DigitalOcean Holdings, Inc.
101 6th Avenue
New York, New York 10013

NOTICE OF ANNUAL MEETING OF STOCKHOLDERS
To Be Held On June 6, 2023

To the Stockholders of DigitalOcean Holdings, Inc.:

On behalf of our Board of Directors, you are cordially invited to attend the Annual Meeting of Stockholders (the "Annual Meeting") of DigitalOcean Holdings, Inc., a Delaware corporation. The Annual Meeting will be held on June 6, 2023 at 12:00 p.m. Eastern time. The Annual Meeting will be held virtually through a live webcast at *www.virtualshareholdermeeting.com/DOCN2023*. We believe hosting a virtual meeting enables participation by more of our stockholders, while lowering the cost of conducting the meeting. You will not be able to attend the meeting in person. Stockholders attending the virtual meeting will be afforded the same rights and opportunities to participate as they would at an in-person meeting. We encourage you to attend online and participate.

The meeting will be held for the following purposes:

1. To elect three Class II directors, Warren Adelman, Pueo Keffer and Hilary Schneider, each to hold office until the Annual Meeting of Stockholders in 2026;
2. To ratify the selection by the Audit Committee of the Board of Directors of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2023;
3. To approve, on an advisory basis, the compensation of our named executive officers, as disclosed in this Proxy Statement;
4. To approve, on an advisory basis, the preferred frequency of future stockholder advisory votes on the compensation of our named executive officers; and
5. To conduct any other business properly brought before the meeting.

These items of business are more fully described in the Proxy Statement accompanying this Notice.

The record date for the Annual Meeting is April 14, 2023. Only stockholders at the close of business on that date may vote at the meeting or any adjournment thereof.

By Order of the Board of Directors

Alan Shapiro
General Counsel and Secretary
April 20, 2023

Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to be Held at 12:00 p.m. Eastern time on June 6, 2023 at *www.virtualshareholdermeeting.com/DOCN2023.*

The Proxy Statement and Annual Report are available at *www.proxyvote.com.*

You are cordially invited to attend the meeting online. Whether or not you expect to attend the meeting, please complete, sign and date your proxy or vote over the telephone or the Internet as instructed in these materials as promptly as possible in order to ensure your representation at the meeting. Even if you have voted by proxy, you may still vote online if you attend the meeting. Please note, however, that if your shares are held of record by a broker, bank or other agent and you wish to vote at the meeting, you must follow the instructions from your broker, bank or other agent, including any requirement to obtain a valid legal proxy.

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101 6^{th} Avenue
New York, New York 10013

PROXY STATEMENT
FOR THE 2023 ANNUAL MEETING OF STOCKHOLDERS
To Be Held On June 6, 2023

Our Board of Directors (the ''Board'') is soliciting your proxy to vote at the 2023 Annual Meeting of Stockholders (the ''Annual Meeting'') of DigitalOcean Holdings, Inc., a Delaware corporation, to be held virtually, via live webcast at *www.virtualshareholdermeeting.com/DOCN2023*, on June 6, 2023 at 12:00 p.m. Eastern time, and any adjournment or postponement thereof. We believe hosting a virtual meeting enables participation by more of our stockholders, while lowering the cost of conducting the meeting. Stockholders attending the virtual meeting will be afforded the same rights and opportunities to participate as they would at an in-person meeting.

For the Annual Meeting, we have elected to furnish our proxy materials, including this Proxy Statement and our Annual Report on Form 10-K for the fiscal year ended December 31, 2022 (the ''Annual Report''), to our stockholders primarily via the Internet. On or about April 20, 2023, we expect to distribute the proxy materials and mail to our stockholders a Notice of Internet Availability of Proxy Materials (the ''Notice'') that contains notice of the Annual Meeting and instructions on how to access our proxy materials on the Internet, how to vote at the Annual Meeting, and how to request printed copies of the proxy materials. Stockholders may request to receive all future materials in printed form by mail or by email by following the instructions contained in the Notice. A stockholder's election to receive proxy materials by mail or email will remain in effect until revoked. We encourage stockholders to take advantage of the availability of the proxy materials on the Internet to help reduce the environmental impact and cost of our Annual Meeting.

Only stockholders at the close of business on April 14, 2023 (the ''Record Date'') will be entitled to vote at the Annual Meeting. On the Record Date, there were 89,040,468 shares of common stock outstanding and entitled to vote. Each holder of common stock will have the right to one vote per share of common stock. For instructions on how to attend the Annual Meeting, please see the instructions at *www.virtualshareholdermeeting.com/DOCN2023* and in this Proxy Statement.

In this Proxy Statement, we refer to DigitalOcean Holdings, Inc. as ''the Company,'' ''DigitalOcean,'' ''we'' or ''us.'' The Annual Report, which contains consolidated financial statements as of and for the fiscal year ended December 31, 2022, accompanies this Proxy Statement. You also may obtain a copy of the Annual Report without charge by writing to the Company's Corporate Secretary at DigitalOcean Holdings, Inc., 101 6th Avenue, New York, New York 10013 or by emailing *investors@digitalocean.com*.

QUESTIONS AND ANSWERS ABOUT THESE PROXY MATERIALS AND VOTING

Why did I receive a notice regarding the availability of proxy materials on the Internet?

Pursuant to rules adopted by the Securities and Exchange Commission (the ‘‘SEC’’), we have elected to provide access to our proxy materials over the Internet. Accordingly, we have sent our stockholders the Notice because the Board is soliciting your proxy to vote at the Annual Meeting, including at any adjournments or postponements of the meeting. All stockholders who received a Notice will have the ability to access the proxy materials on the website referred to in the Notice or request to receive a printed set of the proxy materials. Instructions on how to access the proxy materials over the Internet or to request a printed copy may be found in the Notice.

We provided some of our stockholders, including stockholders who have previously requested to receive paper copies of the proxy materials, with paper copies of the proxy materials instead of the Notice. If you received paper copies of the proxy materials, we encourage you to help us save money and reduce the environmental impact of delivering paper proxy materials to stockholders by signing up to receive all of your future proxy materials electronically.

We intend to mail the Notice on or about April 20, 2023 to all stockholders entitled to vote at the Annual Meeting.

Will I receive any other proxy materials by mail?

We may send you a proxy card, along with a second Notice, on or after May 1, 2023.

How do I attend, participate in and ask questions during the Annual Meeting?

The Annual Meeting will be held through a live webcast at *www.virtualshareholdermeeting.com/DOCN2023*. You will not be able to attend the Annual Meeting in person. If you attend the Annual Meeting online, you will be able to vote and submit questions at *www.virtualshareholdermeeting.com/DOCN2023*.

You may attend, vote and ask questions at the Annual Meeting by following the instructions provided on the Notice. If you are a stockholder of record, you will be asked to provide the control number from your Notice. If you are a beneficial owner of shares registered in the name of your broker, bank or other agent, follow the instructions from your broker, bank or other agent. We encourage you to access the Annual Meeting before it begins. You may log in beginning at 11:45 a.m. Eastern time on June 6, 2023.

Only stockholders as of the Record Date and their proxyholders may submit questions or comments. If you would like to submit a question during the Annual Meeting, you may log in at *www.virtualshareholdermeeting.com/DOCN2023* using your control number, type your question into the ‘‘Ask a Question’’ field, and click ‘‘Submit.’’

To help ensure that we have a productive and efficient meeting, and in fairness to all stockholders in attendance, you will also find posted our rules of conduct for the meeting when you log in prior to its start. We will answer as many questions submitted in accordance with the meeting rules of conduct as possible in the time allotted for the meeting. Only questions that are relevant to an agenda item to be voted on by stockholders will be answered.

What if I have technical difficulties or trouble accessing the Annual Meeting?

We will have technicians ready to assist you with any technical difficulties you may have accessing the virtual meeting. If you encounter any difficulties accessing the virtual meeting during the check-in or meeting time, please call the technical support number that will be posted at *www.virtualshareholdermeeting.com/DOCN2023* or at *www.proxyvote.com*. Technical support will be available starting at 11:45 a.m. Eastern time on June 6, 2023.

Who can vote at the Annual Meeting?

Only stockholders at the close of business on April 14, 2023 will be entitled to vote at the Annual Meeting. On the Record Date, there were 89,040,468 shares of common stock outstanding and entitled to vote.

Stockholder of Record: Shares Registered in Your Name

If, on April 14, 2023, your shares were registered directly in your name with our transfer agent, American Stock Transfer & Trust Company, LLC, then you are a stockholder of record. As a stockholder of record, you may vote online at the meeting or vote by proxy. Whether or not you plan to attend the meeting, we urge you to vote by proxy through the Internet or over the telephone or vote by proxy using a proxy card that you may request or that we may elect to deliver at a later time to ensure your vote is counted.

Beneficial Owner: Shares Registered in the Name of a Broker or Bank

If, on April 14, 2023, your shares were held, not in your name, but rather in an account at a brokerage firm, bank or other similar organization, then you are the beneficial owner of shares held in "street name" and the Notice is being forwarded to you by that organization. The organization holding your account is considered to be the stockholder of record for purposes of voting at the Annual Meeting. As a beneficial owner, you have the right to direct your broker, bank or other agent regarding how to vote the shares in your account. You must follow the instructions provided by your broker, bank or other agent for your broker, bank or other agent to vote your shares per your instructions.

What am I voting on?

There are four matters scheduled for a vote:

- Election of three Class II directors, Warren Adelman, Pueo Keffer and Hilary Schneider, each to hold office until our 2026 Annual Meeting of Stockholders (Proposal 1);
- Ratification of the selection by the Audit Committee of the Board (the "Audit Committee") of PricewaterhouseCoopers LLP as the independent registered public accounting firm of the Company for its fiscal year ending December 31, 2023 (Proposal 2);
- Approval, on a non-binding advisory basis, of the compensation of our named executive officers, as disclosed in this Proxy Statement (Proposal 3); and
- Approval, on a non-binding advisory basis, of the frequency of future non-binding advisory votes to approve the compensation of our named executive officers (Proposal 4).

What if another matter is properly brought before the meeting?

The Board knows of no other matters that will be presented for consideration at the Annual Meeting. If any other matters are properly brought before the meeting, it is the intention of the persons named in the accompanying proxy to vote on those matters in accordance with their best judgment.

How do I vote?

You may either vote "For" all the nominees to the Board or you may "Withhold" your vote for any nominee you specify. For the ratification of selection of our independent registered public accounting firm and the non-binding advisory approval of the compensation of our named executive officers, as disclosed in this Proxy Statement in accordance with SEC rules, you may vote "For" or "Against" or abstain from voting. For the non-binding advisory approval of the preferred frequency of future non-binding advisory votes on the compensation of our named executive officers, you may vote for "One Year," "Two Years," or "Three Years" or abstain from voting.

The procedures for voting are fairly simple:

Stockholder of Record: Shares Registered in Your Name

If you are a stockholder of record, you may vote online at the meeting, vote by proxy over the telephone, vote by proxy through the Internet or vote by proxy using a proxy card that you may request or that we may elect to deliver at a later time. Whether or not you plan to attend the meeting, we urge you to vote by proxy to ensure your vote is counted. You may still attend the meeting and vote at the meeting even if you have already voted by proxy. In such case, your previously submitted proxy will be disregarded.

- To vote during the Annual Meeting, follow the instructions at *www.virtualshareholdermeeting.com/DOCN2023.* You will need to enter the 16-digit control number from the Notice.
- To vote using the printed proxy card that may be delivered to you, simply complete, sign and date the proxy card and return it promptly in the envelope provided.
- To vote over the telephone, dial toll-free 1-800-690-6903 using a touch-tone phone and follow the recorded instructions. You will be asked to provide the company number and control number from the Notice.

- To vote through the Internet prior to the meeting, go to *www.proxyvote.com* and follow the instructions to submit your vote on an electronic proxy card. You will be asked to provide the company number and control number from the Notice.

If we receive your vote by proxy card, telephone or Internet by 11:59 p.m. Eastern time on June 5, 2023, we will vote your shares as you direct.

Beneficial Owner: Shares Registered in the Name of Broker or Bank

If you are a beneficial owner of shares registered in the name of your broker, bank or other agent, you should have received a Notice containing voting instructions from that organization rather than from the Company. To vote prior to the meeting, simply follow the voting instructions in the Notice to ensure that your vote is counted.

Internet proxy voting will be provided to allow you to vote your shares online, with procedures designed to ensure the authenticity and correctness of your proxy vote instructions. However, please be aware that you must bear any costs associated with your Internet access, such as usage charges from Internet access providers and telephone companies.

How many votes do I have?

On each matter to be voted upon, you have one vote for each share of common stock you own as of April 14, 2023.

What does it mean if I receive more than one Notice?

If you receive more than one Notice, your shares may be registered in more than one name or in different accounts. Please follow the voting instructions on the Notices to ensure that all of your shares are voted.

Can I change my vote after submitting my proxy?

Stockholder of Record: Shares Registered in Your Name

Yes. You can revoke your proxy at any time before the final vote at the meeting. If you are the record holder of your shares, you may revoke your proxy in any one of the following ways:

- You may submit another properly completed proxy card with a later date.
- You may grant a subsequent proxy by telephone or through the Internet.
- You may send a timely written notice that you are revoking your proxy to our Corporate Secretary at DigitalOcean Holdings, Inc., 101 6th Avenue, New York, New York 10013 or by emailing *investors@digitalocean.com*.
- You may attend the Annual Meeting and vote online. Simply attending the meeting will not, by itself, revoke your proxy.

Your most current proxy card, proxy by telephone or Internet proxy is the one that is counted.

Beneficial Owner: Shares Registered in the Name of Broker or Bank

If your shares are held by your broker, bank or other agent, you should follow the instructions provided by your broker, bank or other agent.

If I am a stockholder of record and I do not vote, or if I return a proxy card or otherwise vote without giving specific voting instructions, what happens?

If you are a stockholder of record and do not vote by completing your proxy card, by telephone, through the Internet or online at the Annual Meeting, your shares will not be voted.

If you return a signed and dated proxy card or otherwise vote without marking voting selections, your shares will be voted, as applicable, "FOR" the election of each of the three nominees for director; "FOR" the ratification of the selection by the Audit Committee of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2023; "FOR" the approval of the compensation of our named executive officers; and for ‘‘ONE YEAR’’ as the preferred frequency of future advisory votes to approve the compensation of our named executive officers. If any other matter is properly presented at the meeting, your proxyholder (one of the individuals named on your proxy card) will vote your shares using such proxyholder's best judgment.

If I am a beneficial owner of shares held in street name and I do not provide my broker or bank with voting instructions, what happens?

If you are a beneficial owner of shares held in street name and you do not instruct your broker, bank or other agent how to vote your shares, your broker, bank or other agent may still be able to vote your shares in its discretion. Under the rules of the New York Stock Exchange (‘‘NYSE’’), brokers, banks and other securities intermediaries that are subject to NYSE rules may use their discretion to vote your ‘‘uninstructed’’ shares with respect to matters considered to be ‘‘routine’’ under NYSE rules, but not with respect to ‘‘non-routine’’ matters. Under applicable rules and interpretations, ‘‘non-routine’’ matters are matters that may substantially affect the rights or privileges of stockholders, such as mergers, stockholder proposals, elections of directors (even if not contested), executive compensation, and certain corporate governance proposals, even if supported by management. The election of directors (Proposal 1), ‘‘say-on-pay’’ (Proposal 3) and the frequency of future ‘‘say-on-pay’’ votes (Proposal 4) are each ‘‘non-routine’’ matters, meaning that your broker or bank may not vote your shares on these proposals in the absence of your voting instructions. However, the ratification of the selection of our independent registered public accounting firm (Proposal 2) is considered to be a ‘‘routine’’ matter, meaning that if you do not return voting instructions to your broker by its deadline, your shares may be voted by your broker or bank in its discretion on Proposal 2. We encourage you to provide voting instructions to your bank, broker or other agent. This ensures that your shares will be voted at the Annual Meeting according to your instructions.

If you are a beneficial owner of shares held in street name, in order to ensure your shares are voted in the way you would prefer, you must provide voting instructions to your broker, bank or other agent by the deadline provided in the materials you receive from your broker, bank or other agent.

What are “broker non-votes”?

As discussed above, broker non-votes occur when your broker submits a proxy for the meeting with respect to ‘‘routine’’ matters but does not vote on ‘‘non-routine’’ matters because you did not provide voting instructions on those matters. Proposals 1, 3 and 4 are considered to be ‘‘non-routine’’ under NYSE rules and we therefore expect broker non-votes to exist only in connection with these proposals.

As a reminder, if you are a beneficial owner of shares held in street name, in order to ensure your shares are voted in the way you would prefer, you must provide voting instructions to your broker, bank or other agent by the deadline provided in the materials you receive from your broker, bank or other agent.

How are votes counted?

Votes will be counted by the inspector of election appointed for the Annual Meeting, who will separately count (i) for the proposal to elect directors (Proposal 1), votes ‘‘FOR,’’ ‘‘WITHHOLD’’ and broker non-votes; (ii) with respect to Proposal 2, votes ‘‘FOR’’ and ‘‘AGAINST’’ and abstentions; (iii) with respect to Proposal 3, votes ‘‘FOR’’ and ‘‘AGAINST,’’ abstentions and broker non-votes; and (iv) with respect to Proposal 4, votes for ‘‘ONE YEAR,’’ ‘‘TWO YEARS’’ and ‘‘THREE YEARS,’’ abstentions and broker-non-votes. A withhold vote will have no effect on Proposal 1. Abstentions will not be counted towards the vote total for Proposals 2, 3 and 4 and will have no effect on Proposals 2, 3 and 4. Broker non-votes will not be counted towards the vote total for Proposals 1, 3, and 4.

