Financial Analyst Day

September 21, 2021
Agenda

Our Ambition
Aneel Bhusri – Co-Founder, Co-CEO, and Chairman
Chano Fernandez – Co-CEO

Innovating for the Future
Sayan Chakraborty – EVP, Technology
Pete Schlampp – EVP, Product

Innovation Q&A

Break

Capitalizing on Our Expanding Opportunity
Doug Robinson – EVP, Global Sales

The Path to $10B
Robynne Sisco – President and CFO

Q&A
All
This presentation may contain forward-looking statements for which there are risks, uncertainties, and assumptions. Forward-looking statements may include any statements regarding strategies or plans for future operations; any statements concerning new features, enhancements or upgrades to our existing applications or plans for future applications; any projections of revenues, gross margins, earnings, or other financial items; and any statements of expectation or belief. Forward-looking statements are based only on currently available information and our current beliefs, expectations, and assumptions regarding the future of our business, future plans and strategies, projections, anticipated events and trends, the economy, and other future conditions. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks, and changes in circumstances that are difficult to predict and many of which are outside of our control. Our actual results and financial condition may differ materially from those indicated in the forward-looking statements, and therefore you should not rely on any forward-looking statements that we may make. Further information on risks that could affect Workday’s results is included in our filings with the Securities and Exchange Commission which are available on the Workday investor relations webpage: www.workday.com/company/investor_relations.php

Workday assumes no obligation for, and does not intend to update, any forward-looking statements. Any unreleased services, features, functionality or enhancements referenced in any Workday document, roadmap, blog, our website, press release or public statement that are not currently available are subject to change at Workday’s discretion and may not be delivered as planned or at all.

Customers who purchase Workday services should make their purchase decisions based upon services, features, and functions that are currently available.

Use of Non-GAAP Financial Measures
A reconciliation of non-GAAP operating margin to GAAP operating margin is included at the end of this presentation within the Appendix. A reconciliation of our forward outlook for non-GAAP operating margins to our forward-looking GAAP operating margin is not available without unreasonable efforts as the quantification of share-based compensation expense, which is excluded from our non-GAAP operating margins, requires additional inputs such as the number of shares granted and market prices that are not ascertainable. The impact of share-based compensation may have a significant impact on the operating margin in any given period.
Targeting Sustained 20%+ Subscription Revenue Growth

FY22

$10B Total Revenue

20%+
Market Leader in HCM

~50% \(^1\) Fortune 500

Subscription Revenue \(^1\)

$3.2B

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\(^1\) As of 7.31.21

\(^2\) For the trailing 12 months ended 7.31.21
Broadening Our Footprint in FINS

1,150+
Core FINS Customers

5,700+
Planning Customers

1,250+
Procurement Customers\(^1\)

$1B
Subscription Revenue Business\(^2\)

33%
Subscription Revenue Growth\(^2\)

---
\(^1\) Includes Workday Strategic Sourcing
\(^2\) For the trailing 12 months ended 7.31.21
All customer counts as of 7.31.21
70%+ Customers Live
Market Trends

- Real-time Business
- Changing Workforce
- Competition for Diverse Talent
- Finance Digital Transformation
- Proprietary Data and ML
Chano Fernandez
CO-CEO
Growth Strategy
Growth Strategy

oCFO
Growth Strategy

International
Growth Strategy

Medium Enterprise
Key Initiatives

- Industry Verticals
- Evolving Go-to-Market
- Focus on Platform
- Transform Our UX
- Leveraging Public Cloud
Our First Gen Is Next Level

- Reliability/Availability: 99.97% Uptime
- Scale: 55M+ Workers; ~365B Transactions
- Performance: 95.7% of Transactions in <1 Second
- Ambient: Responsive, Omni-Channel, **Native** Mobile User XP
- Security: 5 Trust Service Criteria; GDPR
Intelligent Data Core
First Generation of the Cloud
Reliability/Availability
Scale
Performance
Ambient
Security

Next Generation of the Cloud
Public Cloud Innovation
Extend Story
~80% YoY Growth

2,000+ Active Developers

13 SI Partners with Dedicated Extend Practices
Looking Ahead

First Generation of the Cloud
- Reliability/Availability
- Scale
- Performance
- Ambient
- Security

Next Generation of the Cloud
- Public Cloud Innovation
- Extend Story

ML for Customers
ML to Scale Operations
Intelligent Data Core
Intelligent Data Core
Infrastructure

Workload Balancing  Capacity Optimization  Defense In-Depth  Dynamic Scale

Machine Learning
The Future of Work

The Changing Nature of Employment

The Changing Application Boundaries

First Generation of the Cloud
- Reliability/Availability
- Scale
- Performance
- Ambient
- Security

Next Generation of the Cloud
- Public Cloud Innovation
- Extend Story

Looking Ahead
- ML for Customers
- ML to Scale Operations
Pete Schlampp
EVP, PRODUCT
Next Generation

