall spending on our products and solutions. We cannot predict the timing, strength or duration of any economic slowdown, instability or recovery, generally or within any particular industry. If the economic conditions of the general economy or markets in which we operate worsen from present levels, our business, operating results and financial condition could be adversely affected.

Natural catastrophic events and man-made problems such as power disruptions, computer viruses, data security breaches, regional or global conflicts, and terrorism may disrupt our business.

We rely heavily on our network infrastructure and information technology systems, including our security-related systems, for our business operations. A disruption or failure of these systems in the event of online attack, earthquake, fire, terrorist attack, public health crisis, power loss, telecommunications failure or other similar catastrophic event, including as a result of the effects of climate change, could cause system interruptions, delays in accessing our service, reputational harm and loss of critical data or could prevent us from providing our products and solutions to our customers. A catastrophic event that results in the destruction or disruption of our data centers, or our network infrastructure or information technology systems, including any errors, defects or failures in third-party hardware, could affect our ability to conduct normal business operations and adversely affect our operating results. Additionally, while we believe our exposure from the recent conflicts in Ukraine and the Middle East is limited, we could experience unanticipated disruptions to our business as a result of current or future regional and global conflicts, including sanctions or other laws and regulations prohibiting or limiting operations in certain jurisdictions, increased risks of potential cyberattacks, related impacts to our customers, or micro- or macro-economic effects on the global economy.

ITEM 2. Unregistered Sales of Equity Securities, Use of Proceeds, and Issuer Purchases of Equity Securities.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

The following table summarizes our stock repurchases during the three months ended April 30, 2026:

Period	Total Number of Shares Purchased ⁽¹⁾	Average Price Paid Per Share ⁽²⁾	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (in thousands)
February 1 - February 28	3,418,811	\$46.24	3,418,811	\$582,207
March 1 - March 31	1,486,804	\$47.05	1,486,804	\$2,512,258
April 1 - April 30	1,903,823	\$47.00	1,903,823	\$2,422,782
Total	6,809,438		6,809,438	\$2,422,782

(1) Our board of directors authorized a stock repurchase program, which commenced in March 2022. Most recently, in March 2026, our board of directors authorized an increase to our existing stock repurchase program for an additional amount of up to \$2.0 billion of our outstanding common stock, increasing our total authorization to an aggregate \$4.5 billion. Repurchases of our common stock may be effected from time to time, either on the open market, in block trades, in privately negotiated transactions, and through other transactions in accordance with applicable securities laws. The program does not obligate us to repurchase any specific number of shares and may be discontinued at any time. The program has no expiration date and will continue until otherwise suspended, terminated, or modified at any time for any reason by our board of directors. See [Note 8](#) of this Quarterly Report on Form 10-Q for additional information related to stock repurchases.

(2) Average price paid includes costs associated with the repurchases, excluding the 1% excise tax as a result of the IRA.

ITEMS 3 and 4 are not applicable and have been omitted.

ITEM 5. Other Information

During the three months ended April 30, 2026, the following officers and directors of the Company entered into trading plans during an open insider trading window and intended to satisfy the affirmative defense of Rule 10b5-1(c) under the Exchange Act and the Company’s policies on insider trading:

Name ⁽¹⁾	Title	Adoption Date	Earliest Sale Date	Expiration Date	Aggregate # of securities to be sold	Aggregate # of securities to be purchased
Robert Chatwani	President, General Manager, Growth	March 20, 2026	June 22, 2026	March 31, 2027	up to 165,168	N/A
Blake Grayson	Chief Financial Officer	March 31, 2026	July 1, 2026	March 31, 2027	up to 125,000	N/A

(1) The aggregate # of securities to be sold includes the maximum payout for certain unvested PSUs.

Each of the 10b5-1 plans in the above table included a representation from the director or officer to the broker administering the plan that such individual was not in possession of any material nonpublic information regarding the Company or the securities subject to the plan. A similar representation was made to the Company in connection with the adoption of the plan under the Company’s insider trading policy. Those representations were made as of the date of adoption of the 10b5-1 plan, and speak only as of that date. In making those representations, there is no assurance with respect to any material nonpublic information of which the director or officer was unaware, or with respect to any material nonpublic information acquired by the director or officer or the Company after the date of the representation.

ITEM 6. Exhibits

The documents listed in the Exhibit Index of this Quarterly Report on Form 10-Q are incorporated by reference or are filed with this Quarterly Report on Form 10-Q, in each case as indicated therein (numbered in accordance with Item 601 of Regulation S-K).

EXHIBIT INDEX

Exhibit Number	Description	Form	File No.	Incorporated by Reference Exhibit	Filing Date
3.1	Amended and Restated Certificate of Incorporation.	8-K	001-38465	3.1	May 1, 2018
3.2	Amended and Restated Bylaws.	8-K	001-38465	3.1	March 11, 2024
31.1	Certification of the Chief Executive Officer pursuant to Exchange Act Rule 13a-14 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.			Filed herewith	
31.2	Certification of the Chief Financial Officer pursuant to Exchange Act Rule 13a-14 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.			Filed herewith	
32.1*	Certification of the Chief Executive Officer and the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.			Filed herewith	
101.INS	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document).				
101.SCH	Inline XBRL Taxonomy Extension Schema Document.				
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.				
101.DEF	Inline XBRL Taxonomy Definition Linkbase Document.				
101.LAB	Inline XBRL Taxonomy Extension Labels Linkbase Document.				
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.				
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)				

† We have omitted the schedules or exhibits to this Exhibit in accordance with Regulation S-K Item 601(a)(5). A copy of any omitted schedule and/or exhibit will be furnished to the Securities and Exchange Commission upon its request.

* The certifications furnished in Exhibit 32.1 hereto are deemed to accompany this Quarterly Report on Form 10-Q and will not be deemed “filed” for purposes of Section 18 of 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 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: June 5, 2026

DOCUSIGN, INC.

By: /s/ Allan Thygesen

Allan Thygesen

Chief Executive Officer

(Principal Executive Officer)

By: /s/ Blake Grayson

Blake Grayson

Chief Financial Officer

(Principal Accounting and Financial Officer)

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a)
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Allan Thygesen, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of DocuSign, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: June 5, 2026

By: /s/ Allan Thygesen
Allan Thygesen
Chief Executive Officer
(Principal Executive Officer)

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a)
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Blake Grayson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of DocuSign, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, 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;
 - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: June 5, 2026

By: /s/ Blake Grayson
Blake Grayson
Chief Financial Officer
(Principal Accounting and Financial Officer)

**CERTIFICATIONS OF CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER
PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

I, Allan Thygesen, the Chief Executive Officer of Docusign, Inc., certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-Q of Docusign, Inc. for the fiscal quarter ended April 30, 2026 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such Quarterly Report on Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Docusign, Inc.

Date: June 5, 2026

By: /s/ Allan Thygesen
Allan Thygesen
Chief Executive Officer
(Principal Executive Officer)

I, Blake Grayson, the Chief Financial Officer of Docusign, Inc., certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-Q of Docusign, Inc. for the fiscal quarter ended April 30, 2026 fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in such Quarterly Report on Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of Docusign, Inc.

Date: June 5, 2026

By: /s/ Blake Grayson
Blake Grayson
Chief Financial Officer
(Principal Accounting and Financial Officer)