How many votes are needed to approve each proposal?

The following table summarizes the minimum vote needed to approve each proposal and the effect of abstentions, withhold votes and broker non-votes.

Proposal Number	Proposal Description	Vote Required for Approval	Effect of Abstentions or Withhold Votes, As Applicable	Effect of Broker Non-Votes
1	Election of Directors	Nominees receiving the most "FOR" votes.	No effect	No effect
2	Ratification of the Selection of PricewaterhouseCoopers LLP as our Independent Registered Public Accounting Firm for the Fiscal Year Ending December 31, 2023	"FOR" votes from the holders of a majority of the voting power of the shares present in person, by remote communication, if applicable, or represented by proxy duly authorized at the meeting and voting affirmatively or negatively (excluding abstentions and broker non-votes) on the subject matter.	No effect	Not applicable(1)
3	Advisory Approval of the Compensation of our Named Executive Officers	"FOR" votes from the holders of a majority of the voting power of the shares present in person, by remote communication, if applicable, or represented by proxy duly authorized at the meeting and voting affirmatively or negatively (excluding abstentions and broker non-votes) on the subject matter. Since this proposal is an advisory vote, the result will not be binding on our Board. However, our Board values our stockholders' opinions, and the Board and the Compensation Committee of the Board (the "Compensation Committee") will take into account the outcome of the advisory vote when considering future executive compensation decisions.	No effect	No effect
4	Advisory Approval on the Preferred Frequency of Future Stockholder Advisory Votes on the Compensation of our Named Executive Officers	The option of "ONE," "TWO" or "THREE" years that receives votes from the holders of a majority of the voting power of the shares present in person, by remote communication, if applicable, or represented by proxy duly authorized at the meeting and voting on the subject matter (excluding abstentions and broker non-votes). Since this proposal is an advisory vote, the result will not be binding on our Board. However, our Board values our stockholders' opinions, and the Board and the Compensation Committee will take into account the outcome of the advisory vote when determining how often we should submit to stockholders future "say-on-pay" votes.	No effect	No effect

(1) This proposal is considered to be a "routine" matter under NYSE rules. Accordingly, if you hold your shares in street name and do not provide voting instructions to your broker, bank or other agent that holds your shares, your broker, bank or other agent has discretionary authority under NYSE rules to vote your shares on this proposal.

What is the quorum requirement?

A quorum of stockholders is necessary to hold a valid meeting. A quorum will be present if stockholders holding at least a majority of the voting power of the outstanding shares of stock entitled to vote are present, by remote communication, if applicable, at the meeting or represented by proxy. On the Record Date, there were 89,040,468 shares outstanding and entitled to vote.

Abstentions and broker non-votes will be counted towards the quorum requirement. If there is no quorum, the holders of a majority of shares present at the meeting or represented by proxy may adjourn the meeting to another date.

How can I find out the results of the voting at the Annual Meeting?

Preliminary voting results will be announced at the Annual Meeting. In addition, final voting results will be published in a Current Report on Form 8-K that we expect to file within four business days after the Annual Meeting. If final voting results are not available to us in time to file a Form 8-K within four business days after the meeting, we intend to file a Form 8-K to publish preliminary results and, within four business days after the final results are known to us, file an additional Form 8-K to publish the final results.

When are stockholder proposals and director nominations due for next year's annual meeting?

To be considered for inclusion in next year's proxy materials, your proposal must be submitted in writing by December 22, 2023 to our Corporate Secretary at DigitalOcean Holdings, Inc., 101 6th Avenue, New York, New York 10013. Under our bylaws, if you wish to submit a proposal (including a director nomination) at the 2024 Annual Meeting that is not to be included in next year's proxy materials, you must do so between February 7, 2024 and March 8, 2024, provided in the event that the date of the annual meeting is advanced more than 30 days prior to or delayed by more than 30 days after the anniversary of the preceding year's annual meeting, notice by the stockholder, to be timely, must be received not earlier than the close of business on the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or, if later than the 90th day prior to such annual meeting, the 10th day following the day on which public announcement of the date of such meeting is first made.

In addition to satisfying the foregoing requirements under our bylaws, to comply with the universal proxy rules, stockholders who intend to solicit proxies in support of director nominees other than the Company's nominees must provide in their notice any additional information required by Rule 14a-19(b) under the Securities Exchange Act of 1934, as amended (the ''Exchange Act'').

Who is paying for this proxy solicitation?

We will pay for the entire cost of soliciting proxies. In addition to these proxy materials, our directors and employees may also solicit proxies in person, by telephone or by other means of communication. Directors and employees will not be paid any additional compensation for soliciting proxies. We may reimburse brokerage firms, banks and other agents for the cost of forwarding proxy materials to beneficial owners.

PROPOSAL 1: ELECTION OF DIRECTORS

General

Our Board is divided into three classes. Each class consists, as nearly as possible, of one-third of the total number of directors, and each class has a three-year term. Vacancies on the Board may generally be filled only by persons elected by a majority of the remaining directors. A director elected by the Board to fill a vacancy in a class, including vacancies created by an increase in the number of directors, shall serve for the remainder of the full term of that class and until the director's successor is duly elected and qualified.

The Board presently has eight members. There are three directors in the class whose term of office expires in 2023, all of whom have been nominated for re-election to the Board. Each of the nominees listed below is currently a director of the Company who was previously elected by the stockholders. If elected at the Annual Meeting, each of these nominees would serve until the 2026 Annual Meeting of Stockholders and until his or her successor has been duly elected and qualified, or, if sooner, until the director's death, resignation or removal. It is our policy to encourage directors and nominees for director to attend the Annual Meeting.

Directors are elected by a plurality of the votes of the shares present in person, by remote communication, if applicable, or represented by proxy duly authorized at the meeting and entitled to vote generally on the election of directors. Accordingly, the three nominees receiving the highest number of affirmative votes will be elected. Shares represented by executed proxies will be voted, if authority to do so is not withheld, for the election of the three nominees named below. If any nominee becomes unavailable for election as a result of an unexpected occurrence, shares that would have been voted for that nominee will instead be voted for the election of a substitute nominee proposed by the Company. Each person nominated for election has agreed to serve if elected. Our management has no reason to believe that any nominee will be unable to serve.

The following is a brief biography as of the date of this Proxy Statement of each nominee and each director whose term will continue after the Annual Meeting.

Nominees for Election for a Three-Year Term Expiring at the 2026 Annual Meeting of Stockholders

Warren Adelman, age 59, has served as a member of our Board since November 2020 and has been our lead independent director since June 2022. Mr. Adelman has served as the Managing Director of Nativ Group, a personal investment firm, since 2013. Prior to founding Nativ Group, Mr. Adelman held a variety of positions at GoDaddy Inc., a publicly traded domain name registrar, from 2003 to 2012, most recently serving as Chief Executive Officer. Mr. Adelman also served as a member of GoDaddy's board of directors from 2006 to 2012. Mr. Adelman currently serves on the board of directors of several technology-related companies. Mr. Adelman also previously served on the board of directors of SendGrid, Inc. from April 2014 until its merger with Twilio Inc. in February 2019. Mr. Adelman holds a B.A. in Political Science and History from the University of Toronto. We believe Mr. Adelman's extensive experience with technology companies as both a director and an executive officer qualifies him to serve on our Board.

Pueo Keffer, age 41, has served as a member of our Board since June 2015. Mr. Keffer has served as a Managing Director at Access Technology Ventures, a venture and growth technology firm, since April 2015. Mr. Keffer was a Partner at Redpoint Ventures, a venture capital firm, from January 2009 to April 2015. Previously, Mr. Keffer was an associate at TA Associates, a growth private equity firm, and a financial analyst at Goldman Sachs & Co. Mr. Keffer also currently serves on the board of directors of Opendoor Technologies Inc., an operator of an online real estate marketplace, and Array Corporation, a privately-held software development company. Mr. Keffer received a B.A. in Economics from Stanford University. We believe that Mr. Keffer's extensive investment experience in the technology industry qualifies him to serve on our Board.

Hilary Schneider, age 62, has served as a member of our Board since November 2020. Ms. Schneider has served as the Chief Executive Officer of Shutterfly, Inc. since January 2020. From January 2018 until November 2019, Ms. Schneider served as the Chief Executive Officer of Wag Labs, Inc., an on-demand dog walking company. Ms. Schneider served as President, Chief Executive Officer and a director of LifeLock, Inc., a formerly publicly traded provider of identity theft protection, identity risk assessment and fraud protection services, from March 2016 to February 2017 and President from 2012 to 2016. Previously, Ms. Schneider held senior leadership roles at Yahoo!, a global technology company, Knight Ridder, Inc., a media company, and Red Herring Communications, a media company. Ms. Schneider currently serves on the board of directors of Vail Resorts, Inc., a global mountain resort operator, Getty Images, Inc., a global visual content creator and marketplace, and Water.org, a non-profit organization. Ms. Schneider previously served on the board of directors of SendGrid, Inc. from July 2017 until its merger with Twilio Inc. in February 2019. Ms. Schneider holds a B.A. in Economics from Brown University and an M.B.A. from Harvard Business School. We believe Ms. Schneider's extensive experience with technology companies as both a director and an executive officer qualifies her to serve on our Board.

OUR BOARD OF DIRECTORS RECOMMENDS A VOTE FOR EACH CLASS II DIRECTOR NOMINEE NAMED ABOVE

Class III Directors Continuing in Office Until the 2024 Annual Meeting of Stockholders

Pratima Arora, age 43, has served as a member of our Board since February 2021. Ms. Arora has served as Chief Product Officer at Chainalysis Inc., a blockchain data platform, since June 2021. Prior to joining Chainalysis, Ms. Arora served as General Manager and Vice President of Confluence at Atlassian Corporation Plc, a provider of software development and collaboration tools, from September 2017 to June 2021. From June 2008 to September 2017, Ms. Arora worked at Salesforce.com, Inc., a cloud-based customer relationship management software service, where she most recently served as Vice President of Product Management. Previously, Ms. Arora worked in various roles at SAP SE, an enterprise software management system, and Intuit Inc., a financial services software company. Ms. Arora received a B.S. in Physics from Sri Venkateswara College, Delhi University and an M.B.A. from the Walter A. Haas School of Business at the University of California, Berkeley. We believe Ms. Arora's extensive experience in product management roles at technology companies qualifies her to serve on our Board.

Warren Jenson, age 66, has served as a member of our Board since December 2020. Mr. Jenson has served as Chief Financial Officer at The Nielsen Company, an audience measurement, data and analytics provider, since April 2023. From February 2012 to April 2023, Mr. Jenson worked at LiveRamp, a software-as-a-service company that provides industry leading identity and data connectivity services, where he most recently served as President, Chief Financial Officer and Executive Managing Director of International. Previously, Mr. Jenson served in executive-level positions with Electronic Arts, Amazon.com, Delta Air Lines and NBC. Mr. Jenson currently serves on the board of directors of the USC Marshall School of Business, the Marriott School of Business at Brigham Young University, Ripple, a provider of cryptocurrency solutions for businesses, and Jobcase, an online job marketplace and social platform. Mr. Jenson previously served on the board of directors of Cardtronics plc and DigitalGlobe, Inc. Mr. Jenson received a B.S. in Accounting and a Master of Accountancy—Business Taxation from Brigham Young University. We believe that Mr. Jenson's extensive experience as both a director and an executive officer at several successful public and private companies qualifies him to serve on our Board.

Class I Directors Continuing in Office Until the 2025 Annual Meeting of Stockholders

Yancey Spruill, age 55, has served as our Chief Executive Officer and a member of our Board since August 2019. Prior to DigitalOcean, Mr. Spruill served as the Chief Operating Officer and Chief Financial Officer of SendGrid, Inc., a customer communication platform for transactional and marketing email, from June 2015 until its acquisition by Twilio Inc. in February 2019. From September 2014 to June 2015, Mr. Spruill served as Chief Financial Officer at TwentyEighty, Inc., a provider of training and performance improvement solutions. From August 2004 to September 2014, Mr. Spruill served as Executive Vice President and Chief Financial Officer at DigitalGlobe, Inc., a provider of geospatial information products and services. Mr. Spruill previously served on the board of directors of Ping Identity Corporation, a provider of cloud identity security solutions, from March 2019 until its sale to Thoma Bravo in October 2022; Allscripts Healthcare Solutions, Inc., an electronic healthcare records technology company from 2016 to 2020, and Zayo Group Holdings, a provider of telecommunications infrastructure services, until its sale to a consortium of financial buyers in March 2020. Mr. Spruill received a Bachelors in Electrical Engineering from the Georgia Institute of Technology and an M.B.A. from the Amos Tuck School of Business at Dartmouth College. We believe Mr. Spruill's extensive financial expertise, leadership experience, experience with serving on boards of other technology companies and significant experience in the technology industry, as well as his insight into corporate matters as our Chief Executive Officer, make him a valuable member of our Board.

Amy Butte, age 55, has served as a member of our Board since April 2018. Ms. Butte currently serves on the board of directors of Bain Capital Specialty Finance, Inc., a managed specialty finance company. Ms. Butte also serves on the board of directors of BNP Paribas USA, where she is currently audit committee chair and a member of the risk management committee. Ms. Butte is an advisor to several private companies, including the Long-Term Stock Exchange, Inc., a startup marketplace for long-term investors. Ms. Butte previously served as the chairperson and a member of the board of directors at Iron Spark I (ISAA), a special purpose acquisition vehicle, from 2021 to 2022;

on the board of directors of Tuscan Holdings Corp. from 2019 to 2021; as an independent trustee for the Fidelity Investments Strategic Advisors Funds from 2011 to 2017; as a board member for Accion International from 2008 to 2014 and as the founder of TILE Financial, a fintech startup, from 2008 to 2012. Previously, Ms. Butte served as Chief Financial Officer of Man Financial, Inc., Chief Financial Officer and Executive Vice President of the New York Stock Exchange, and Chief Financial Officer and Strategist for the Financial Services Division of Credit Suisse First Boston, Inc. Ms. Butte received a B.A. from Yale University and an M.B.A. from Harvard Business School. We believe that Ms. Butte's extensive experience in the financial industry and guiding companies through the complexities of maturing from private to public qualifies her to serve on our Board.

Christopher Merritt, age 53, has served as a member of our Board since April 2023. From September 2013 to January 2023, Mr. Merritt worked at Cloudflare, Inc., an internet security company, where he most recently served as Chief Revenue Officer and President of Field Operations. Previously, Mr. Merritt served as Chief Marketing and Sales Officer at BranchOut, a professional networking website, as VP of Global Advertiser Partnerships at Yahoo! Inc., a media and technology company, and in various senior roles at Monster Worldwide, Inc., a global employment website. Mr. Merritt received a Bachelor of Industrial Engineering from Auburn University. We believe Mr. Merritt's extensive experience as a senior sales and/or marketing executive at various technology companies qualifies him to serve on our Board.

INFORMATION REGARDING THE BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

Independence of the Board of Directors

As required under the NYSE listing standards, a majority of the members of a listed company's board of directors must qualify as ''independent,'' as affirmatively determined by the board of directors. Our Board consults with our legal counsel to ensure that the Board's determinations are consistent with relevant securities and other laws and regulations regarding the definition of ''independent,'' including those set forth in pertinent listing standards of the NYSE, as in effect from time to time.

Consistent with these considerations, after review of all relevant identified transactions or relationships between each director, or any of his or her family members, and the Company, our senior management and our independent auditors, the Board has affirmatively determined that the following directors are independent directors within the meaning of the applicable NYSE listing standards: Mr. Adelman, Ms. Arora, Ms. Butte, Mr. Jenson, Mr. Keffer, Mr. Merritt and Ms. Schneider. In making this determination, the Board found that none of these directors or nominees for director had a material or other disqualifying relationship with the Company. Mr. Spruill is not independent due to his position as our Chief Executive Officer.

Board Leadership Structure

Pursuant to our Corporate Governance Guidelines, the Board will select the chairperson of the Board or, in the absence of a chairperson, a lead independent director (the ''Lead Independent Director'') in the manner that it determines to be in the best interests of our stockholders. The Board does not currently have a chairperson. Warren Adelman currently serves as the Lead Independent Director of the Board and has served in such role since immediately following our 2022 Annual Meeting of Stockholders. The Lead Independent Director has the authority, among other things, to preside over Board meetings, including convening meetings of the independent directors as appropriate, to develop meeting agendas and to provide the Chief Executive Officer feedback on the quality, quantity and timeliness of the information provided to the Board. Accordingly, the Lead Independent Director has substantial ability to shape the work of the Board. We believe that separation of the positions of Lead Independent Director and Chief Executive Officer reinforces the independence of the Board in its oversight of our business and affairs. In addition, we believe that having an independent Lead Independent Director creates an environment that is more conducive to objective evaluation and oversight of management's performance, increasing management accountability and improving the ability of the Board to monitor whether management's actions are in the best interests of the Company and our stockholders, including with respect to risk management. As a result, we believe that having an independent Lead Independent Director can enhance the effectiveness of the Board as a whole.