Application Innovation
The 7 Imperatives

To Accelerate Business

1. Continuous recalibration
2. Run in the now
3. Mitigate uncertainty with the full picture
4. Rewire processes in days
5. Shape a new future
6. Elevate human performance
7. Measure real-world impact
Data-Infused Apps

Plan
Execute
Analyze

INTELLIGENT DATA CORE
Data-Infused Apps: Accounting Center

INTELLIGENT DATA CORE

Integration Layer

Transactional Data

Operational Data

External Data
Own the Office of the CFO

We Are the Next Generation of Finance
Addressing oCFO Top Business Challenges

Shareholder Value

Revenue

Cost

Capital

Stakeholder Value

Sustainability

Talent

Digital
Workday for the Office of the CFO

FP&A
- OPEX / CAPEX
- Head Count
- Top-Line / Revenue
- Operational KPIs
- Board / Mgmt. Reporting

Controller
- General Ledger
- Global Consolidations
- Financial Statements
- Cash Management
- Asset Management

Auditor
- Contracts
- Billing
- Revenue Recognition
- Receivables
- Collections

Treasurer
- Expense Reports
- Mobile Expenses
- Spend Authorization
- Settlements
- Project Management
- Resource Management
- Project Financials
- Project Billing
- Labor Costing

Payroll
- Requisitions / POs
- Receiving
- Payables
- Inventory
- U.S. Payroll
- UK Payroll
- France Payroll
- Canada Payroll
- Global Payroll Cloud
- Settlements

Procurement
- Requisitions and POs
- Receiving
- Supplier Management
- Inventory
oCFO Strategic Focus Areas

Meet Customers Where They Are

Expand Industry Leadership

Drive Finance Automation

Grow Globally
Meet Customers Where They Are

Create New Entities on Demand

Workday Adaptive Planning

Corporate Finance Layer

Spend Management

Core Finance Transformation
Meet Customer Where They Are

**Workday Adaptive Planning**

- **5,700+ Customers**
- **30x Increase in Scenario Planning**\(^1\)
- **~16–20 Weeks Time to Value**

**Spend Management**

- **1,250+ Customers**
- **3x Savings Goals**\(^2\)
- **~4 Weeks Time to Value**\(^2\)

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\(^1\) March 2020  
\(^2\) Specific to Workday Strategic Sourcing
Workday Enterprise Finance Solution

Core Finance Transformation

Corporate Finance Layer

Create New Entities on Demand
oCFO Strategic Focus Areas

- Meet Customers Where They Are
- Expand Industry Leadership
- Drive Finance Automation
- Grow Globally
<table>
<thead>
<tr>
<th>Industry</th>
<th>Innovations</th>
</tr>
</thead>
<tbody>
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<td>Professional Business Services</td>
<td>Accounting Center</td>
</tr>
<tr>
<td>Financial Services</td>
<td>Healthcare Supply Chain Management</td>
</tr>
<tr>
<td>Healthcare</td>
<td>Scheduling</td>
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<td>Student</td>
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<td>Retail and Hospitality</td>
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Expand Industry Leadership

**Industry**
- Professional Business Services
- Financial Services
- Healthcare
- Education and Government
- Tech and Media
- Retail and Hospitality

**Innovations**
- Accounting Center
- Healthcare Supply Chain Management
- Scheduling
- Professional Services Automation
- Student
- Inventory Management
Quote-to-Cash for Services and Subscriptions

CRM → zimit → Professional Services Automation Financials

Zimit transaction is expected to close in Q3 FY22
Expand Industry Leadership

**Industry**
- Professional Business Services
- Financial Services
- Healthcare
- Education and Government
- Tech and Media
- Retail and Hospitality

**Innovations**
- Accounting Center
- Healthcare Supply Chain Management
- Scheduling
- Professional Services Automation
- Student
- Inventory Management
Expand Industry Leadership

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Workday Student Momentum

73%  
Of the Institutions Who Have Adopted a Cloud-based Student Solution Have Selected Workday¹

3x  
The Number of Live Customers in Spring 2021

26  
Total Customers Live

¹ Tambellini Group
oCFO Strategic Focus Areas

- Meet Customers Where They Are
- Expand Industry Leadership
- Drive Finance Automation
- Grow Globally
Machine Learning

Recommend

Retrieve

Reconcile

Review

INTELLIGENT DATA CORE

Machine Learning
oCFO Strategic Focus Areas

Meet Customers Where They Are

Expand Industry Leadership

Drive Finance Automation

Grow Globally
Global FINS Footprint

- 54 Country Configurations
- 120+ Operating Countries
Own the Office of the CHRO

Positioned for the Perfect Storm
Workday for the Office of the CHRO

Talent Acquisition
- Workforce Planning
- Recruiting
- Onboarding
- Learning

Talent Development
- Performance
- Talent
- Succession
- Learning

Compensation and Benefits
- Compensation
- Benefits
- Reward and Recognition
- Internal Recruiting