Role of the Board in Risk Oversight

Our Board oversees an enterprise-wide approach to risk management, designed to support the achievement of organizational objectives, including strategic objectives, to improve long-term organizational performance, and to enhance stockholder value. A fundamental part of risk management is not only understanding the most significant risks a company faces and what steps management is taking to manage those risks, but also understanding what level of risk is appropriate for a given company. The involvement of our full Board in reviewing our business is an integral aspect of its assessment of management's tolerance for risk and also its determination of what constitutes an appropriate level of risk.

In connection with its reviews of the operations of our business, our Board addresses the primary risks associated with our business including, for example, strategic planning, liquidity risk, organizational risk and operational risk. In addition, our Board provides oversight of and monitors management's response to emerging risks and their potential impact on our business.

The Board does not have a standing risk management committee, but rather administers this oversight function directly through the Board as a whole, as well as through various Board standing committees that address risks inherent in their respective areas of oversight.

Our Audit Committee has the responsibility to consider and discuss our major financial risk exposures and the steps our management has taken to monitor and control these exposures, including guidelines and policies to govern the process by which risk assessment and management is undertaken. The Audit Committee also monitors compliance with legal and regulatory requirements, in addition to oversight of the performance of our internal audit function.

The Audit Committee's responsibilities include oversight of cybersecurity risk management, including monitoring of our systems and prevention of attacks, as discussed in more detail below. Furthermore, the Audit Committee oversees our procedures for receiving, retaining and investigating complaints regarding accounting, internal accounting controls or auditing matters and confidential and anonymous submissions by employees concerning questionable accounting and auditing matters through our 24x7 whistleblower hotline and online platform. Management provides the Audit Committee with periodic reports on our compliance programs and investment policy and practices.

Our Compensation Committee assesses and monitors whether any of our compensation policies and programs has the potential to encourage excessive risk-taking. The Compensation Committee also oversees the implementation and effectiveness of our policies, strategies, programs and practices related to our human capital management function, as well as risks relating to the recruiting and retention of our executive officers and our broader compensation philosophy. In addition, our Chief People Officer provides regular reports on the progress of our human capital management metrics and initiatives, including our diversity programs, to the Compensation Committee.

The Nominating and Corporate Governance Committee of the Board (the ''Nominating and Corporate Governance Committee'') monitors the effectiveness of our corporate governance guidelines, including whether they are successful in preventing illegal or improper liability-creating conduct. The Nominating and Corporate Governance Committee also assists the Board in monitoring our governance, including annual evaluation of our Board and committees.

At periodic meetings of the Board and its committees, management reports to and seeks guidance from the Board and its committees with respect to the most significant risks that could affect our business, such as competition risks, legal risks, information security and privacy risks, and financial, tax and audit-related risks.

Cybersecurity Risk Oversight

The Board and Audit Committee appreciate the rapidly evolving nature of threats presented by cybersecurity incidents and are committed to the prevention, timely detection and mitigation of the effects of such incidents on the Company. A number of individuals on our Board and executive team have experience in cybersecurity and related matters, including information security. As part of its cybersecurity risk oversight role, the Audit Committee receives regular updates on cybersecurity threats to our business and our mitigation processes. Our head of security provides in-depth reviews of our cybersecurity performance and risk profile to our executive officers and the Audit Committee on a frequent basis and also briefs the full Board regularly on cybersecurity risk oversight activities and preparedness efforts.

Additional information regarding our cybersecurity and privacy practices can be found in the section titled ''Environmental, Social and Governance and Corporate Responsibility—Data Privacy and Cybersecurity'' below and on our website at *www.digitalocean.com*.

Meetings of the Board of Directors

The Board met six times during the last fiscal year. Each Board member attended 75% or more of the aggregate number of meetings of the Board and of the committees on which he or she served held during the portion of the last fiscal year for which he or she was a director or committee member.

Information Regarding Committees of the Board of Directors

The Board has three committees: an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee. The following table provides the (i) current membership and (ii) meeting information for fiscal year 2022 for each of the Board committees:

Name	Audit	Compensation	Nominating and Corporate Governance
Warren Adelman(1)	X		X*
Pratima Arora(1)		X	X
Amy Butte	X*		
Warren Jenson	X	X	
Pueo Keffer(2)		X	X
Christopher Merritt(3)			
Hilary Schneider		X*	
Yancey Spruill			
Total meetings in fiscal 2022	**5**	**5**	**2**

* Committee Chairperson

(1) Mr. Adelman has served as the chairperson of the Nominating and Corporate Governance Committee and Ms. Arora has served as a member of the Nominating and Corporate Governance Committee, in each case, since immediately following our 2022 Annual Meeting of Stockholders.

(2) In March 2023, the Board increased the size of the Compensation Committee from three members to four members and approved the appointment of Mr. Keffer to fill the vacancy on the Compensation Committee, effective immediately.

(3) In April 2023, the Board increased the size of the Board from seven members to eight members and approved the appointment of Mr. Merritt to fill the vacancy on the Board, effective April 17, 2023.

Below is a description of each committee of the Board.

Each of the committees has authority to engage legal counsel or other experts or consultants, as it deems appropriate to carry out its responsibilities. The Board has determined that each member of each committee meets the applicable NYSE rules and regulations regarding ''independence'' and each member is free of any relationship that would impair his or her individual exercise of independent judgment with regard to the Company.

Audit Committee

The Audit Committee was established by the Board in accordance with Section 3(a)(58)(A) of the Exchange Act, to oversee our corporate accounting and financial reporting processes and audits of its financial statements. For this purpose, the Audit Committee performs several functions. The primary purpose of the Audit Committee is to discharge the responsibilities of the Board with respect to:

- overseeing our corporate accounting and financial reporting processes, systems of internal control, financial statement audits and the integrity of our financial statements;
- managing the selection, engagement terms, fees, qualifications, independence and performance of the registered public accounting firms engaged as our independent outside auditors for the purpose of preparing or issuing an audit report or performing audit services (the ''Auditors'');
- maintaining and fostering an open avenue of communication with our management, internal audit group and Auditors;
- reviewing any reports or disclosures required by applicable law and stock exchange listing requirements;
- overseeing the design, implementation, organization and performance of our internal audit function;
- helping the Board oversee our data security, information technology use and protection and legal and regulatory compliance, including risk assessment; and
- providing regular reports and information to the Board.

The Audit Committee is composed of three directors: Ms. Butte, Mr. Adelman and Mr. Jenson. The Audit Committee met five times during the last fiscal year. The Board has adopted a written Audit Committee charter that is available to stockholders on our website at *investors.digitalocean.com*.

The Board reviews the NYSE listing standards definition of independence for Audit Committee members on an annual basis and has determined that all members of the Company's Audit Committee are independent within the meaning of the applicable NYSE listing standards and SEC regulations.

The Board has also determined that each of Ms. Butte, Mr. Adelman and Mr. Jenson qualifies as an ''audit committee financial expert,'' as defined in applicable SEC rules. The Board made a qualitative assessment of each Audit Committee member's level of knowledge and experience based on a number of factors, including formal education and experience in the corporate finance sector.

Audit Committee Report

The Audit Committee has reviewed and discussed the audited financial statements for the fiscal year ended December 31, 2022 with management of the Company. The Audit Committee has discussed with the independent registered public accounting firm the matters required to be discussed by Auditing Standard No. 1301, Communications with Audit Committees, as adopted by the Public Company Accounting Oversight Board (''PCAOB'') and the applicable requirements of the SEC. The Audit Committee has also received the written disclosures and the letter from the independent registered public accounting firm required by applicable requirements of the PCAOB regarding the independent accountants' communications with the Audit Committee concerning independence, and has discussed with the independent registered public accounting firm the accounting firm's independence. Based on the foregoing, the Audit Committee has recommended to the Board of Directors that the audited financial statements be included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2022.

Members of the Audit Committee
Amy Butte (Chair)
Warren Adelman
Warren Jenson

The material in this report is not "soliciting material," is not deemed "filed" with the SEC and is not to be incorporated by reference in any filing of the Company under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof and irrespective of any general incorporation language in any such filing.

Compensation Committee

The Compensation Committee acts on behalf of the Board to review, oversee and approve (or make recommendations to the full Board to approve) the Company's compensation strategy, policies, plans and programs, including:

- overseeing our compensation policies, plans, and programs with a goal to attract, incentivize, retain and reward top quality executive management and employees;
- reviewing and determining the compensation to be paid to our executive officers and directors;
- reviewing and discussing with management our compensation disclosures in the section titled ''Compensation Discussion and Analysis'' of this Proxy Statement;
- reviewing our practices and policies of employee compensation as they relate to risk management and risk-taking incentives; and
- assisting us in our oversight of the development, implementation and effectiveness of our policies and strategies relating to our human capital management function, including but not limited to those policies and strategies regarding recruiting, retention, career development and progression, management succession, diversity and inclusion, and employment practices.

The Compensation Committee is composed of four directors: Ms. Schneider, Ms. Arora, Mr. Jenson and Mr. Keffer. In March 2023, the Board increased the size of the Compensation Committee from three members to four members and approved the appointment of Mr. Keffer to fill the vacancy on the Compensation Committee, effective immediately. All members of the Company's Compensation Committee are independent within the meaning of the applicable NYSE listing standards. The Compensation Committee met five times during the last fiscal year.

The Board has adopted a written Compensation Committee charter that is available to stockholders on our website at *investors.digitalocean.com*.

Compensation Committee Processes and Procedures

Typically, the Compensation Committee meets quarterly and with greater frequency if necessary. The Compensation Committee meets regularly in executive session. However, from time to time, various members of management and other employees as well as outside advisors or consultants may be invited by the Compensation Committee to make presentations, to provide financial or other background information or advice or to otherwise participate in Compensation Committee meetings. Our Chief Executive Officer may not participate in, or be present during, any deliberations or recommendations of the Compensation Committee regarding his compensation or individual performance objectives.

The charter of the Compensation Committee grants the Compensation Committee access to all Company books, records, facilities and personnel as deemed necessary or appropriate by any member of the Compensation Committee. In addition, under the charter, the Compensation Committee has the authority to retain legal, accounting or other outside advisors, including compensation consultants, and determine compensation terms for those advisors at the expense of the Company. The Compensation Committee has direct responsibility for the oversight of the work of any consultants or advisors engaged for the purpose of advising the Committee. In particular, the Compensation Committee has the authority to retain, in its sole discretion, compensation consultants to assist in its evaluation of executive and director compensation, including the authority to approve the consultant's reasonable fees and other retention terms. The Compensation Committee may select, or receive advice from, a compensation consultant, legal counsel or other advisor to the Compensation Committee, other than in-house legal counsel and certain other types of advisors, only after taking into consideration six factors, prescribed by the SEC and NYSE, that bear upon the advisor's independence; however, there is no requirement that any advisor be independent.

Under its charter, the Compensation Committee may form, and delegate authority to, subcommittees as appropriate. The purpose of this delegation of authority is to enhance the flexibility of equity award administration within the Company and to facilitate the timely grant of equity awards to non-management employees, particularly new employees, within specified limits approved by the Compensation Committee.

Historically, the Compensation Committee has made most of the significant adjustments to annual compensation, determined cash bonus and equity awards and established new performance objectives at one or more meetings held during the first quarter of the year. However, the Compensation Committee also considers matters related to individual compensation, such as compensation for new executive hires, as well as high-level strategic issues, such as the efficacy of the Company's compensation strategy, potential modifications to that strategy and new trends, plans or approaches to compensation, at various meetings throughout the year.

Compensation Committee Interlocks and Insider Participation

None of the members of the Compensation Committee are currently, or have been at any time, one of our executive officers or employees. None of our executive officers currently serve, or have served during the last year, as a member of the board of directors or compensation committee of any entity that has one or more executive officers serving as a member of our Board or Compensation Committee.

Nominating and Corporate Governance Committee

The Nominating and Corporate Governance Committee is responsible for:

- helping the Board oversee our corporate governance functions and develop, update as necessary and recommend to the Board the governance principles applicable to us;
- identifying, evaluating and recommending and communicating with candidates qualified to become Board members or nominees for directors of the Board consistent with criteria approved by the Board, including the nomination of incumbent directors for re-election and nominees recommended by stockholders, to serve on the Board; and

- making recommendations to the Board relating to our directors.

The Nominating and Corporate Governance Committee is composed of three directors: Mr. Adelman, Ms. Arora and Mr. Keffer. All members of the Nominating and Corporate Governance Committee are independent within the meaning of the applicable NYSE listing standards. The Nominating and Corporate Governance Committee met two times during the last fiscal year. The Board has adopted a written Nominating and Corporate Governance Committee charter that is available to stockholders on our website at *investors.digitalocean.com*.

The Nominating and Corporate Governance Committee believes that candidates for director should have certain minimum qualifications, including the ability to read and understand basic financial statements, being over 21 years of age and having the highest personal integrity and ethics. The Nominating and Corporate Governance Committee also intends to consider such factors as possessing relevant expertise upon which to be able to offer advice and guidance to management, having sufficient time to devote to the affairs of the Company, demonstrated excellence in his or her field, having the ability to exercise sound business judgment and having the commitment to rigorously represent the long-term interests of our stockholders. However, the Nominating and Corporate Governance Committee retains the right to modify these qualifications from time to time. Candidates for director nominees are reviewed in the context of the current composition of the Board, the operating requirements of the Company and the long-term interests of stockholders. Although we have no formal policy regarding board diversity, in conducting this assessment, the Nominating and Corporate Governance Committee will typically consider diversity (including gender, racial and ethnic diversity), age, skills and such other factors as it deems appropriate, given the current needs of the Board and the Company, to maintain a balance of knowledge, experience and capability.

The Nominating and Corporate Governance Committee regularly identifies and considers qualities, skills and other director attributes that would enhance the composition of the Board. In the case of incumbent directors whose terms of office are set to expire, the Nominating and Corporate Governance Committee reviews these directors' overall service to the Company during their terms, including the number of meetings attended, level of participation, quality of performance and any other relationships and transactions that might impair the directors' independence. In the case of new director candidates, the Nominating and Corporate Governance Committee will also determine whether the nominee is independent for NYSE purposes, which determination will be based upon applicable NYSE listing standards, applicable SEC rules and regulations and the advice of counsel, if necessary. The Nominating and Corporate Governance Committee will then use its network of contacts to compile a list of potential candidates, but may also engage, if it deems appropriate, a professional search firm. The Nominating and Corporate Governance Committee will conduct any appropriate and necessary inquiries into the backgrounds and qualifications of possible candidates after considering the function and needs of the Board. The Nominating and Corporate Governance Committee will meet to discuss and consider the candidates' qualifications and then select a nominee for recommendation to the Board by majority vote.

The Nominating and Corporate Governance Committee will consider director candidates recommended by stockholders. The Nominating and Corporate Governance Committee does not intend to alter the manner in which it evaluates candidates, including the minimum criteria set forth above, based on whether or not the candidate was recommended by a stockholder. Stockholders who wish to recommend individuals for consideration by the Nominating and Corporate Governance Committee to become nominees for election to the Board may do so by delivering a written recommendation to the Nominating and Corporate Governance Committee at the following address: Corporate Secretary, DigitalOcean Holdings, Inc., 101 6th Avenue, New York, New York 10013 no more than 120 days prior to and no later than 90 days prior to the anniversary date of the mailing of the Company's proxy statement for the last annual meeting of stockholders. Submissions must include the full name of the proposed nominee, a description of the proposed nominee's business experience for at least the previous five years, complete biographical information, a description of the proposed nominee's qualifications as a director and a representation that the nominating stockholder is a beneficial or record holder of the Company's stock and has been a holder for at least one year. Any such submission must be accompanied by the written consent of the proposed nominee to be named as a nominee and to serve as a director if elected.

Board Diversity Matrix

As discussed above, when evaluating candidates for director nominees, the Nominating and Corporate Governance Committee will typically consider diversity (including gender, racial and ethnic diversity), skills and such other factors as it deems appropriate, given the current needs of the Board and our business, to maintain a balance of knowledge, experience and capability. The following table lists the self-identified diverse attributes of our directors as of the date of this Proxy Statement:

Total Number of Directors 8

Racial/Ethnic Identity		**Gender**	
African American or Black	1	Female	3
Alaskan Native or Native American	—	Male	5
Asian	1	Non-Binary	—
Hispanic or Latinx	—		
Native Hawaiian or Pacific Islander	—	**Additional Demographics**	
White	5	LGBTQ+	—
Two or More Races or Ethnicities	—		
Decline to Disclose	1		

Executive Sessions and Stockholder Communications With the Board Of Directors

The Board's independent directors meet at regularly scheduled executive sessions without management present. The Lead Independent Director presides at executive sessions of independent directors.

Our stockholders and other interested parties may communicate with the Board by writing to our Corporate Secretary at DigitalOcean Holdings, Inc., 101 6th Avenue, New York, New York 10013. Written communications may be addressed to the Lead Independent Director, the chairperson of any of the Audit, Compensation and Nominating and Corporate Governance Committees, or to the non-management or independent directors as a group. Each communication must set forth the name and address of the stockholder on whose behalf the communication is sent and the number and class of shares of the Company that are owned beneficially by such stockholder as of the date of the communication.

Any such communication will be reviewed by our Corporate Secretary, who will forward such communication to the Board or to any individual director to whom the communication is addressed unless the communication contains advertisements or solicitations or is unduly hostile, threatening or similarly inappropriate, in which case our Corporate Secretary shall discard the communication.

Code of Ethics

The Company has adopted the Code of Business Conduct and Ethics that applies to all executive officers, directors and employees. The Code of Business Conduct and Ethics is available on our website at *investors.digitalocean.com*. We will make any legally required disclosures regarding amendments to, or waivers of, provisions of our Code of Business Conduct and Ethics on our website at *investors.digitalocean.com*.

Corporate Governance Guidelines

In 2021, the Board documented the governance practices followed by the Company by adopting Corporate Governance Guidelines to assure that the Board will have the necessary authority and practices in place to review and evaluate the Company's business operations as needed and to make decisions that are independent of the Company's management. The guidelines are also intended to align the interests of directors and management with those of the Company's stockholders. The Corporate Governance Guidelines set forth the practices the Board intends to follow with respect to board composition and selection including diversity, board meetings and involvement of senior management, Chief Executive Officer performance evaluation and succession planning, and board committees and compensation. The Corporate Governance Guidelines, as well as the charters for each committee of the Board, may be viewed at *investors.digitalocean.com*.

Environmental, Social and Governance and Corporate Responsibility

We recognize the importance of a thoughtful approach to corporate citizenship and sustainability in helping advance the long-term interests of the Company and our stockholders. As a part of its primary duty to oversee corporate strategy, our Board also oversees how environmental, social and governance (''ESG'') related issues may impact our long-term interests.

Our ESG strategy is informed by analysis of:

- our research to identify policies, principles and practices of our peer companies and the best disclosure practices related to each;
- internal feedback from employees to help determine which topics have the greatest impact on our business;
- our current stockholder base, as well as prospective investors, to identify key issues emphasized by our stockholders; and
- analysis of the key factors evaluated by the most influential ratings agencies issuing ESG scores.

Below is a summary of highlights of certain of our recent ESG efforts:

Board and Management Oversight

Our ESG strategy is led by a cross-departmental team that includes individuals from our social impact, legal, human resources and finance teams. This team provides updates to the executive team on our ESG priorities, performance and regulatory requirements. The Board does not have a standing ESG committee, but rather administers this oversight function directly through the Board as a whole. In addition, various Board standing committees address risks inherent in their respective areas of oversight, such as Audit Committee oversight of cybersecurity matters and Compensation Committee oversight of human capital management and diversity-related initiatives.

We have also instituted a risk management framework designed to support these ESG initiatives. For a more detailed description of our related governance policies, please see the section titled ''Information Regarding The Board Of Directors And Corporate Governance—Role of the Board in Risk Oversight'' above.

Human Capital Management

We believe that our employees and the culture we have established are critically important to our success. In order to continue to compete and succeed in our highly competitive and rapidly evolving market, it is crucial that we continue to attract, retain and motivate qualified employees. To support these objectives, we strive to maintain our company culture, offer competitive compensation and benefits, support the health and well-being of our employees, foster an inclusive, diverse and engaged workforce, maintain strong employee engagement and develop talent.

We have evolved our compensation and benefits programs to meet our employees' health and wellness needs. In addition to cash and equity compensation, we also offer employees a wide array of benefits designed to prioritize wellness, including physical well-being, emotional well-being, financial well-being and family well-being. These offerings include health insurance, unlimited vacation, retirement benefits, a generous parental leave program, emotional well-being services through our Employee Assistance Program and a variety of additional resources to support employees' overall well-being.

In addition, we have launched multiple initiatives to further our goal of being more diverse and inclusive and supporting a sense of belonging within our current workforce, including mandatory training for employees and launching employee resource groups, which are employee-led, voluntary groups that support professional development, strengthen our business and advance our commitment to a diverse and inclusive workplace. In 2022, we published our second annual diversity, equity, inclusion and belonging (''DEIB'') report that highlighted our employee workforce data for 2021. Our goal is for our employee population to reflect the communities that we service and ensure equal total rewards opportunities for all employees regardless of gender identity, ethnicity, location, sexual orientation, disability status and more. The 2022 report demonstrated meaningful progress against some of our key goals, such as a more diverse group of new hires, as well as identified areas for continued improvement. To ensure we achieve our commitment to fostering a diverse and inclusive work environment, all Company executives have specific goals around DEIB.

For a more detailed description of our Human Capital Management policies and initiatives, please see our Annual Report.

Social Responsibility

In connection with our initial public offering (“IPO”) in March 2021, we joined the Pledge 1% movement and committed to allocating $50 million over ten years to expand our social impact initiatives. In 2022, we launched DO Impact, which is a social impact effort designed to empower changemakers around the globe through products and philanthropy, enable our people to do good in their communities, and ensure our footprint is sustainable. The four pillars of DO Impact are as follows:

- *Product*. Harness DigitalOcean technology, open source and technical expertise to support non-profit organizations, educational institutions, open source initiatives and others who are working to advance social good.
- *Philanthropy*. Make cash grants to organizations whose work is complementary to the DigitalOcean social impact framework, enable our employees to support their favorite organizations through a charitable donation match program and provide opportunities for employees to volunteer their time for charitable causes.
- *Planet*. Focus on environmental initiatives, such as reducing our carbon footprint and those of our partners and vendors over time.
- *Purpose*. Highlight the impactful work of our nonprofit partners, customers and employees through storytelling.

Through these social impact initiatives, we gave more than $1.1 million in cash and $150,000 in infrastructure credits in 2022 to over 900 deserving organizations all over the world that impact their local communities, as well as the broader social impact ecosystem.

Furthermore, to encourage employee involvement in our social impact initiatives, we offer a generous donation match program with respect to our employees’ charitable giving and also provide employees with credits at certain milestones to donate to a charitable organization of their choosing. In 2022, we launched our employee ambassador program and completed our first successful project, dedicating employee volunteer time to support a nonprofit organization.

Data Privacy and Cybersecurity

We believe privacy and data protection are fundamental to maintaining and building trust with our customers.

We have a cross-functional team, which includes representatives from our security and legal departments, that oversees our information security and privacy practices and is responsible for identifying and proactively addressing security and privacy risks. Our head of security provides reports on our security and privacy risks to our management team and Audit Committee on a frequent basis and briefs the full Board regularly. With oversight and guidance provided by the cross-functional team, our information security and privacy teams continually refine our practices to address emerging security risks and changes in privacy regulations. We also have a Data Protection Officer who provides independent oversight of our privacy program and guidance on privacy issues, and addresses customer data protection and privacy inquiries.

We have implemented policies and procedures that facilitate compliance with applicable privacy laws, including General Data Protection Regulation and the California Consumer Privacy Act, and work to use privacy by design in our review and building processes. We apply rigorous privacy standards to all the customer data we protect in accordance with applicable privacy laws and best practices. We have a privacy policy posted on our website that applies to our entire business and all of our customers, which describes our privacy practices regarding information we collect from customers and how we use, share and store such customer data. We have put measures in place to collect personal data only to the extent necessary to service our customers and we protect customer content data through limited access. In addition, our products and services are AICPA SOC 2 Type II certified and we have achieved Cloud Security Alliance (CSA) STAR Level 1. All of our data centers are independently audited, and many are certified by internationally recognized attestation and certification compliance standards.

We are committed to upholding the legal protections safeguarding the privacy of our customers’ data as well as outlining our policies and practices pertaining to government requests for customer data; as part of that commitment, we publish a transparency report on an annual basis to provide details of government entity requests we receive the actions we have taken (e.g., disclosure of information) in response to law enforcement requests.

All of our employees and consultants are required to complete an annual security awareness training, covering key threats and measures to take to protect their own data and the data of the company. In addition, our security personnel receive additional training specific to their role.

Environmental Initiatives

As a company offering Infrastructure-as-a-Service (“IaaS”), Platform-as-a-Service (“PaaS”), and Software-as-a-Service (“SaaS”) solutions, we have a relatively light environmental footprint. Our primary consumption of resources comes from our energy usage in data centers, facilities and employee travel. We believe, however, that environmentally responsible operating practices will serve to benefit stockholders, partners, customers and employees alike. We strive to incorporate sustainability into our business wherever possible, from product development to data center selection. We continue to look for and adopt new ways in which we can positively address sustainability challenges.

NON-EMPLOYEE DIRECTOR COMPENSATION

The following table sets forth information regarding compensation earned by or paid to our non-employee directors for the year ended December 31, 2022.

Name	Fees Earned or Paid in Cash ($)[1]	Stock Awards ($)[2][3]	Total ($)
Warren Adelman	—	233,397	233,397
Pratima Arora	—	213,623	213,623
Amy Butte	55,000	170,478	225,478
Warren Jenson	—	221,090	221,090
Pueo Keffer	—	208,079	208,079
Peter Levine[4]	30,077	—	30,077
Christopher Merritt[5]	—	—	—
Hilary Schneider	—	218,707	218,707

(1) The amounts in this column reflect the cash fees which such non-employee director received under our non-employee director compensation policy for the fiscal year ended December 31, 2022. Non-employee director fees are paid quarterly at the end of each fiscal quarter.

(2) Pursuant to the non-employee director compensation policy, each of our non-employee directors has the option to be paid in the form of cash or fully-vested restricted stock unit (''RSU'') awards. Each of Mses. Arora and Schneider and Messrs. Adelman, Jenson and Keffer elected to be paid in RSUs for fees earned with respect to the fiscal year ended December 31, 2022. In addition, pursuant to the non-employee director compensation policy, each of the non-employee directors as of the close of business on the date of our 2022 Annual Meeting of Stockholders automatically received an RSU grant with a value of $180,000. With respect to RSU grants, the number of shares of common stock granted to a director is based on the average trading price of our common stock on the NYSE for the 10 trading days immediately prior to and ending on the grant date. The grant date fair value was calculated in accordance with Financial Accounting Standard Board Accounting Standards Codification, Topic 718 (''ASC Topic 718'') based on the closing stock price at the grant date. This amount does not reflect the actual economic value that may be realized by the director. The grant date fair value of the RSUs granted in 2022 are as follows:

Name	Quarter Ended March 31, 2022 ($)	Annual Grant June 9, 2022 ($)	Quarter ended June 30, 2022 ($)	Quarter ended September 30, 2022 ($)	Quarter ended December 31, 2022 ($)	Total ($)
Warren Adelman	11,917	170,478	13,194	18,374	19,434	233,397
Pratima Arora	10,297	170,478	10,299	10,960	11,589	213,623
Amy Butte	—	170,478	—	—	—	170,478
Warren Jenson	12,727	170,478	12,449	12,370	13,066	221,090
Pueo Keffer	9,487	170,478	9,223	9,187	9,704	208,079
Hilary Schneider	12,149	170,478	11,870	11,755	12,455	218,707

(3) The following table sets forth (a) the aggregate number of outstanding RSUs held by each non-employee director as of December 31, 2022 and (b) the aggregate number of outstanding options held by each non-employee director as of December 31, 2022.

Name	Total RSUs Held	Total Options Held[a]
Warren Adelman	3,760	75,000
Pratima Arora	40,322	—
Amy Butte[b]	3,760	74,000
Warren Jenson	3,760	100,000
Pueo Keffer	3,760	—
Hilary Schneider	3,760	100,000

(a) All shares underlying the options granted to the director vest in 48 equal monthly installments measured from the vesting commencement date, subject to each director's continuous service through each such vesting date. 100% of the shares underlying these options vest and become exercisable upon a change in control.

(b) Options are held directly by Plato Partners LLC and Ms. Butte owns substantially all of Plato Partners LLC.

(4) Mr. Levine did not stand for re-election at the 2022 Annual Meeting of Stockholders and, therefore, did not receive any fees with respect to periods following the date of the 2022 Annual Meeting of Stockholders.

(5) In April 2023, the Board increased the size of the Board from seven members to eight members and approved the appointment of Mr. Merritt to fill the vacancy on the Board, effective April 17, 2023. Upon his appointment, Mr. Merritt received an Initial Grant (as defined below) with a value of $400,000.

Non-Employee Director Compensation Policy

Under our amended non-employee director compensation policy, each of our non-employee directors is eligible to receive compensation for service on the Board and committees of the Board as set forth below.

Cash Compensation

Each non-employee director will receive the following cash compensation (as applicable) for serving on the Board and its committees:

- $35,000 annual cash retainer for service as a Board member and an additional annual cash retainer of $25,000 for service as chair or lead independent director of the Board;
- $10,000 annual cash retainer for service as a member of the Audit Committee and $20,000 annual cash retainer for service as chair of the Audit Committee (in lieu of the committee member service retainer);
- $7,500 annual cash retainer for service as a member of the Compensation Committee and $15,000 annual cash retainer for service as chair of the Compensation Committee (in lieu of the committee member service retainer); and
- $4,000 annual cash retainer for service as a member of the Nominating and Governance Committee and $8,000 annual cash retainer for service as chair of the Nominating and Governance Committee (in lieu of the committee member service retainer).

The annual cash compensation amounts are payable in equal quarterly installments in arrears following the end of each quarter in which the service occurred, pro-rated for any partial months of service.

Equity Compensation

Retainer Grant. Each non-employee director may elect to convert his or her cash compensation under the policy into an RSU award for common stock (the ''Retainer Grant''). If a non-employee director timely makes this election, each such Retainer Grant will be automatically granted on the date the corresponding cash compensation otherwise would be paid under the policy. The number of shares of our common stock underlying each Retainer Grant is equal to (A) the aggregate amount of the corresponding cash compensation otherwise payable to the non-employee director divided by (B) the average closing price per share of our common stock on the NYSE for the 10 trading days prior to and ending on the date of grant. Each Retainer Grant will be fully vested on the date of grant.

Initial Grant. Each new non-employee director who joins the Board will automatically receive an RSU award for common stock based on the average fair market value of the underlying common stock for the 10 trading days prior to and ending on the date of grant (the ''Initial Grant''). In March 2023, after a review of peer group data regarding non-employee director compensation provided by Compensia, Inc., our independent compensation consultant (''Compensia''), and upon the recommendation of the Compensation Committee, the Board approved an increase in the value of the Initial Grant from $360,000 to $400,000. Each Initial Grant will vest over three years, with one-third of the Initial Grant vesting on the first, second and third anniversary of the date of grant, subject to the non-employee director's continued service to us through the applicable vesting dates.

Annual Grant. On the date of each annual meeting of our stockholders, each person who is then a non-employee director will automatically receive an RSU award for common stock based on the average fair market value of the underlying common stock for the 10 trading days prior to and ending on the date of grant (the ''Annual Grant''). In March 2023, after a review of peer group data regarding non-employee director compensation provided by Compensia and upon the recommendation of the Compensation Committee, the Board approved an increase in the value of the Annual Grant from $180,000 to $200,000. Each Annual Grant will vest on the earlier of (i) the date of the following year's annual meeting of our stockholders (or the date immediately prior to the next annual meeting of our stockholders if the non-employee director's service as a director ends at such meeting due to the director's failure to be re-elected or the director not standing for re-election); or (ii) the first anniversary of the date of grant, subject to the non-employee director's continued service to us through the applicable vesting date.

Any unvested Initial Grant or Annual Grant held by each non-employee director who is providing services as of immediately prior to a ''corporate transaction'' (as defined in the non-employee director compensation policy) will become fully vested as of immediately prior to the closing of such corporate transaction.

Expenses

We will reimburse each eligible non-employee director for ordinary, necessary and reasonable out-of-pocket travel expenses to cover in-person attendance at and participation in Board or committee meetings.

PROPOSAL 2: RATIFICATION OF THE SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

The Audit Committee evaluates the performance of our independent registered public accounting firm each year and determines whether to continue with the incumbent firm or consider other firms. In doing so, the Audit Committee considers the auditor's service quality and efficiency, capability, technical expertise, knowledge of our operations and industry, and pricing. On March 27, 2023, following an extensive evaluation, the Board, upon the recommendation of the Audit Committee, dismissed Ernst & Young LLP as the Company's independent registered accounting firm, effective immediately. The dismissal was not related to any disagreements with Ernst & Young LLP on any matter of accounting principles or practices, financial statement disclosure, or auditing scope or procedure. Ernst & Young LLP had served as the Company's auditor since 2015.

The audit reports of Ernst & Young LLP on the consolidated financial statements of the Company as of and for each of the two most recent fiscal years ended December 31, 2022 and December 31, 2021 did not contain an adverse opinion or a disclaimer of opinion and were not qualified or modified as to uncertainty, audit scope, or accounting principles. During the Company's two most recent fiscal years ended December 31, 2022 and December 31, 2021 and the subsequent interim period through March 27, 2023, there were (i) no disagreements with Ernst & Young LLP on any matter of accounting principles or practices, financial statement disclosure or auditing scope or procedures that, if not resolved to Ernst & Young LLP's satisfaction, would have caused Ernst & Young LLP to make reference to the subject matter of the disagreement in connection with its reports, and (ii) no "reportable events" as defined in Item 304(a)(1)(v) of Regulation S-K of the SEC ("Regulation S-K").