Adapt to Succeed
- Succession Planning
- Cross-Boarding

Operations
- Workforce Scheduling
- Absence Management
- Time Tracking

Payroll
- U.S. Payroll
- UK Payroll
- France Payroll
- Canada Payroll
- Global Payroll Cloud
- Settlements

Plan to Hire

Develop to Perform

Reward to Retain

Resource to Deliver

Productivity to Pay
oCHRO Strategic Focus Focus Areas

Leading Skills Movement

Driving Employee Experience

Enabling Workforce Agility

Grow Globally
Skills Platform: Workday at the Center
Skills Platform: Workday at the Center

Verification
- Extend
- Learning
- Analytics
- Recruiting
- Core HCM
- Scheduling
- Career Hub
- Compensation

Insights
- Benefits
- Payroll
- Assessment Data
- Third-Party Skills Data
- Strategic Integrations

Matching
- Absence
- Planning
- Projects
- Time Tracking
- Talent Marketplace
Skills Platform: Workday at the Center

Verification

- Extend
- Analytics
- Core HCM
- Learning
- Recruiting

Matching

- Benefits
- Payroll
- Assessment Data
- Absence
- Projects
- Planning
- Time Tracking

Insights

- Third-Party Skills Data
- Career Hub
- Compensation
- Scheduling
- Recruitment
- Learning
- Third-Party Skills Data

Strategic Integrations
Skills Cloud Momentum

2014
- Identified Acquisition

2015
- Skipflag Acquisition
- Skills Graph

2018
- Skills Cloud Launched
- Rallyteam Acquisition

2019
- Skills Verification
- Skills Search
- Skills Gaps
- Skills Inference
- Skills Suggestions
- Skills Sources
- Skills Endorsements

2020
- 685
- Skills Cloud Customers: ~1,000
- Skills on Workers: 2.2B

Today
- Skill Translations
- Suggested Skills / Jobs for Candidates
- People Experience
- Recommended Learning Based on Skills Interest
- Skills Match Analysis
- Talent Marketplace
- Skills Tag in Learning
- Career Hub
- Learning Experience
- Candidate Skills Match
- Critical Skills
- Skills Translations

2014-2020
oCHRO Strategic Focus Areas

- Leading Skills Movement
- Driving Employee Experience
- Enabling Workforce Agility
- Grow Globally
Peakon and Workday Powering Employee Experience

Voice of the Employee
Delivers the “why”
• Intelligent Listening Technology
• Predictive Employee Experience Insights
• Advanced NLP and Sentiment Analysis
Data-Driven Employee Experience and Engagement

Integration Layer

- Transactional Data
- Operational Data
- External Data
- Sentiment Data
oCHRO Strategic Focus Areas

Leading Skills Movement

Driving Employee Experience

Enabling Workforce Agility

Grow Globally
Frontline Worker Experience with Workday Scheduling

<table>
<thead>
<tr>
<th>Financial Services - Cashier</th>
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<tbody>
<tr>
<td>Unassigned Shifts</td>
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<tr>
<td>0 Hours</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Alex Regan</td>
</tr>
<tr>
<td>13.5 Hours</td>
</tr>
<tr>
<td>3:00 - 7:00 PM SF Store</td>
</tr>
<tr>
<td>12:00 - 4:00 PM SF Store</td>
</tr>
<tr>
<td>12:00 - 6:00 PM SF Store</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Ashley Klein</td>
</tr>
<tr>
<td>13.5 Hours</td>
</tr>
<tr>
<td>11:00 AM - 5:00 PM SF Store</td>
</tr>
<tr>
<td>9/28/2021, 8:00 PM SF Store</td>
</tr>
<tr>
<td>9/29/2021, 8:00 PM SF Store</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Denise Reeves</td>
</tr>
<tr>
<td>12 Hours</td>
</tr>
<tr>
<td>2:00 - 6:00 PM SF Store</td>
</tr>
<tr>
<td>2:00 - 6:00 PM SF Store</td>
</tr>
<tr>
<td>11:00 AM - 3:00 PM SF Store</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Dwayne Osborne</td>
</tr>
<tr>
<td>13.5 Hours</td>
</tr>
<tr>
<td>11:00 AM - 3:00 PM SF Store</td>
</tr>
<tr>
<td>8 AM - 5 PM Time Off</td>
</tr>
<tr>
<td>10/1/2021, 7:00 PM SF Store</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td>Emily Moran</td>
</tr>
<tr>
<td>4:00 - 11:00 PM SF Store</td>
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<td>9/28/2021, 8:00 PM SF Store</td>
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<td>9/29/2021, 9:00 PM SF Store</td>
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<td>9/30/2021, 8:00 PM SF Store</td>
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Productivity