On March 27, 2023, the Board, upon the recommendation of the Audit Committee, approved the appointment of PricewaterhouseCoopers LLP as the Company's new independent registered public accounting firm for the fiscal year ending December 31, 2023, effective immediately. During the Company's two most recent fiscal years ended December 31, 2022 and December 31, 2021 and the subsequent interim period through March 27, 2023, neither the Company nor anyone acting on its behalf consulted with PricewaterhouseCoopers LLP regarding any of the matters described in Items 304(a)(2)(i) and (ii) of Regulation S-K. Representatives of PricewaterhouseCoopers LLP are expected to be present at the Annual Meeting. They will have an opportunity to make a statement if they so desire and will be available to respond to appropriate questions.

Neither the Company's bylaws nor other governing documents or law require stockholder ratification of the selection of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm. However, the Board is submitting the selection of PricewaterhouseCoopers LLP to the stockholders for ratification as a matter of good corporate practice. If the stockholders fail to ratify the selection, the Audit Committee will reconsider whether or not to retain that firm. Even if the selection is ratified, the Audit Committee in its discretion may direct the appointment of different independent auditors at any time during the year if they determine that such a change would be in the best interests of the Company and its stockholders.

The affirmative vote of the holders of a majority of the voting power of the shares present in person, by remote communication, if applicable, or represented by proxy duly authorized at the meeting and voting affirmatively or negatively (excluding abstentions and broker non-votes) on the matter at the Annual Meeting will be required to ratify the selection of PricewaterhouseCoopers LLP.

Principal Accountant Fees and Services

The following table represents aggregate fees billed to the Company for the fiscal years ended December 31, 2022 and December 31, 2021 by Ernst & Young LLP, the Company's principal accountant for such years.

	Fiscal Year Ended	
	2022	2021
	(in thousands)	
Audit Fees(1)	$3,215	$2,270
Audit-related Fees(2)	—	50
Tax Fees(3)	23	—
All Other Fees(4)	5	5
Total Fees	$3,243	$2,325

(1) Audit fees consist of fees for professional services provided in connection with the audit of our annual consolidated financial statements, the review of our quarterly consolidated financial statements, and audit services that are normally provided by an independent registered public accounting firm in connection with statutory and regulatory filings or engagements for those fiscal years. The audit fees for the fiscal year ended December 31, 2021 also include fees for professional services provided in connection with our IPO, including comfort letters, consents, and review of documents filed with the SEC. The audit fees for the fiscal year ended December 31, 2022 also include fees related to the audit of Cloudways Limited ("Cloudways") and its subsidiaries, in connection with our acquisition of Cloudways in September 2022.

(2) Audit-related fees consist of fees for professional services provided in connection with consultation related to matters affecting future audit periods and attestation reports for service organizations for the fiscal year ended December 31, 2021.

(3) Tax fees consist of fees for professional services provided in connection with tax advice related to international tax matters during the fiscal year ended December 31, 2022.

(4) All other fees billed for the fiscal years ended December 31, 2022 and December 31, 2021 were related to fees for access to publications and online subscriptions.

All fees described above were pre-approved by the Audit Committee in accordance with the policy described below.

Pre-Approval Policies and Procedures

The Audit Committee has adopted a policy and procedures for the pre-approval of audit and permissible non-audit services rendered by the Company's independent registered public accounting firm, PricewaterhouseCoopers LLP. The policy generally pre-approves specified services in the defined categories of audit services, audit-related services, tax services and permitted non-audit services up to specified amounts. Pre-approval may also be given as part of the Audit Committee's approval of the scope of the engagement of the independent auditor or on an individual, explicit, case-by-case basis before the independent auditor is engaged to provide each service. The pre-approval of services may be delegated to one or more members of the Audit Committee, but the decision must be reported to the full Audit Committee at its next scheduled meeting.

The Audit Committee has determined that the rendering of services other than audit services by PricewaterhouseCoopers LLP is compatible with maintaining the principal accountant's independence.

OUR BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE RATIFICATION OF PRICEWATERHOUSECOOPERS LLP AS OUR INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

PROPOSAL 3: APPROVAL, ON A NON-BINDING ADVISORY BASIS, OF THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS

In accordance with the requirements of Section 14A of the Exchange Act, we are providing our stockholders the opportunity to vote to approve, on a non-binding advisory basis, the compensation of our named executive officers (as disclosed under ''Executive Compensation—Compensation Discussion and Analysis,'' the tables included in the section titled ''Executive Compensation'' and the accompanying narrative).

You are encouraged to review the section titled ''Executive Compensation'' and, in particular, the section titled ''Executive Compensation—Compensation Discussion and Analysis'' in this Proxy Statement, which provides a comprehensive review of our executive compensation program and its elements, objectives and rationale.

The vote on this resolution is not intended to address any specific element of compensation, rather the vote relates to the compensation of our named executive officers in its totality, as described in this Proxy Statement in accordance with the compensation disclosure rules of the SEC.

In accordance with Section 14A of the Exchange Act rules, stockholders are asked to approve the following non-binding resolution:

> ''RESOLVED, that the Company's stockholders hereby approve, on a non-binding advisory basis, the compensation of the Company's named executive officers, as disclosed in the Company's Proxy Statement for the 2023 Annual Meeting of Stockholders, pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the Compensation Discussion and Analysis, the compensation tables and the accompanying narrative.''

The approval of this non-binding proposal requires the affirmative vote of the holders of a majority of the voting power of the shares present in person, by remote communication, if applicable, or represented by proxy duly authorized at the meeting and voting affirmatively or negatively (excluding abstentions and broker non-votes) on the matter at the Annual Meeting.

Since this proposal is an advisory vote, the result will not be binding on our Board or Compensation Committee. However, our Board values our stockholders' opinions, and the Board and Compensation Committee will take into account the outcome of the advisory vote when considering future executive compensation decisions.

OUR BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE APPROVAL OF THE NON-BINDING RESOLUTION ON NAMED EXECUTIVE OFFICER COMPENSATION

PROPOSAL 4: APPROVAL, ON A NON-BINDING ADVISORY BASIS, OF THE FREQUENCY OF FUTURE NON-BINDING ADVISORY VOTES TO APPROVE THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS

Section 14A of the Exchange Act provides that this year, and going forward, at least every six years, we must provide stockholders an opportunity to vote, on a non-binding advisory basis, for their preference on how frequently we should seek future non-binding advisory votes to approve the compensation of our named executive officers (such as the one described in Proposal 3 above). Specifically, stockholders may indicate whether they would prefer these advisory resolutions on named executive officer compensation to be presented for stockholder approval every one, two or three years.

Our Board believes at this time that an annual frequency is appropriate for DigitalOcean. The Board believes that an annual vote on named executive officer compensation provides stockholders with the opportunity to provide timely and direct input to the Board and the Compensation Committee about our executive compensation philosophy, policies and practices as disclosed in the proxy statement each year. The Board believes that an annual vote is therefore consistent with our efforts to engage in an ongoing dialogue with our stockholders on executive compensation and corporate governance matters. The Board will continue to evaluate the appropriate frequency for the stockholder executive compensation vote.

Please note that stockholders are not voting to approve or disapprove the recommendation of the Board with respect to this proposal. Instead, the proxy card provides four choices: a one, two or three year frequency or stockholders may abstain from voting on the proposal. The option that receives votes from the holders of a majority of the voting power of the shares present in person, by remote communication, if applicable, or represented by proxy duly authorized at the meeting and voting on the subject matter (excluding abstentions and broker non-votes) will be deemed to be the frequency preferred by our stockholders.

Since this proposal is an advisory vote, the result will not be binding on our Board. As such, the results of the vote will not be construed to create or imply any change to the fiduciary duties of our Board. Our Board may decide that it is in the best interests of DigitalOcean and our stockholders to hold a non-binding advisory vote on our named executive officer compensation more or less frequently than the option approved by our stockholders. However, our Board values our stockholders' opinions, and the Board and the Compensation Committee will take into account the outcome of the advisory vote when determining how often we should submit to stockholders future ''say-on-pay'' votes. We expect that the next stockholder vote on the frequency of non-binding advisory votes on named executive officer compensation will occur at our 2029 Annual Meeting of Stockholders.

OUR BOARD OF DIRECTORS RECOMMENDS A VOTE FOR A "ONE YEAR" FREQUENCY FOR FUTURE ADVISORY VOTES ON NAMED EXECUTIVE OFFICER COMPENSATION

EXECUTIVE OFFICERS

The following table sets forth information for our executive officers as of the date of this Proxy Statement:

Name	Age	Position
Yancey Spruill	55	Chief Executive Officer and Director
Muhammad Aaqib Gadit	36	Chief Revenue Officer
Jeffrey Guy	57	Chief Operating Officer
Matthew Norman	51	Chief People Officer
Alan Shapiro	54	General Counsel
W. Matthew Steinfort	53	Chief Financial Officer
Megan Wood	39	Chief Strategy Officer

Yancey Spruill. Biographical information for Yancey Spruill is included above with the director biographies under the caption "Class I Directors Continuing in Office Until the 2025 Annual Meeting."

Muhammad Aaqib Gadit has served as our Chief Revenue Officer since January 2023. From September 2022 to January 2023, Mr. Gadit served as our SVP and General Manager, Cloudways. Previously, Mr. Gadit was the Co-Founder and Chief Executive Officer of Cloudways, a managed hosting company, from October 2012 until its sale to DigitalOcean in September 2022. Mr. Gadit holds various other positions at companies that he co-founded, including Founding Partner at Disrupt.com, a VBaas platform; Co-Founder and Director at PureVPN, a commercial VPN service; and Co-Founder and Director of Gaditek Associates, an IT services company that provides G&A, BPO and PEO services. Mr. Gadit received his Bachelor of Engineering (B.E.) from NED University of Engineering and Technology.

Jeffrey Guy has served as our Chief Operating Officer since February 2020. Mr. Guy served as Vice President of Finance and Transformation at Solera, Inc., a data and software services company, from August 2019 to February 2020. From July 2011 to August 2019, Mr. Guy worked at DigitalGlobe, Inc. a provider of geospatial information products and services, where he most recently served as Senior Vice President of Business Transformation and previously held several senior-level finance and operations roles. From 2001 to 2010, Mr. Guy served in various operations and transformation roles at Trimble, Inc., a hardware, software and services technology company. Mr. Guy received a B.S. in Business Administration in Operations and Supply Chain Management from Bowling Green State University and an M.B.A. in International Business from Western Michigan University.

Matthew Norman has served as our Chief People Officer since May 2020. Mr. Norman served as Executive Vice President of Human Resources at Denihan Hospitality Group, a hotel management and development company, from September 2013 to May 2020. Previously, Mr. Norman was Vice President of Human Resources at Gilt Groupe, an online shopping and lifestyle website, from June 2011 to September 2013 and Vice President of Human Resources at Conde Nast, a global mass media company, from March 2010 to June 2011. Mr. Norman has also previously served in senior roles in the human resources departments at Universal McCann Worldwide, Inc., DoubleClick Inc. and Honeywell International Inc. Mr. Norman received a B.A. from Wabash College and a master's degree from Columbia University.

Alan Shapiro has served as our General Counsel since May 2017. From November 2007 until December 2016, Mr. Shapiro served in various roles, including most recently as Executive Vice President and General Counsel, at Everyday Health, Inc., a provider of digital health solutions. From September 2002 until October 2007, Mr. Shapiro served as General Counsel of NetRatings, Inc., a global Internet media and market research firm. From April 2000 until July 2002, Mr. Shapiro served as General Counsel of Jupiter Communications, Inc. and its successor company, Jupiter Media Metrix, Inc., a provider of Internet media and market research services. Previously, Mr. Shapiro worked as a corporate attorney at Brobeck, Phleger & Harrison LLP and Dechert LLP. Mr. Shapiro received a B.A. from Columbia University and a J.D. from the UCLA School of Law.

W. Matthew Steinfort has served as our Chief Financial Officer since January 2023. From September 2017 to December 2022, Mr. Steinfort served as the Chief Financial Officer of Zayo Group Holdings, Inc., a provider of telecommunications infrastructure services, and, prior to serving in such capacity, Mr. Steinfort served as the Executive Vice President, Corporate Strategy, Development and Administration at Zayo from November 2016 to September 2017. From February 2006 to November 2016, Mr. Steinfort served as Co-Founder and Chief Executive Officer of Envysion, Inc., a video intelligence SaaS company, where he also served on the board of directors from January 2013 until its merger with Motorola Solutions, Inc. in November 2021. Previously, Mr. Steinfort was the

Senior Vice President of Corporate Strategy at ICG Communications, a communications company that provides data and voice services, and held a variety of vice president roles at Level 3 Communications, an internet and telecommunications provider. Earlier in his career, Mr. Steinfort held positions at management consultancy Bain & Company and IT consultancy Cambridge Technology Partners. Mr. Steinfort received a B.S.E. in Civil Engineering and Operations Research from Princeton University and an M.B.A. from the MIT-Sloan School of Management.

Megan Wood has served as our Chief Strategy Officer since January 2023. From April 2021 to January 2023, Ms. Wood served in other roles at DigitalOcean, including most recently as SVP, Chief Strategy Officer. From February 2020 to April 2021, Ms. Wood served as the Head of Business Operations and Corporate Strategy at NerdWallet, Inc., a personal finance company. From January 2016 to February 2020, Ms. Wood served in various roles at Maxar Technologies Inc., a space technology company, including most recently as Senior Director, Strategic Operations. Earlier in her career, Ms. Wood held positions at Bain & Company and Citigroup Global Markets. Ms. Wood received a B.S. in Finance and Business Administration from the University of Kansas and an M.B.A. from the University of Chicago Booth School of Business.

EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Overview

The following Compensation Discussion and Analysis describes the material elements of our executive compensation program for the fiscal year ended December 31, 2022. It also provides an overview of our compensation philosophy and objectives, our process for setting executive compensation and how the Compensation Committee arrived at the specific compensation decisions for the individuals who served as our principal executive officer, principal financial officer and our three other most highly-compensated executive officers as of December 31, 2022, collectively referred to as our "named executive officers."

Our named executive officers for the fiscal year ended December 31, 2022 were:

- Yancey Spruill, our Chief Executive Officer;
- William Sorenson, our former Chief Financial Officer;
- Carly Brantz, our former Chief Marketing Officer;
- Jeffrey Guy, our Chief Operating Officer; and
- Gabriel Monroy, our former Chief Product Officer.

As described in further detail below, on August 5, 2022, William Sorenson entered into a transition agreement with the Company (the "Transition Agreement") that provided for his retirement from the Company, effective as of August 31, 2023 (the "Retirement Date"), and set forth the terms of his employment through the Retirement Date. Pursuant to the terms of such agreement, Mr. Sorenson transitioned to Executive Advisor upon the commencement of employment of his successor, W. Matthew Steinfort, on January 9, 2023.

On February 15, 2023, Carly Brantz entered into a mutual agreement with the Company, which provided for Ms. Brantz's departure from the Company, effective as of April 1, 2023.

On March 10, 2023, Gabriel Monroy resigned from the Company, effective as of March 31, 2023.

Business Highlights

Our Business

DigitalOcean is a leading cloud computing platform offering on-demand infrastructure and platform tools for startups and small and medium-sized businesses ("SMBs"). We were founded with the guiding principle that the transformative benefits of the cloud should be easy to leverage, broadly accessible, reliable and affordable. Our platform simplifies cloud computing, enabling our customers to rapidly accelerate innovation and increase their productivity and agility. We believe that our focus on simplicity, community, open source and customer support are the four key differentiators of our business, driving a broad range of customers around the world to build their applications on our platform.

We offer mission-critical solutions across IaaS, including our Droplet virtual machines, storage and networking offerings; PaaS, including our Managed Database and Managed Kubernetes offerings; and SaaS, including our Managed Hosting and Marketplace offerings. Our cloud platform was designed with simplicity in mind to ensure that startups and SMBs can spend less time managing their infrastructure and more time building innovative applications that drive business growth.

Fiscal Year 2022 Financial Highlights

- Revenue was $576.3 million, an increase of 34% year-over-year.
- Gross profit of $364.4 million or 63% of revenue, an increase of 300 basis points year-over-year.
- Loss from operations was $26.2 million and operating margin was (5)%.
- Non-GAAP income from operations was $102.4 million and non-GAAP operating margin was 18%.
- Net loss per share was $(0.24) and non-GAAP diluted net income per share was $0.94.
- Net cash from operating activities was $195.2 million, an increase from $133.1 million in the prior year.
- Free cash flow was $77.8 million as compared to $24.5 million in fiscal year 2021.

To supplement our consolidated financial statements, which are prepared in accordance with U.S. generally accepted accounting principles (''GAAP''), we provide investors with certain non-GAAP financial measures, including non-GAAP income from operations, non-GAAP operating margin, non-GAAP diluted net income per share and free cash flow. For a full reconciliation of each non-GAAP financial measure to the most directly comparable financial measure stated in accordance with GAAP, please see Exhibit 99.1 to our Current Report on Form 8-K filed on February 16, 2023.

Executive Summary

We endeavor to maintain sound governance standards consistent with our executive compensation policies and practices. The Compensation Committee evaluates our executive compensation program on a regular basis to ensure that it is effective at driving performance and supporting long-term growth for our stockholders while mitigating risk. The following summarizes our executive compensation and related policies and practices that were in effect in 2022:

What We Do

- ***Independent Compensation Committee.*** Our Compensation Committee consists solely of independent members of our Board.
- ***Independent Compensation Consultant.*** Our Compensation Committee has retained an independent third-party compensation consultant for guidance in making compensation decisions.
- ***Conduct Annual Compensation Review.*** The Compensation Committee conducts a review at least annually of our executive compensation philosophy and strategy, including a review of the compensation peer group used for comparative purposes.
- ***Compensation At-Risk; Pay-for-Performance Philosophy.*** Our annual cash bonus plan for all of our named executive officers is performance-based and dependent upon our achievement of specific annual financial objectives established each year. In addition, equity awards are an integral part of our executive compensation program, and represent the most significant ''at-risk'' portion of compensation for named executive officers. Multi-year vesting periods for awards strongly align our named executive officers' interests with those of our stockholders by providing a continuing financial incentive to maximize long-term value for our stockholders and by encouraging our named executive officers to remain in our long-term employ. Furthermore, a significant portion of the equity awards granted to our named executive officers is contingent upon our achievement of annual financial objectives established each year.

What We Don't Do

- ***No Single-Trigger Change in Control Arrangements.*** We do not provide single-trigger vesting acceleration upon a change in control. All change in control payments and benefits under our severance arrangements require both a change in control of the Company plus a qualifying termination of employment before payments and benefits are paid.
- ***No Tax Reimbursements or Perquisites.*** We do not provide our named executive officers with any excise tax gross-ups or other material perquisites.
- ***Anti-Hedging and Anti-Pledging.*** We prohibit hedging and pledging of DigitalOcean stock.
- ***No Special Retirement, Health or Welfare Benefits.*** We do not provide our named executive officers with any retirement, health or welfare benefit programs, other than participation in our broad-based employee plans and programs on the same basis as our other full-time, salaried employees.

Say-on-Pay Vote on Executive Compensation

In prior years, we were an ''emerging growth company'' as defined in the Jumpstart Our Business Startups Act of 2012 and were not required to hold a non-binding advisory vote on the compensation of our named executive officers (a ''Say-on-Pay Vote''). At the Annual Meeting, we will be conducting our first Say-on-Pay Vote as described in Proposal No. 3 of this Proxy Statement. Because we value the opinions of our stockholders, the Board and the Compensation Committee will consider the outcome of the Say-on-Pay Vote and the related vote on the frequency of the Say-on-Pay Vote described in Proposal No. 4 of this Proxy Statement, as well as feedback received throughout the year, when making compensation decisions for our named executive officers in the future.

Executive Compensation Philosophy and Objectives

Our executive compensation program is guided by our overarching philosophy of paying for demonstrable performance and aligning the compensation of our executive officers with the long-term interests of our stockholders. Consistent with this philosophy, we have designed our executive compensation program to achieve the following primary objectives:

- attract, motivate, incentivize and retain a highly-skilled team of executive officers who contribute to our long-term success;
- provide compensation packages to our executive officers that are competitive and reward the achievement of our financial, operational and strategic objectives; and
- effectively align our executive officers' interests with the interests of our stockholders by focusing on long-term equity incentives that correlate with the growth of sustainable long-term value for our stockholders.

Our executive compensation program generally consists of the following three principal components: base salary, performance-based cash bonus and long-term equity incentive compensation. We also provide our executive officers with benefits available to all our employees, including retirement benefits under the DigitalOcean 401(k) plan, participation in employee benefit plans and participation in our 2021 Employee Stock Purchase Plan (''ESPP'').

We believe our executive compensation program is reasonable and competitive, and appropriately balances the goals of attracting, motivating, rewarding and retaining our named executive officers with the goal of aligning their interests with those of our stockholders. The annual compensation of our named executive officers typically varies from year to year in a manner that is consistent with our ''pay-for-performance'' philosophy. Specifically, our executive compensation program emphasizes ''variable'' and ''at-risk'' pay over ''fixed'' pay.

Process for Setting Executive Compensation

Role of the Compensation Committee

Compensation decisions for our named executive officers are determined by the Compensation Committee, with input from Compensia, our independent compensation consultant, and, as appropriate, management (including our Chief Executive Officer, except in regard to his own compensation). The Compensation Committee reviews the compensation of our named executive officers on an annual basis to ensure the executives are appropriately compensated and motivated, and makes adjustments as necessary.

Pursuant to its charter, the Compensation Committee is primarily responsible for establishing, approving and adjusting compensation arrangements for our named executive officers and for reviewing and approving performance goals and objectives relevant to these compensation arrangements, and considering factors related to company performance. For additional information about the Compensation Committee, see the section titled ''Information Regarding the Board of Directors and Corporate Governance—Compensation Committee.''

Generally, the Compensation Committee's process for determining executive compensation comprises two related elements: the determination of compensation levels and the establishment of performance objectives for the current year. For executives other than our Chief Executive Officer, the Compensation Committee solicits and considers evaluations and recommendations submitted to the Compensation Committee by our Chief Executive Officer. In the case of our Chief Executive Officer, the Compensation Committee approves and recommends to the independent members of the full Board for their approval any adjustments to our Chief Executive Officer's compensation. For all executive officers, the Compensation Committee may, as part of its deliberations, review and consider, as appropriate, materials such as financial reports and projections, operational data, tax and accounting information, tally sheets that set forth the total compensation that may become payable to the individuals in various hypothetical scenarios, executive stock ownership information, company stock performance data, analyses of historical executive compensation levels and current Company-wide compensation levels, and recommendations of the Compensation Committee's compensation consultant, including analyses of executive compensation paid at other peer group companies identified by the consultant.

In addition, under the charter, the Compensation Committee has the authority to retain legal, accounting or other outside advisors, including compensation consultants, and determine compensation terms for those advisors at the expense of the Company. For the fiscal year ended December 31, 2022, the Compensation Committee retained Compensia to review and assess our executive compensation practices relative to market compensation practices and to provide market compensation data. For additional information on this engagement, see the section below titled "Role of the Compensation Consultant."

Role of Management

In discharging its responsibilities, the Compensation Committee works with members of our management, including our Chief Executive Officer, Chief People Officer and General Counsel. Our management assists the Compensation Committee by providing information on corporate and individual performance, market compensation data and management's perspective on compensation matters. The Compensation Committee solicits and reviews management's recommendations and proposals with respect to adjustments to annual cash compensation, long-term equity incentive compensation opportunities, program structures and other compensation-related matters for our executive officers (other than with respect to his own compensation). The Compensation Committee reviews and discusses these recommendations and proposals with management and considers them as one factor in determining the compensation for our executive officers. Our Chief Executive Officer recuses himself from all deliberations and recommendations regarding his own compensation. The Compensation Committee has also delegated limited authority to certain members of management to make equity grants to certain employees who are not executive officers within pre-approved guidelines.

Role of the Compensation Consultant

For fiscal year 2022, the scope of Compensia's engagement for the Compensation Committee included:

- advising the Compensation Committee on executive compensation trends and regulatory developments;
- researching, developing and reviewing the compensation peer group used for fiscal year 2022 executive compensation benchmarking;
- presenting market data and analysis to assist the Compensation Committee in developing executive compensation levels, including appropriate salaries and the size and structures of target bonus amounts and equity awards for our named executive officers;
- reviewing market and peer group equity usage metrics with an understanding of our equity budget relative to market;
- advising on our non-employee director compensation program;
- reviewing the materials prepared for the Compensation Committee by management relative to fiscal year 2022 compensation for the named executive officers; and
- supporting other ad hoc matters throughout the year.

The Compensation Committee has analyzed whether the work of Compensia as compensation consultant raises any conflict of interest, taking into account relevant factors in accordance with SEC guidelines. Based on its analysis, the Compensation Committee determined that the work of Compensia during 2022 did not create any conflict of interest pursuant to the SEC rules and stock exchange listing standards.

Use of Competitive Market Data

For purposes of comparing our executive compensation against the competitive market, the Compensation Committee reviews and considers the compensation levels and practices of a group of peer companies. This compensation peer group consists of publicly-traded technology companies against which we compete for executive talent and that are similar to us in terms of revenue, market capitalization and industry focus. The competitive data drawn from this compensation peer group is only one of several factors that the Compensation Committee considers, however, in formulating its recommendations with respect to the compensation of our named executive officers.

In November 2021, the Compensation Committee, with the assistance of Compensia, determined the peer group for purposes of fiscal year 2022 compensation decisions was as follows:

Altair Engineering	Datto Holding	New Relic
Anaplan	Domo	PagerDuty
Appian	Elastic N.V.	Ping Identity Holding
Asana	Fastly	Rapid7
Cloudflare	Five9	Smartsheet
Confluent	Freshworks	Workiva
Datadog	MongoDB	Zuora

The Compensation Committee reviews our peer group at least annually and makes adjustments to its composition, if warranted, taking into account changes in both our business and the businesses of the companies in the peer group.

Using data compiled from the peer companies, Compensia completed an assessment of our executive compensation to inform the Compensation Committee's determinations regarding executive compensation for 2022. Compensia prepared, and the Compensation Committee reviewed, a range of market data reference points (generally at the 25th, 50th, 65th and 75th percentiles of the market data) with respect to base salary, performance-based cash bonuses, long-term equity compensation, total target cash compensation (base salary and annual target performance-based cash bonus) and total direct compensation (total target cash compensation and long-term equity compensation) with respect to each of the named executive officers. The Compensation Committee targeted total direct compensation to fall between the 50th and 75th percentiles of the market data, but reviewed the market data reference points as only one of the factors in making 2022 compensation decisions in the first quarter of 2022. The Compensation Committee considers other factors as described below under "Factors Used in Determining Executive Compensation."

Factors Used in Determining Executive Compensation

The Compensation Committee sets the compensation of our named executive officers at levels determined to be competitive and appropriate for each named executive officer, using their professional experience and judgment. Pay decisions are not made by use of a formulaic approach or benchmark; the Compensation Committee believes that executive pay decisions require consideration of a multitude of relevant factors which may vary from year to year. In making executive compensation decisions, the Compensation Committee generally takes into consideration the factors listed below:

- Company and individual performance
- Existing business needs and criticality for future business needs and performance
- Range of market data reference points, as described above under "Use of Competitive Market Data"
- Recommendations from the independent compensation consultant
- Value of existing equity holdings, including the potential value of unvested equity awards
- Scope of job function and skill set
- Need to attract new talent and retain existing talent in a highly-competitive industry

2022 Executive Compensation Program

Named executive officer compensation for the fiscal year ended December 31, 2022 consisted of the following components:

Compensation Element	How Payout is Determined	Performance Measures	Purpose
Base Salary (fixed; paid in cash)	Compensation Committee reviews and determines base salary on an annual basis based on a number of factors, including company and individual performance and market data obtained from our independent compensation consultant	N/A	• Provides stable income for performing job responsibilities • Attracts highly-qualified executives
Performance-Based Cash Bonus (variable; paid in cash)	Compensation Committee reviews target bonus percentages on an annual basis and determines executive bonus payouts based on predetermined corporate financial objectives and individual performance	• Revenue • Free cash flow margin	• Motivates and rewards executives for achievement of annual goals • Aligns management and stockholder interests by linking pay to financial performance
Long-Term Equity Incentive - Time-Based RSUs (variable; paid in equity)	Compensation Committee reviews and determines amounts and terms of time-based RSU grants for executive officers annually based on a number of factors, including corporate and individual performance and market data obtained from our independent compensation consultant	Value of an RSU as of the date of vesting is based on stock price on the date of vesting, which links the awards to overall performance and the creation of value for our stockholders	• Represents 35% of the total annual long-term equity incentive award • Serves a retention function • Aligns management and stockholder interests by facilitating management ownership and tying value of award at vesting to stock price at vesting
Long-Term Equity Incentive - PSUs (variable; paid in equity)	Compensation Committee reviews and determines amounts and terms of performance-based RSU ("PSU") grants for executive officers annually based on a number of factors, including corporate and individual performance and market data obtained from our independent compensation consultant	• Revenue growth plus free cash flow margin • Value of a PSU as of the date of vesting is based on stock price on the date of vesting	• Represents 65% of the total annual long-term equity incentive award • PSUs further align interests with our stockholders in driving long-term company performance and growth in value. PSU vesting is contingent upon our achievement of specified corporate performance goals. • Serves a retention function

Base Salary

Base salary represents the fixed portion of the compensation of our named executive officers, and is an important element of compensation intended to attract and retain highly talented individuals. The Compensation Committee's decisions on base salary levels for the named executive officers generally occur in the first quarter of each year and are primarily based on its review of competitive market information for comparable positions, the executive's performance of his or her duties, the criticality of the executive's role to the execution of corporate strategy and the executive's potential to impact future business results. For our named executive officers other than our Chief Executive Officer, the Compensation Committee also considers our Chief Executive Officer's recommended salary adjustments based on position relative to the competitive market information. Base salaries are reviewed by our Compensation Committee annually and are adjusted from time-to-time as deemed appropriate.

In February 2022, the Compensation Committee reviewed the base salaries of our named executive officers and determined to increase the base salaries of certain of our named executive officers to reflect their contributions to the Company and better position their compensation against the competitive market. Set forth below are the base salaries for each of our named executive officers as of December 31, 2021 and December 31, 2022:

Named Executive Officer	Base Salary as of December 31, 2021 ($)	Base Salary as of December 31, 2022 ($)	Percentage Change
Yancey Spruill	514,000	514,000	—
William Sorenson	400,000	430,000	7.50%
Carly Brantz	340,000	340,000	—
Jeffrey Guy	400,000	450,000	12.50%
Gabriel Monroy	375,000	375,000	—

The actual base salary amounts paid to our named executive officers for fiscal year 2022 are set forth in the "Summary Compensation Table" below.

Performance-Based Cash Bonus

Our annual performance-based cash bonus awards provide incentive compensation that is specifically designed to motivate our executive officers to achieve annual financial objectives set by the Compensation Committee and to reward them for results and achievements in a given year. The annual target bonus opportunities for our named executive officers are generally determined by the Compensation Committee in the first quarter of each year and expressed as a percentage of each individual's annual base salary. After a review of the factors described in the section above, in February 2022, the Compensation Committee approved an increase in the target bonus percentage from 60% to 65% for each named executive officer (except for our Chief Executive Officer). The target bonus opportunities approved for and amounts earned by our named executive officers for 2022 were as follows:

Named Executive Officer	Target Bonus Opportunity (% of Base Salary)	Target Bonus Opportunity ($)	Actual Bonus Earned ($)
Yancey Spruill	100%	514,000	257,000
William Sorenson	65%	279,500	139,750
Carly Brantz	65%	221,000	110,500
Jeffrey Guy	65%	292,500	146,250
Gabriel Monroy	65%	243,750	121,875

Executive Bonus Goal Setting

The Compensation Committee approved the performance metrics and their relative weighting for fiscal year 2022 performance-based cash bonus awards in the first quarter of 2022. The targets against which performance is measured are generated through our annual budget and strategic planning process, which was reviewed with our Board and finalized in the first quarter of 2022. For fiscal year 2022, the Compensation Committee determined that the total annual bonus opportunity would be subject to the following weighting: (i) 80% of the total annual bonus opportunity would be based on predetermined corporate performance objectives, as discussed in further detail below, and (ii) 20% of the total annual bonus opportunity would be based on the executive's individual performance, with the payout to be determined based on an assessment by the Compensation Committee, in its discretion, of the named executive officer's achievement against individual performance goals and adherence to Company values. The Compensation Committee believed that these goals and their weighting represent rigorous objectives for our named executive officers and align with stockholder interests.

For 2022, the Compensation Committee determined that two-thirds of the financial performance component would be based on revenue and one-third of the financial performance component would be based on free cash flow margin (defined as net cash provided by operating activities less purchases of property and equipment, capitalized internal-use software costs, purchase of intangible assets, and excluding acquisition and integration related costs, as a percentage of revenue). The Compensation Committee believed that using these metrics to determine the total annual bonus payout was appropriate to balancing the importance of driving revenue growth while increasing profitability. The Compensation Committee intended these goals to be challenging to attain based on an analysis of internal forecasts and external market factors.

For purposes of calculating the bonus payout amount, when the executive's attainment exceeds the performance target, accelerators are triggered in order to reward the higher than expected performance, while decelerators are applied if the actual results are lower than the performance target. The potential payout range for each of the revenue and free cash flow margin components (after applying the decelerator/accelerator factor) was 50-150% of the executive's target bonus opportunity for such component. In each case, the actual payout was to be determined based on a linear interpolation between the threshold and target amounts and the target and maximum amounts. The impact of any acquisitions would be determined on a case-by-case basis during the course of the year.

The Compensation Committee approved the following threshold, target and maximum revenue and free cash flow margin goals for the financial performance component of the 2022 performance-based cash bonus:

	2022 Revenue	2022 Free Cash Flow Margin	Percentage Payout of Respective Component
Threshold	$575M	8%	50%
Target	$589M	10%	100%
Maximum	$610M	12%	150%

Fiscal 2022 Bonus Payouts

In February 2023, achievement of the corporate performance goals for fiscal 2022 was determined to be as follows: (i) revenue was $560 million (which excluded the impact of our acquisition of Cloudways in September 2022 at the direction of the Compensation Committee), resulting in no payout with respect to such component; and (ii) free cash flow margin was 13.4%, resulting in the maximum 150% payout with respect to such component. The Compensation Committee determined that each named executive officer had achieved 100% of the individual performance component. Therefore, the Compensation Committee determined that each named executive officer had achieved 50% of such executive's total annual bonus opportunity. Actual payouts for fiscal year 2022 are included in the table set forth above and the "Summary Compensation Table" below.