- **Last Week**
  - Sales: $105,000.00
  - Labor Cost: $10,429.50
  - Ratio %: 10.12%
- **Target for this week**
  - Sales: $105,000.00
  - Labor Cost: $10,500.00
  - Ratio %: 10%

- **Hours**: 913
- **Sales per hour**: $115.00

Change My Schedule Preferences

- Position: P/11236 Associate
- Effective Date: 09/10/2021
- **Preferred Weekly Hours**: [ ]
- **Preferred Role**: [ ]
- **Preferred Location**: [ ]

Submit
oCHRO Strategic Focus Areas

Leading Skills Movement

Driving Employee Experience

Enabling Workforce Agility

Grow Globally
Global HCM Footprint

175 COUNTRIES

120 Payroll Partners

6 Native Payroll
### Revolutionizing Enterprise Software

**FY21**

- Workday Accounting Center
- Workday Strategic Sourcing
- Workday Help
- Talent Optimization
- Journeys
- Workday People Analytics
- Credentials
- Workforce Planning
- Workday Extend
- Enterprise Finance
- Solutions for CHRO
- Solutions for CFO
- Solutions for CIO
- Workday Talent Marketplace
- Career Hub
- Plan Anomaly Detection
- Success Plans
- My Shortcuts
- Maintain Non-English Custom Labels
- Inbound Email as an Innovation Service
- Frequently Used Related Actions
- Mini Conclusions
- Notification Designer as an Innovation Service

**FY22**

- Interview Reminders
- Workday Orchestrate
- Workday Success Plans
- Learning Recommendations Personalization
- Candidate Skills Match for Recruiters
- Expense Receipt Scanning
- Scheduling with Skills Integration
- Supplier Invoice Worktag Recommendation
- Customer Payment Matching
- Expense Protect
- UI Personalization Service
- Natural Workspaces
- Time and Scheduling Hub
- Strategic Sourcing Savings in Discovery Boards
- Discovery Boards for Pay Equity
- Supplier Invoice Automation
- Workday Accounting Center
- Workday Strategic Sourcing
- Workday Help
- Talent Optimization
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- Workday People Analytics
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**Mini Conclusions**

- Workday Extend
- Enterprise Finance
- Solutions for CHRO
- Solutions for CFO
- Solutions for CIO
- Workday Talent Marketplace
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**Notification Designer**

- Supplier Invoice Worktag Recommendation
- Customer Payment Matching
- Expense Protect
- UI Personalization Service
- Natural Workspaces
- Time and Scheduling Hub
- Strategic Sourcing Savings in Discovery Boards
- Discovery Boards for Pay Equity
- Supplier Invoice Automation
- Workday Accounting Center
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Revolutionizing Enterprise Software

- 10+ New SKUs
- 20+ Solutions
- 1,000s Enhancements

Anticipated developments and innovations to come
Doug Robinson
EVP, GLOBAL SALES
# Capitalizing On Our Expanding Opportunity

## At IPO
- 325+ Core Customers
- Focused on New Logos
- Core HCM Was Only Landing Point
- Sales Coverage Focused on U.S.
- Horizontal Go-to-Market
- SKU Selling

## Today
- 3,800+ Core Customers / 9,000+ Total Customers
- Focused on Both New Logos and Installed Base
- Multiple Landing Points Across oCHRO and oCFO
- Global Sales Coverage
- Industry Specialization
- Solution Selling
Capitalizing On Our Expanding Opportunity

Our Accelerating Expand Opportunity

Our Broadening oCFO Opportunity

Our Enduring oCHRO Opportunity
Installed Base Provides Solid Ground for Growth

3,800+ Core Customers
5,700+ Planning Customers
50%+ Fortune 500
24% Global 2000
97% Customer Satisfaction
An Expanding Portfolio Targeting Our Key Buyers

$10B+
Opportunity Within Our Customer Base

Add-On Solutions

1x
Core HCM

2x
Core HCM
Core FIN

>8x
Core HCM
Core FIN

Represents subset of all available add-ons (excluding industry solutions)\(^1\)

\(^1\) Add-on solutions include Workday Accounting Center, Expenses, Extend, Financial Planning, Help/Journeys, Learning, Operational Planning, Payroll, Peakon, People Analytics, Prism Analytics, Procurement, Recruiting, Sales Planning, Strategic Sourcing, Talent Optimization, Time Tracking, and Workforce Planning.
Combined with Significant Go-to-Market Investments

70%+

Growth in Customer Base Sales Reps Over the Last Two Years

Represents growth over the two-year period ended 7.31.21
Driving a More Balanced Mix of New ACV Bookings