Long-Term Equity Incentive Compensation

We view long-term incentive compensation in the form of equity awards as a critical element of our executive compensation program. The realized value of these equity awards bears a direct relationship to our stock price, and, therefore, these awards are an incentive for our executive officers to create value for our stockholders. Equity awards also help us retain qualified executive officers in an increasingly competitive market.

Long-term incentive compensation opportunities in the form of equity awards are granted to our executive officers by the Compensation Committee. As with other elements of compensation, the Compensation Committee determines the amount of long-term equity incentive compensation for our executive officers as part of its annual compensation review in the first quarter of the year and after taking into consideration the individual officer's responsibilities, performance and existing equity retention profiles, and the other factors described in "Factors Used in Determining Executive Compensation" above. For awards to executive officers other than our Chief Executive Officer, the Compensation Committee also takes into account the recommendations of our Chief Executive Officer with respect to appropriate grants and any particular individual circumstances. The amounts of the equity awards are intended to provide competitively-sized awards and resulting target total direct compensation opportunities that the Compensation Committee believes are reasonable and appropriate taking into consideration the factors described herein.

In 2022, consistent with the prior year, the Compensation Committee determined to grant our executive officers (with the exception of our Chief Executive Officer) long-term equity incentive compensation awards as follows: (i) 35% of the total value of the long-term equity incentive compensation would be in the form of RSU awards, which vest over a four year period and will be settled for shares of our common stock; and (ii) 65% of the total value of the long-term equity incentive compensation would be in the form of PSU awards, which will be earned contingent upon our achievement of corporate financial objectives, as discussed in further detail below, and then, assuming achievement, will vest over a three year period (inclusive of the performance period) and be settled for shares of our common stock. Since the value of RSU and PSU awards increases with any increase in the value of the underlying shares, these equity awards serve as an incentive that aligns the interests of our executive officers with the long-term interests of our stockholders. In addition, because the awards are subject to a multi-year vesting requirement, RSU and PSU awards serve our retention objectives since our executive officers generally must remain continuously employed by us through the applicable vesting dates to fully earn these awards. Despite the fact that granting PSUs is a minority practice within our peer group in general, and particularly in the percentage in which PSUs represent of our total 2022 long-term equity incentive compensation awards, we believe this plan design further aligns the interests of our executive officers with our stockholders in driving long-term company performance and growth in value.

Achievement of the PSU awards granted to our named executive officers in 2022 is based on a one-year performance period beginning on January 1, 2022 and ending on December 31, 2022. The actual number of shares earned is determined based upon the aggregate of the following: (i) revenue growth (i.e., the percentage increase in revenue from fiscal year 2021 to fiscal year 2022); and (ii) free cash flow margin. For purposes of calculating the PSU achievement, when the executive's attainment exceeds the performance target, accelerators are triggered in order to reward the higher than expected performance, while decelerators are applied if the actual results are lower than the performance target. The potential achievement for the PSU award (after applying the decelerator/accelerator factor) was 50-200% of the executive's target PSU award. The actual achievement was to be determined based on a linear interpolation between the threshold and target amounts and the target and maximum amounts. The impact of any acquisitions would be determined on a case-by-case basis during the course of the year.

The Compensation Committee approved the following threshold, target and maximum revenue growth plus free cash flow margin goals for the 2022 PSU awards:

	2022 Revenue Growth Plus Free Cash Flow Margin	Percentage of PSU Achievement
Threshold	44%	50%
Target	47%	100%
Maximum	57%	200%

The equity awards granted to our named executive officers in 2022 are set forth in the table below.

Named Executive Officer	RSUs Granted (number of shares)(1)(2)	PSUs Granted (target number of shares)(1)(3)	PSUs Granted (maximum number of shares)(1)(3)	Aggregate Grant Date Fair Value of Equity Awards Granted ($)(4)
Yancey Spruill(5)	—	—	—	—
William Sorenson	25,279	46,948	93,896	4,385,623
Carly Brantz	15,960	29,640	59,280	2,768,832
Jeffrey Guy	30,306	56,283	112,566	5,257,684
Gabriel Monroy	17,346	32,214	64,429	3,009,283

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(1) The number of shares of our common stock subject to the RSU and PSU awards was determined by dividing the target value approved by the Compensation Committee for each award by the average closing market price for our common stock as reported on the NYSE for the last five trading days of February 2022, the calendar month prior to the month in which the grant date occurred. Therefore, the target value differs from the grant date fair value reported in the "Aggregate Grant Date Fair Value of Equity Awards Granted" column and in the "Summary Compensation Table" below.

(2) The target values of the RSU awards approved by the Compensation Committee for Mr. Sorenson, Ms. Brantz, Mr. Guy and Mr. Monroy were $1,381,800, $872,375, $1,656,550 and $948,150, respectively. The shares underlying the RSU awards vest in 16 equal quarterly installments beginning on June 1, 2022, subject to the named executive officer's continuous service through each such vesting date.

(3) The target values of the PSU awards approved by the Compensation Committee for Mr. Sorenson, Ms. Brantz, Mr. Guy and Mr. Monroy were $2,566,200, $1,620,125, $3,076,450 and $1,760,850, respectively. The maximum number of shares of our common stock that may be earned under the PSU awards is based on 200% of the target value of the approved awards. Subject to achievement of certain 2022 financial performance targets as set forth above and the named executive officer's continued service with the Company, the PSU awards will vest as follows: (a) one-third of the shares underlying the PSU were eligible to vest on the later of (x) March 1, 2023 or (y) two trading days following the public release of our 2022 financial results and (b) the remaining shares underlying the PSU will vest in eight equal quarterly installments thereafter.

(4) The grant date fair value was calculated in accordance with ASC Topic 718 based on the closing stock price at the grant date, using the target value of the PSU awards. This amount does not reflect the actual economic value that may be realized by the named executive officer.

(5) In July 2021, Mr. Spruill was awarded a market-based restricted stock unit (''MRSU'') for 3,000,000 shares of our common stock, which will vest upon the satisfaction of certain service conditions and the achievement of certain Company stock price goals. Mr. Spruill did not receive an equity award in 2022.

In February 2023, the Compensation Committee determined that 2022 revenue growth plus free cash flow margin was 43.4% (which excluded the impact of our acquisition of Cloudways in September 2022 at the direction of the Compensation Committee), resulting in no achievement of the 2022 PSU awards and such awards were subsequently forfeited.

The equity awards granted to our named executive officers in fiscal 2022 are reported in the ''Summary Compensation'' and ''Grants of Plan-Based Awards'' tables below.

Other Features of Our Executive Compensation Program

Employment Arrangements

We have entered into employment arrangements with each of our named executive officers. The arrangements generally provide for at-will employment without any specific term and set forth the named executive officer's base salary then in effect, bonus potential, eligibility for employee benefits and severance benefits upon a qualifying termination of employment (including in the event of terminations in connection with a change in control of the Company), subject to such executive executing a separation agreement.

On August 5, 2022, Mr. Sorenson entered into the Transition Agreement with the Company that provided for his retirement from the Company, and set forth the terms of his employment through the Retirement Date, as further described in the section titled ''Executive Compensation—Potential Payments Upon Termination or Change in Control'' below.

Further information regarding the potential payments and benefits to which our named executive officers would be entitled under the arrangements set forth in their respective employment agreements is set forth in the section titled ''Executive Compensation—Potential Payments Upon Termination or Change in Control'' below.

Perquisites and Other Personal Benefits

Personal benefits currently are not a significant component of our executive compensation program. Accordingly, we do not provide significant perquisites or other personal benefits to our named executive officers, except as generally made available to our employees or in situations where we believe it is appropriate to serve a legitimate business purpose, including to assist an individual in the performance of his or her duties, to make our executive officers more efficient and effective, to help ensure the privacy and security of our executive officers, and for recruitment and retention purposes.

Pension Benefits and Nonqualified Deferred Compensation

Our named executive officers did not participate in, or earn any benefits under, any pension or retirement plan or nonqualified deferred compensation plan sponsored by us during the year ended December 31, 2022. Our Board may elect to provide our officers and other employees with nonqualified deferred compensation benefits in the future if it determines that doing so is in our best interests.

Health and Welfare Benefits

All of our named executive officers are eligible to participate in our employee benefit plans, including our medical, dental, vision, life, disability and accidental death and dismemberment insurance plans. We pay the premiums for the life, disability and accidental death and dismemberment insurance for all of our employees, including our named executive officers.

Tax and Accounting Implications

Accounting for Stock-Based Compensation

Under ASC Topic 718, we are required to estimate and record an expense for each award of equity compensation over the vesting period of the award. We record share-based compensation expense on an ongoing basis according to ASC Topic 718.

Deductibility of Executive Compensation

Under Section 162(m) of the Code, compensation paid to each of our "covered employees" that exceeds $1 million per taxable year is generally non-deductible. Although the Compensation Committee will consider tax implications as one factor in determining executive compensation, the Compensation Committee also looks at other factors in making its decisions and retains the flexibility to provide compensation for our named executive officers in a manner consistent with the goals of our executive compensation program and the best interests of our stockholders, which may include providing for compensation that is not deductible due to the deduction limit under Section 162(m) of the Code.

Hedging Policy

We have adopted an insider trading policy applicable to our employees, directors and designated consultants, which prohibits hedging or monetization transactions with respect to our common stock, including through the use of financial instruments such as prepaid variable forwards, equity swaps, collars and exchange funds. In addition, our insider trading policy prohibits trading in derivative securities related to our common stock, which include publicly-traded call and put options, engaging in short selling of our common stock, purchasing our common stock on margin or holding it in a margin account and pledging our shares as collateral for a loan.

Clawbacks

As a public company, if we are required to restate our financial results due to our material noncompliance with any financial reporting requirements under the federal securities laws as a result of misconduct, our Chief Executive Officer and Chief Financial Officer may be legally required to reimburse the Company for any bonus or other incentive-based or equity-based compensation they receive in accordance with the provisions of Section 304 of the Sarbanes-Oxley Act of 2002. Additionally, we intend to implement a Dodd-Frank Wall Street Reform and Consumer Protection Act-compliant clawback policy.

Compensation Risk Assessment

The Compensation Committee believes that our employee compensation policies and programs do not encourage excessive and unnecessary risk-taking and are not reasonably likely to have a material adverse effect on the Company. The Compensation Committee concluded, in consultation with management and Compensia, that our compensation programs are designed and administered with the appropriate balance of risk and reward in relation to our overall business strategy and do not encourage employees to take unnecessary or excessive risks, and that the level of risk that they might encourage is not reasonably likely to materially harm our business or financial condition, after considering mitigating controls.

Compensation Committee Report

The Compensation Committee has reviewed and discussed the section of this Proxy Statement titled "Compensation Discussion and Analysis" with management. Based on such review and discussion, the Compensation Committee has recommended to the Board that the section titled "Compensation Discussion and Analysis" be included in this Proxy Statement and incorporated into DigitalOcean Holdings, Inc's Annual Report on Form 10-K for the fiscal year ended December 31, 2022.

Members of the Compensation Committee
Hilary Schneider (Chair)
Pratima Arora
Warren Jenson
Pueo Keffer

The material in this report is not "soliciting material," is not deemed "filed" with the SEC and is not to be incorporated by reference in any filing of the Company under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof and irrespective of any general incorporation language in any such filing.

Executive Compensation Tables

2022 Summary Compensation Table

The following table shows for the fiscal years indicated, compensation awarded to or paid to, or earned by our named executive officers.

Name and Principal Position	Year	Salary ($)(1)	Bonus ($)(2)	Option Awards ($)(3)	Stock Awards ($)(3)	Non-Equity Incentive Plan Compensation ($)(4)	All Other Compensation ($)(5)	Total ($)
Yancey Spruill *Chief Executive Officer*	2022	514,000	—	—	—	257,000	26,179	797,179
	2021	503,333	—	—	81,236,800(6)	771,000	24,929	82,536,062
	2020	450,000	—	—	—	626,400	13,847	1,090,247
William Sorenson(7) *Former Chief Financial Officer*	2022	425,000	—	140,701(8)	4,385,623(9)	139,750	4,440	5,095,514
Carly Brantz *Former Chief Marketing Officer*	2022	340,000	—	—	2,768,832(9)	110,500	12,756	3,232,088
	2021	336,667	—	—	2,763,987(9)	306,000	13,314	3,419,968
	2020	320,000	—	1,416,357	—	245,000	11,548	1,992,905
Jeffrey Guy *Chief Operating Officer*	2022	441,667	—	—	5,257,684(9)	146,250	27,214	5,872,815
	2021	391,667	—	—	3,771,234(9)	360,000	15,525	4,538,425
	2020	304,792	50,000	1,636,407	—	262,500	18,269	2,271,968
Gabriel Monroy *Former Chief Product Officer*	2022	375,000	—	—	3,009,283(9)	121,875	17,061	3,523,219
	2021	78,125	100,000	—	7,398,031	320,000	2,677	7,898,832

(1) Mr. Guy joined the Company in February 2020 and Mr. Monroy joined the Company in October 2021. Amounts shown represent the pro rata portion of the salaries earned by Mr. Guy and Mr. Monroy during the fiscal years ended December 31, 2020 and December 31, 2021, respectively.

(2) Amounts shown represent one-time signing bonuses awarded to the executive officer in connection with the commencement of such executive officer's employment. The one-time signing bonuses were subject to repayment on a pro rata basis to the extent the executive officer's employment was terminated voluntarily or by the Company for cause within 12 months of the executive officer's start date.

(3) Amounts reported represent the aggregate grant date fair value of equity awards granted to our executive officers under our 2013 Stock Plan, as amended (the "2013 Plan"), and 2021 Equity Incentive Plan (the "2021 Plan"), computed in accordance with ASC Topic 718, excluding the impact of estimated forfeitures and using the assumptions discussed in Note 11. Stock-Based Compensation of the audited consolidated financial statements included in our Annual Report.

(4) Amounts shown represent the executive officers' total performance-based cash bonuses earned for each of the years presented, as applicable, based on the achievement of company and individual performance goals as determined by the Board and/or Compensation Committee.

(5) Amounts shown represent 401(k) employer contributions and life insurance premiums paid by us on behalf of the executive officers for 2022, in the following amounts:

Name	Company 401(k) Match ($)	Life Insurance Premiums ($)
Yancey Spruill	23,728	2,451
William Sorenson	—	4,440
Carly Brantz	12,186	570
Jeffrey Guy	24,763	2,451
Gabriel Monroy	16,491	570

(6) Amount shown includes an MRSU award granted to Mr. Spruill. The MRSU award had a grant date fair value of approximately $75.4 million, which was determined by using a discrete model based on multiple stock price-paths developed through the use of a Monte Carlo simulation. MRSUs that vest based on achievement of stock price hurdles are subject to market conditions, and not performance conditions, as defined under ASC Topic 718, and therefore Mr. Spruill's MRSU award does not have a maximum grant date fair value that differs from the grant date fair value reported. For more information, see Note 11. Stock-Based Compensation of the audited consolidated financial statements included in our Annual Report.

(7) Mr. Sorenson was not a named executive officer for 2020 and 2021 and, as a result, his compensation information for those years has been omitted.

(8) Amount shown reflects the incremental fair value computed in accordance with ASC Topic 718 in connection with the modification to Mr. Sorenson's outstanding vested nonstatutory option awards. Pursuant to the Transition Agreement, outstanding vested nonstatutory stock options held by Mr. Sorenson as of the Retirement Date will have an extended exercise period of 12 months from the Retirement Date. For more information, see "Compensation Discussion and Analysis-Other Features of Our Executive Compensation Program-Employment Arrangements" above and Exhibit 10.2 to our Current Report on Form 8-K filed on August 8, 2022.

(9) Amounts shown in 2021 and 2022 include the grant date fair value computed in accordance with ASC Topic 718 of each named executive

officer's PSU award. The grant date fair values of the PSU awards assume achievement of the target levels for the performance goals. The grant date fair values of the 2022 PSU awards, assuming maximum achievement of the performance conditions, for Mr. Sorenson, Ms. Brantz, Mr. Guy and Mr. Monroy would have been $5,701,365, $3,599,482, $6,835,008, and $3,912,129, respectively.

Grants of Plan Based Awards in 2022

The following table presents information regarding each plan-based award granted to our named executive officers during the fiscal year ended December 31, 2022.