- Approximately 20% Expand
- Approximately 80% Land

FY20
Driving a More Balanced Mix of New ACV Bookings

~40% Expand

~60% Land

Trailing 12 Months
7.31.21
Different Solutions at Different Maturity Curves

Product Attach Rates

- Recruiting ('14): 73%
- Time Tracking ('12): 65%
- Payroll ('08): 62%
- Learning ('16): 45%
- Expenses ('08): 35%
- Financial Planning ('18): 30%
- Procurement ('08): 26%
- Talent Optimization ('20): 23%
- Prism Analytics ('18): 20%
- Workforce Planning ('20): <10%
- People Analytics ('19): <10%
- Strategic Sourcing ('20): <10%
- Help/Journeys ('20): <10%
- Extend ('20): <10%
- Peakon ('21): <10%
- Accounting Center ('20): <10%

Attach rates based on "core" HCM and/or FINS customers as of 7.31.21.
Installed Base Is Important Core HCM/FINS Opportunity

#1 Largest Pipeline Opportunity Within Installed Base
Investing to Capitalize on Our Installed Base Opportunity

- Increasing Sales Capacity
- Accelerating Account-Base Marketing Efforts
- Investing in Customer Success
Capitalizing On Our Expanding Opportunity

Our Accelerating Expand Opportunity

Our Broadening oCFO Opportunity

Our Enduring oCHRO Opportunity
Our Expanding Portfolio Targeting the oCFO

>3x\(^1\)

FINS+ Add-on Opportunity Relative to Core FINS

1x

Core FIN

>3x

Accounting Center
Extend
Planning
Strategic Sourcing
Procurement
Expenses
Prism

>4x

Other CFO Products

>2x

Healthcare Supply Chain
PSA
Student
Accounting Center
Extend
Planning
Strategic Sourcing
Procurement
Expenses
Prism

>6x

Industry Solutions

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\(^1\) Excludes Industry Solutions
Finance Transformation Is Expected to Accelerate

Through 2024, 60% of organizations will consolidate Cloud Core Financial Management with financial planning and analysis (FP&A) capabilities within the same vendor stack/platform.

In 2023, 30% of core financial projects that were slated for 2024 and 2025 will be undertaken sooner to improve financials during periods of economic recovery.

Inquiry levels for 2021 are up, showing that this market is resilient, as many organizations seek to move to more modern solutions from their legacy and outdated on-premises, license-based solutions.

Gartner® Magic Quadrant™ for Cloud Core Financial Management Suites for Midsize, Large and Global Enterprises, John Van Decker, Greg Leiter, Robert Anderson, 10 May 2021

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# Winning in Industry

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<td>BDO, alight., Crowe, acxiom, H&amp;R Block</td>
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<td>E&amp;G</td>
<td>The Ohio State University, Denver (Mile High City), University of Florida, LSU</td>
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<tr>
<td>Retail and Hospitality</td>
<td>CINEMARK, Shake Shack, Panera, new balance, LIFE TIME</td>
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<td>Technology and Media</td>
<td>NETFLIX, salesforce, airbnb, unity, snowflake, slack</td>
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60% of Deals Full Platform HR + FINS + Supply Chain
## Winning in Industry

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<th>Healthcare</th>
<th>BON SECOURS MERCY HEALTH</th>
<th>AdvocateAuroraHealth</th>
<th>Beth Israel Lahey Health</th>
<th>Beth Israel Deaconess Medical Center</th>
<th>VANDERBILT UNIVERSITY MEDICAL CENTER</th>
<th>St. Jude Children’s Research Hospital</th>
</tr>
</thead>
<tbody>
<tr>
<td>Professional Services</td>
<td><strong>BDO</strong></td>
<td><strong>alight</strong></td>
<td><strong>Crowe</strong></td>
<td><strong>acxiom</strong></td>
<td><strong>H&amp;R BLOCK</strong></td>
<td></td>
</tr>
<tr>
<td>Financial Services</td>
<td>AON</td>
<td><strong>FIFTH THIRD BANK</strong></td>
<td><strong>AMERICAN FAMILY INSURANCE</strong></td>
<td>CUSHMAN &amp; WAKEFIELD</td>
<td>FRANKLIN TEMPLETON</td>
<td></td>
</tr>
<tr>
<td>E&amp;G</td>
<td>The Ohio State University</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Retail and Hospitality</td>
<td>CINEMARK</td>
<td>SHARE</td>
<td>SPACK</td>
<td>Panera</td>
<td>new balance</td>
<td>LIFE TIME</td>
</tr>
<tr>
<td>Technology and Media</td>
<td>NETFLIX</td>
<td>salesforce</td>
<td>airbnb</td>
<td>unity</td>
<td>snowflake</td>
<td>slack</td>
</tr>
</tbody>
</table>

**40%**

FINS Attach Rate to Net New Deals
## Winning in Industry

<table>
<thead>
<tr>
<th>Industry</th>
<th>Companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>Healthcare</td>
<td>BON SECOUS MERCY HEALTH, AdvocateAuroraHealth, Beth Israel Lahey Health, Beth Israel Deaconess Medical Center, VANDERBILT UNIVERSITY MEDICAL CENTER, St. Jude Children’s Research Hospital</td>
</tr>
<tr>
<td>Professional Services</td>
<td>BDO, alight, Crowe, acxiom, H&amp;R BLOCK</td>
</tr>
<tr>
<td>Financial Services</td>
<td>AON, Fifth Third Bank, AMERICAN FAMILY INSURANCE, CUSHMAN &amp; WAKEFIELD, FRANKLIN TEMPLETON</td>
</tr>
<tr>
<td>E&amp;G</td>
<td>The Ohio State University, DENVER</td>
</tr>
<tr>
<td>Retail and Hospitality</td>
<td>CINEMARK, SHAKES SACK, LIFE TIME, HEALTHY WAY OF LIFE</td>
</tr>
<tr>
<td>Technology and Media</td>
<td>NETWORK, AYN, new balance</td>
</tr>
</tbody>
</table>
### Winning in Industry

<table>
<thead>
<tr>
<th>Industry</th>
<th>Logos</th>
</tr>
</thead>
<tbody>
<tr>
<td>Healthcare</td>
<td>Bon Secours Mercy Health</td>
</tr>
<tr>
<td>Professional</td>
<td>BDO, Alight, Crowe</td>
</tr>
<tr>
<td>Services</td>
<td>Aon, Envision Health, PNC Bank, Cushman &amp; Wakefield, Franklin Templeton</td>
</tr>
<tr>
<td>Financial</td>
<td>Finisar, Forrester, eBay, PayPal, Panera, New Balance</td>
</tr>
<tr>
<td>Services</td>
<td>Netflix, Salesforce, Airbnb, Unity, Snowflake, Slack</td>
</tr>
<tr>
<td>Retail and</td>
<td>Cinemark, Shake Shack, Panera, Life Time</td>
</tr>
<tr>
<td>Hospitality</td>
<td>The Ohio State University, Denver, LSU</td>
</tr>
<tr>
<td>Technology and</td>
<td>Netflix, Salesforce, Airbnb, Unity, Snowflake, Slack</td>
</tr>
<tr>
<td>Media</td>
<td>The Ohio State University, Denver, LSU</td>
</tr>
</tbody>
</table>
Opening a Massive Ecosystem Opportunity

14,000+ Certified Workday Resources in Our Ecosystem

Workday Extend is Quickly Ramping: 2,000+ Developers And 250+ Live Apps

Enabling Co-innovation Allows Us to Engage Partners More Strategically
Opening New Engagement Paths with oCFO

- Workday Adaptive Planning
- Enterprise Finance
- Federal
- Workday Strategic Sourcing
Opening New Engagement Paths with oCFO

Workday Adaptive Planning

~ 20 Percentage Point Increase in Win Rates for Core HR/FINS When We Land First With Planning
Opening New Engagement Paths with oCFO

- **Workday Adaptive Planning**
- **Enterprise Finance**
- **Federal**
- **Workday Strategic Sourcing**
Investing to Capitalize on Our oCFO Opportunity

- Increasing Sales Rep Capacity
- Brand Investments Targeted at oCFO
- Focused Partner Investments
Capitalizing On Our Expanding Opportunity

Our Accelerating Expand Opportunity

Our Broadening oCFO Opportunity

Our Enduring oCHRO Opportunity
Our Expanding Portfolio Targeting the oCHRO

>60% Of New HCM ACV\(^1\) From Outside Of Core HCM

\(^1\) For the trailing 12 months ended 7.31.21
Plenty of HCM Runway in Large and Medium Enterprise

Large Enterprise

<25% Global 2000 Penetration

Medium Enterprise

~10% Midmarket Customer Penetration

As of 7.31.21
Our Biggest Market Still Has Room to Run

United States

<15% HCM $ PENETRATED
~50% OF GLOBAL HCM TAM

IDC and Workday estimates
International Is an Important HCM Growth Driver

- ~5% HCM $ PENETRATED
- ~50% OF GLOBAL HCM TAM

IDC and Workday estimates
United Kingdom

Market Leaders with 30%+ of the FTSE 100

600+ Customers and Approaching 100 FINS

Native UK Payroll

Investing Across ME and Customer Base Sales
International Is an Important HCM Growth Driver

France

Approaching 25% of CAC40 as Customers

Native Payroll for France

Investing Across Brand, Product Market Fit, and Sales Capacity
International Is an Important HCM Growth Driver

Germany

35% of DAX40 are Customers

Native Payroll Investment

Significant Go-to-Market and Brand Investments
International Is an Important HCM Growth Driver

Australia

Increasing Investments in Our Land Sales Teams

Native Payroll Investment

Public Sector Opportunity

Qantas

Commonwealth Bank

Macquarie University

AGL
International Is an Important HCM Growth Driver

Japan

Doubling Our Field Sales Force

Launched Our ME Business

Reseller Relationship with IBM and Hitachi Solutions
Opening New Engagement Paths with oCHRO
Opening New Engagement Paths with oCHRO

Federal

Opening up $2B+ HCM/FINS TAM

Peakon
Investing to Capitalize on Our oCHRO Opportunity

- Increasing Global Rep Capacity
- Accelerating International Marketing/Brand Investments
- Opening Up the Federal Market
Expanding Customer Share of Wallet Is a Significant Growth Driver

Our Broadening Finance Footprint Is Winning in the Market

Positioned to Dominate the HCM Market
The Path to $10 Billion

Multiple Growth Vectors

Importance of Retention

Compelling Business Model
Our Innovation Expands Our Opportunity

$88B

Addressable Opportunity

2019

IDC and Workday Estimates
Our Innovation Expands Our Opportunity

$105B+
Addressable Opportunity

Current

- Financial Management
- Human Capital Management
- Payroll and Workforce Management
- Talent Management
- Planning
- Analytics and Reporting
- Industry Solutions
- Spend Management
- Employee Experience
- Platform
- Accounting Center

IDC and Workday Estimates
Across Both New Landing Opportunities...

~11%

Penetration into Our Addressable Customers

Based on Core Customer Count as of 7.31.21
And Expanding Within Our Installed Base...

$10B+

Addressable Installed Base Opportunity
HCM and FINS+ Both Important Growth Drivers

HCM Subscription Revenue

- 
  - Trailing 12 Months
  - Ended Q2’21: $2.7B (16% Growth)
  - Trailing 12 Months
  - Ended Q2’22: $3.2B

FINS+ Subscription Revenue

- 
  - Trailing 12 Months
  - Ended Q2’21: $0.7B (33% Growth)
  - Trailing 12 Months
  - Ended Q2’22: $1.0B

1 HCM includes Workday Human Capital Management, Recruiting, Time Tracking, Payroll, Learning, Talent Optimization, Workforce Planning, People Analytics, Peakon, Help/Journeys, and Other.

2 FINS+ includes Workday Financial Management, Financial Planning, Spend Management, Prism Analytics, Industry Solutions, Extend, and Other.
HCM Provides Significant Runway

~$38B HCM Market Opportunity

<10% Penetration

Key Growth Vectors/Investment Areas

- International
- Expanding Share of Wallet
- U.S. Federal
- Future Innovation
- Medium Enterprise
- M&A

IDC and Workday estimates. Includes core HCM, Payroll, Talent Management, Time Tracking, Scheduling, Workforce Analytics, Workforce Planning, and Employee Experience.
Unlocking a Massive FINS+ Opportunity

~$67B FINS+ Market Opportunity

<5% Penetration

Key Growth Vectors/Investment Areas

- New Landing Points
- Expanding into Our HCM Base
- Deepening Our Industry Presence
- Future Innovation
- Medium Enterprise
- M&A

The Opportunity Is Global

U.S. Subscription Revenue

- Trailing 12 Months Ended Q2'21: $2.6B
- Trailing 12 Months Ended Q2'22: $3.1B
- Growth: 18%

International Subscription Revenue

- Trailing 12 Months Ended Q2'21: $0.8B
- Trailing 12 Months Ended Q2'22: $1.0B
- Growth: 22%
U.S. Still Has Lots of Room to Run

~$53B Market Opportunity

<10% Penetration

Key Growth Vectors/Investment Areas

- Large Enterprise/ Fortune 500
- Expanding Share of Wallet
- Medium Enterprise
- Industry/U.S. Federal
- Future Innovation
- M&A

IDC and Workday Estimates
International Markets Are Even Faster Growth

~$52B Market Opportunity

<5% Penetration

Key Growth Vectors/Investment Areas

- Large Enterprise / Global 2000
- Medium Enterprise
- M&A
- Deepening Our Industry Presence
- Expanding Share of Wallet
- Future Innovation

IDC and Workday Estimates
The Path to $10 Billion

- Multiple Growth Vectors
- Importance of Retention
- Compelling Business Model
Durable Retention Highlights Our Strategic Nature

95%+

Gross Revenue Retention Rate

Defined as ARR of our customer base as of 7.31.21 divided by ARR from the same cohort as of 7.31.20 before upsells and excluding seat contraction/expansion and pricing increases.
And is Best-in-Class in Enterprise Software

98%

Average Gross Revenue Retention Rate

Average gross revenue retention over the last 20 quarters.
Fueling Strong Growth in Our Strategic Relationships

$3M+ ACV Customers

<table>
<thead>
<tr>
<th>Year</th>
<th>$3M+ ACV Customers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2 '19</td>
<td>121</td>
</tr>
<tr>
<td>Q2 '20</td>
<td>28% CAGR</td>
</tr>
<tr>
<td>Q2 '21</td>
<td>256</td>
</tr>
</tbody>
</table>
The Path to $10 Billion

Multiple Growth Vectors

Importance of Retention

Compelling Business Model
Targeting Sustained 20%+ Subscription Revenue Growth
HCM and FINS+ Sustaining Healthy Growth

FINS+ Subscription Revenue
HCM Subscription Revenue

Driving FINS+ Subscription Growth of ~30%

Sustaining High-Teens Subscription Growth in HCM

1 FINS+ includes Workday Financial Management, Financial Planning, Spend Management, Prism Analytics, Industry Solutions, Extend, and Other.
2 Represents estimated subscription revenue mix at $10B in total revenue.
Significant Growth Opportunities Globally

International Subscription Revenue
U.S. Subscription Revenue

Accelerating International Subscription Growth to ~30%
Sustaining High-Teens Subscription Growth in U.S.

FY20
- ~23% mix
- ~77% mix

FY22E
- ~24% mix
- ~76% mix

At $10B
- ~30% mix
- ~70% mix

1 Represents estimated subscription revenue mix at $10B in total revenue.
Margin Expansion Highlights the Power of Our Model

Non-GAAP Operating Margin

Margins Have More Than Doubled Over the Last Three Years
Outpacing Normal Efficiencies that Come with Scale

Non-GAAP Operating Margin
Normalized Margin Progression

- More Measured Hiring Levels in FY21
- COVID-related Cost-savings

<table>
<thead>
<tr>
<th>Year</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22E</th>
</tr>
</thead>
<tbody>
<tr>
<td>Margin</td>
<td>10%</td>
<td>21%</td>
<td>21%</td>
<td>21%</td>
</tr>
</tbody>
</table>
Investing For Long-Term Growth

Non-GAAP Operating Margin
Normalized Margin Progression

<table>
<thead>
<tr>
<th></th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22E</th>
<th>FY23E</th>
</tr>
</thead>
<tbody>
<tr>
<td>10%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>18%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>21%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

- Increased Investments in Top Line Growth
- COVID-related Cost-savings Phase Back Into the Model
- Rollout of Cash Performance Bonus Program
And Targeting 25% Margins at $10B

Non-GAAP Operating Margin

<table>
<thead>
<tr>
<th>FY</th>
<th>10%</th>
<th>FY20</th>
<th>FY21</th>
<th>FY22E</th>
<th>FY23E</th>
<th>At $10B</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY19</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY20</td>
<td>10%</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY21</td>
<td>10%</td>
<td>10%</td>
<td>21%</td>
<td>~18%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>FY22E</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>25%</td>
<td></td>
</tr>
<tr>
<td>FY23E</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>
## Targeted Non-GAAP Margins at $10 Billion

<table>
<thead>
<tr>
<th>Line Items</th>
<th>Targeted Margins</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gross Margins</td>
<td>~80%</td>
</tr>
<tr>
<td>R&amp;D/Revenue</td>
<td>~22%</td>
</tr>
<tr>
<td>S&amp;M/Revenue</td>
<td>~27%</td>
</tr>
<tr>
<td>G&amp;A/Revenue</td>
<td>~6%</td>
</tr>
<tr>
<td>Operating Margin</td>
<td>~25%</td>
</tr>
<tr>
<td>Operating Cash Flow Margin</td>
<td>~35%</td>
</tr>
</tbody>
</table>
Key Takeaways

- Innovating for the Future
- Capitalizing on Our Expanding Opportunity
- Compelling Business Model
- Significant Runway Beyond $10B
Appendix
## Operating Margin
**GAAP to Non-GAAP Reconciliation**

<table>
<thead>
<tr>
<th>(in $ thousands)</th>
<th>FY19</th>
<th>FY20</th>
<th>FY21</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>2,822,180</td>
<td>3,627,206</td>
<td>4,317,996</td>
</tr>
<tr>
<td><strong>Operating Income (Loss)</strong></td>
<td>(463,284)</td>
<td>(502,230)</td>
<td>(248,599)</td>
</tr>
<tr>
<td><strong>Operating Margin %</strong></td>
<td>(16%)</td>
<td>(14%)</td>
<td>(6%)</td>
</tr>
<tr>
<td><strong>Non-GAAP Adjustments</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Share-Based Compensation</strong></td>
<td>673,418</td>
<td>859,880</td>
<td>1,004,854</td>
</tr>
<tr>
<td><strong>Other (1)</strong></td>
<td>81,123</td>
<td>126,816</td>
<td>110,986</td>
</tr>
<tr>
<td><strong>Operating Income (Loss) (Non-GAAP)</strong></td>
<td>291,257</td>
<td>484,466</td>
<td>867,241</td>
</tr>
<tr>
<td><strong>Operating Margin % (Non-GAAP)</strong></td>
<td>10%</td>
<td>13%</td>
<td>20%</td>
</tr>
</tbody>
</table>

1 Includes employer payroll tax-related items on employee stock transactions and amortization of acquisition-related intangible assets
Thank You