			Estimated Possible Payouts Under Non-Equity Incentive Plan Awards[(1)]			Estimated Future Payouts Under Equity Incentive Plan Awards[(2)]			All Other Stock Awards: Number of Shares of Stock or Units	Grant Date Fair Value of Stock Awards
Name	**Award Type**	**Grant Date**	**Threshold ($)**	**Target ($)**	**Maximum ($)**	**Threshold (#)**	**Target (#)**	**Maximum (#)**	**(#)[(3)]**	**($)[(4)]**
Yancey Spruill	Annual Cash	—	68,533	514,000	771,000	—	—	—	—	—
William Sorenson	Annual Cash	—	37,267	279,500	419,250	—	—	—	—	—
	RSU	3/1/2022	—	—	—	—	—	—	25,279	1,534,941
	PSU	3/1/2022	—	—	—	23,474	46,948	93,896	—	2,850,683
	Modified Stock Option	8/5/2022	—	—	—	—	—	—	—	140,701[(5)]
Carly Brantz	Annual Cash	—	29,467	221,000	331,500	—	—	—	—	—
	RSU	3/1/2022	—	—	—	—	—	—	15,960	969,091
	PSU	3/1/2022	—	—	—	14,820	29,640	59,280	—	1,799,741
Jeffrey Guy	Annual Cash	—	39,000	292,500	438,750	—	—	—	—	—
	RSU	3/1/2022	—	—	—	—	—	—	30,306	1,840,180
	PSU	3/1/2022	—	—	—	28,141	56,283	112,566	—	3,417,504
Gabriel Monroy	Annual Cash	—	32,500	243,750	365,625	—	—	—	—	—
	RSU	3/1/2022	—	—	—	—	—	—	17,346	1,053,249
	PSU	3/1/2022	—	—	—	16,107	32,214	64,429	—	1,956,034

(1) The amounts shown in the "Target" column represent target bonus amounts for each named executive officer for 2022 and the amounts in the "Threshold" and "Maximum" columns represent 13.33% and 150% of the target dollar amount, respectively, as described in more detail in the section titled "Executive Compensation—Compensation Discussion and Analysis—Performance-Based Cash Bonus" above. These amounts do not represent the actual bonus payments received by our named executive officers for the year ended December 31, 2022. The dollar value of the actual bonus payments is included in the "Non-Equity Incentive Plan Compensation" column of the "Summary Compensation Table" above.

(2) The PSUs were granted pursuant to our 2021 Plan and may be earned based on the achievement of certain financial targets. The number of shares shown in the "Target" column represent the target number of shares for each named executive officer and the number of shares in the "Threshold" and "Maximum" columns represent 50% and 200% of the target number of shares, respectively, as described in more detail in the section titled "Executive Compensation—Compensation Discussion and Analysis-Long-Term Equity Incentive Compensation" above. In February 2023, the Compensation Committee determined that the financial targets were not met and all of the shares subject to the PSUs were canceled.

(3) The RSUs were granted pursuant to our 2021 Plan. The shares underlying the RSUs vest in 16 equal quarterly installments beginning on June 1, 2022, subject to the named executive officer remaining in continuous service with us through each such vesting date.

(4) Amounts reported represent the grant date fair value of RSUs and PSUs granted to our executive officers under our 2021 Plan, computed in accordance with ASC Topic 718, excluding the impact of estimated forfeitures and using the assumptions discussed in Note 11. Stock-Based Compensation of the audited consolidated financial statements included in our Annual Report. With respect to the PSU awards, amounts shown include the grant date fair value assuming achievement of the target number of each named executive officer's PSU award. This amount does not reflect the actual economic value that may be realized by the executive officer.

(5) Amount shown reflects the incremental fair value computed in accordance with ASC Topic 718 in connection with the modification to Mr. Sorenson's outstanding vested nonstatutory option awards described in the section titled "Compensation Discussion and Analysis—Other Features of Our Executive Compensation Program-Employment Arrangements" above and Exhibit 10.2 to our Current Report on Form 8-K filed on August 8, 2022.

Outstanding Equity Awards at 2022 Fiscal Year End

The following table sets forth certain information regarding outstanding equity awards granted to our named executive officers that remain outstanding as of December 31, 2022.

		Option Awards[1]				Stock Awards[1]			
Name	**Grant Date**	**Number of Securities Underlying Unexercised Options - Exercisable (#)**	**Number of Securities Underlying Unexercised Options - Unexercisable (#)**	**Option Exercise Price ($)**	**Option Expiration Date**	**Number of Shares or Units of Stock That Have Not Vested (#)**	**Market Value of Shares or Units of Stock That Have Not Vested ($)[2]**	**Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)**	**Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($)[2]**
Yancey Spruill	8/13/2019	2,863,191	583,334[3]	5.61	8/13/2029	—	—	—	—
	2/17/2021	—	—	—	—	92,750[4]	2,362,343	—	—
	7/27/2021	—	—	—	—		—	3,000,000[5]	76,410,000
William Sorenson	8/13/2019	821,666	183,334[6]	5.61	8/13/2029[7]	—	—	—	—
	2/17/2021	—	—	—	—	29,150[4][8]	742,451	—	—
	6/10/2021	—	—	—	—	15,551[8][9]	396,084	—	—
	6/10/2021	—	—	—	—	29,835[8][10]	759,897	—	—
	3/1/2022	—	—	—	—	20,539[8][11]	523,128	—	—
Carly Brantz	3/12/2020	287,427	117,813[12]	6.72	3/12/2030[13]	—	—	—	—
	2/17/2021	—	—	—	—	11,527[4][14]	293,593	—	—
	6/10/2021	—	—	—	—	10,787[9][14]	274,745	—	—
	6/10/2021	—	—	—	—	20,700[10][14]	527,229	—	—
	3/1/2022	—	—	—	—	12,967[11][14]	330,269	—	—
Jeff Guy	3/12/2020	220,406	145,834[15]	6.72	3/12/2030	—	—	—	—
	2/17/2021	—	—	—	—	13,250[4]	337,478	—	—
	6/10/2021	—	—	—	—	15,551[9]	396,084	—	—
	6/10/2021	—	—	—	—	29,835[10]	759,897	—	—
	3/1/2022	—	—	—	—	24,624[11]	627,173	—	—
Gabe Monroy	11/1/2021	—	—	—	—	53,669[16][17]	1,366,949	—	—
	3/1/2022	—	—	—	—	14,094[11][17]	358,974	—	—

(1) All awards granted prior to our IPO in March 2021 were granted pursuant to the 2013 Plan and all awards granted after our IPO were granted under the 2021 Plan.

(2) Market value is calculated based on the closing price of our common stock on December 30, 2022, which was $25.47, as reported on the NYSE.

(3) 25% of the shares underlying this option vested on August 13, 2020, and the remaining shares vest in equal monthly installments over the following three years, subject to Mr. Spruill's continuous service through each such vesting date.

(4) 15% of the shares underlying this RSU award vested on March 1, 2022, an additional 25% of the shares vested in four equal quarterly installments beginning on June 1, 2022, and the remaining shares vest in eight equal quarterly installments beginning on June 1, 2023, subject to the executive officer's continuous service through each such vesting date.

(5) Represents the number of shares eligible to vest with respect to the MRSU assuming achievement of all of the Company stock price goals. The actual number of shares eligible to vest may be less than the amount reported in this column. The MRSU will vest on the first date upon which both the stock price requirement and the time-based service requirement under the terms of the award are satisfied as described above and in Note 11. Stock-Based Compensation of the audited consolidated financial statements included in our Annual Report.

(6) The shares underlying this option vest in 48 equal monthly installments beginning on September 13, 2019, subject to Mr. Sorenson's continuous service through each such vesting date.

(7) Pursuant to the Transition Agreement, the portion of this option that constitutes nonstatutory stock options will have an extended exercise period of 12 months from the Retirement Date. The portion of this option that constitutes incentive stock options will have an exercise period of three months from the Retirement Date in accordance with our standard terms for such grants. For more information, see ''Compensation Discussion and Analysis—Other Features of Our Executive Compensation Program—Employment Arrangements'' above and Exhibit 10.2 to our Current Report on Form 8-K filed on August 8, 2022.

(8) As of Mr. Sorenson's Retirement Date, an aggregate of 70,821 of the outstanding RSU and PSU awards held by Mr. Sorenson will be forfeited.

(9) The shares underlying this RSU award vest in 16 equal quarterly installments, beginning on September 1, 2021, subject to the executive officer's continuous service through each such vesting date.

(10) The award was granted as PSUs, based on the Company's 2021 financial performance. The achievement of the performance-based criteria was established upon the public announcement of the Company's 2021 financial results on February 24, 2022. Following achievement of

the performance-based criteria, the shares underlying the PSUs remained subject to time vesting as follows: one third of the shares underlying the PSU vested on March 1, 2022 and the remaining shares underlying the PSU vest in eight equal quarterly installments beginning on June 1, 2022, subject to the executive officer's continuous service through each such vesting date.

(11) The shares underlying this RSU award vest in 16 equal quarterly installments, beginning on June 1, 2022, subject to the executive officer's continuous service through each such vesting date.

(12) 25% of the shares underlying this option vested on January 1, 2021, and the remaining shares vest in equal monthly installments over the following three years, subject to Ms. Brantz's continuous service through each such vesting date. As of April 1, 2023, Ms. Brantz's last day of employment with the Company, 81,563 shares underlying this option were forfeited.

(13) Following April 1, 2023, Ms. Brantz's last day with the Company, she will have a period of three months to exercise any outstanding vested options as of such date, in accordance with our standard terms for such grants.

(14) As of April 1, 2023, Ms. Brantz's last day of employment with the Company, an aggregate of 48,679 of the outstanding RSU and PSU awards held by Ms. Brantz were forfeited.

(15) 25% of the shares underlying this option vested on February 18, 2021, and the remaining shares vest in equal monthly installments over the following three years, subject to Mr. Guy's continuous service through each such vesting date.

(16) 25% of the shares underlying this RSU award vested on September 1, 2022 and the remaining shares vest in 12 equal quarterly installments beginning on December 1, 2022, subject to Mr. Monroy's continuous service through each such vesting date.

(17) As of March 31, 2023, Mr. Monroy's last day of employment with the Company, an aggregate of 239,180 of the outstanding RSU and PSU awards held by Mr. Monroy were forfeited, inclusive of awards received by Mr. Monroy in March 2023 that are not reflected in the table above.

Options Exercised and Stock Vested in 2022

The following table sets forth certain information regarding any option exercises and stock vested during the fiscal year ended December 31, 2022 with respect to our named executive officers.

	Option Awards		Stock Awards	
Name	**Number of Shares Acquired on Exercise (#)**	**Value Realized on Exercise ($)[1]**	**Number of Shares Acquired on Vesting (#)**	**Value Realized on Vesting ($)[2]**
Yancey Spruill	53,475	3,198,340	47,250	2,291,170
William Sorenson	95,000	4,472,250	67,601	3,321,764
Carly Brantz	14,880	580,320	42,164	2,077,785
Jeffrey Guy	14,880	727,757	60,443	2,965,454
Gabriel Monroy	—	—	27,646	1,021,718

(1) The aggregate value realized is calculated by multiplying (i) the number of shares of common stock acquired upon exercise by (ii) the difference between the closing price of our common stock on the date of exercise, as reported by the NYSE, and the applicable exercise price of the option. This amount does not represent actual amounts received by our named executive officers as a result of the option exercises.

(2) The value realized on vesting is determined by multiplying the number of vested RSUs and PSUs by the closing price of our common stock on the vesting date, as reported by the NYSE.

Potential Payments Upon Termination or Change in Control

Severance Benefits--Executive Officers (General Terms)

Pursuant to the employment agreements with our named executive officers, if such officer resigns for "good reason" or we terminate his or her employment without "cause" (each as defined in the employment agreement), then the officer will be eligible to receive the following severance benefits (less applicable withholdings): (1) severance pay equal to 100% of the officer's then-current base salary for a period of six months, paid in installments; and (2) reimbursement of COBRA premiums for the officer and his or her eligible dependents from the last day of employment until the earlier of: (i) six months, or (ii) the time the officer accepts employment with another employer that provides comparable benefits.

Alternatively, if the officer resigns for good reason or his or her employment is terminated without cause by us or a successor, in either case within three months prior to or within 12 months following a "change in control" (as defined in the employment agreement), the officer will be eligible to receive the following severance benefits (less applicable withholdings): (1) severance pay equal to 100% of the officer's then-current base salary for a period of 12 months, paid in a single lump sum within 60 days following the officer's last day of employment; (2) a bonus calculated at 100% achievement of all company and individual performance objectives, paid in a single lump sum within 60 days following the officer's last day of employment; and (3) reimbursement of COBRA premiums for the officer and his or her eligible dependents from the last day of employment until the earlier of: (i) 12 months, or (ii) the time the officer accepts employment with another employer that provides comparable benefits. In addition, 100% of the shares subject to the equity awards granted to the officer that are subject to time-based vesting will vest and become exercisable.

Further, if the officer dies or is ''disabled'' (as defined in the 2021 Plan and subject to the criteria set forth in the employment agreement), the officer's employment with us will terminate and either the officer or his or her estate will be entitled to receive the following severance benefits (less applicable withholdings): (1) severance pay equal to 100% of the officer's then-current base salary for a period of six months, paid in installments; and (2) if eligible based on the terms set forth in the award agreements governing the officer's equity pursuant to the 2021 Plan, acceleration of all of the officer's outstanding equity awards.

As a condition to receiving the severance benefits above, the officer (or a representative of his or her estate) must sign and not revoke a general release agreement in a form reasonably acceptable to the Company.

Yancey Spruill

The foregoing summary applies to Mr. Spruill's employment agreement with the following enhancements: (i) all references to six months shall be replaced with 12 months; (ii) all references to 12 months shall be replaced with 18 months; (iii) in the event of a resignation for good reason or termination without cause, Mr. Spruill will be entitled to a bonus calculated at 100% achievement of all company and individual performance objectives; (iv) in the event of a resignation for good reason or termination without cause in either case within three months prior to or within 12 months following a change in control, Mr. Spruill will be entitled a bonus calculated at 150% achievement of all company and individual performance objectives; and (v) Mr. Spruill will have 12 months to exercise the vested shares subject to the options granted to him if he resigns for good reason or his employment is terminated without cause by us or a successor, whether or not in connection with a change in control.

William Sorenson

The foregoing summary applies to Mr. Sorenson's employment agreement with the following enhancements: (i) all references to six months shall be replaced with 12 months; (ii) in the event of a resignation for good reason or termination without cause (other than in connection with a change in control), 100% of the shares subject to the equity awards granted to Mr. Sorenson that are subject to time-based vesting that are scheduled to vest over the six month period following the termination date will vest and become exercisable; and (iii) Mr. Sorenson will have 12 months to exercise the vested shares subject to the options granted to him if he resigns for good reason or his employment is terminated without cause by us or a successor, whether or not in connection with a change in control.

On August 5, 2022, Mr. Sorenson entered into the Transition Agreement with the Company that provided for his retirement from the Company, effective as of the Retirement Date, and set forth the terms of his employment through the Retirement Date. Pursuant to the terms of the Transition Agreement, Mr. Sorenson continued to serve as Chief Financial Officer until his successor, W. Matthew Steinfort, commenced employment on January 9, 2023, at which time Mr. Sorenson transitioned to Executive Advisor. From the date of the Transition Agreement through the Retirement Date, Mr. Sorenson (a) will continue to receive his current annual base salary of $430,000; (b) was entitled to and did receive an annual performance-based cash bonus in the amount of $139,750 with respect to calendar year 2022 based on actual performance; (c) will continue to vest in any outstanding equity awards; and (d) will remain eligible to receive employee benefits in accordance with the Company's established policies. Mr. Sorenson will also be entitled to the following: (i) a pro-rated annual bonus with respect to calendar year 2023 (equal to two-thirds of the full annual target amount) based on the achievement of performance goals set forth in the Company's 2023 bonus plan, payable when such annual bonuses are paid to other Company executives; and (ii) an extended period of 12 months from the Retirement Date to exercise any outstanding vested nonstatutory stock options.

The table below provides information with respect to potential payments and benefits to which our named executive officers would be entitled under the arrangements set forth in their respective employment agreement, as described above, assuming their employment was terminated as of the last business day of fiscal year 2022, including in connection with a change in control.

Name	Type of Termination	Base Salary ($)	Bonus ($)	Accelerated Vesting of Equity Awards ($)(1)	Continuation of Insurance Coverage ($)	Total ($)
Yancey Spruill	Termination without Cause or Good Reason	514,000	514,000	—(2)	28,393	1,056,393
	Termination without Cause or with Good Reason in connection with a CIC(3)	771,000	771,000	13,947,356(2)	42,590	15,531,945
	Termination in the case of Death or Disability(4)	514,000	—	—(2)	—	514,000
William Sorenson(5)	Termination without Cause or Good Reason	430,000	—	3,348,499	21,594	3,800,094
	Termination without Cause or with Good Reason in connection with a CIC(3)	430,000	279,500	6,062,573	21,594	6,793,668
	Termination in the case of Death or Disability(4)	430,000	—	1,679,110	—	2,109,110
Carly Brantz(6)	Termination without Cause or Good Reason	170,000	—	—	15,471	185,471
	Termination without Cause or with Good Reason in connection with a CIC(3)	340,000	221,000	3,634,830	30,942	4,226,772
	Termination in the case of Death or Disability(4)	170,000	—	1,132,243	—	1,302,243
Jeffrey Guy	Termination without Cause or Good Reason	225,000	—	—	15,471	240,471
	Termination without Cause or with Good Reason in connection with a CIC(3)	450,000	292,500	4,855,020	30,942	5,628,462
	Termination in the case of Death or Disability(4)	225,000	—	1,783,155	—	2,008,155
Gabriel Monroy(7)	Termination without Cause or Good Reason	187,500	—	—	15,471	202,971
	Termination without Cause or with Good Reason in connection with a CIC(3)	375,000	243,750	1,725,924	30,942	2,375,616
	Termination in the case of Death or Disability(4)	187,500	—	—	—	187,500

(1) The value of accelerated vesting of unvested RSUs and PSUs is based upon the closing price of our common stock on December 30, 2022, as reported on the NYSE, multiplied by the number of units accelerated. The value of accelerated vesting of unvested stock options is based on the difference between the closing stock price on December 30, 2022, as reported on the NYSE, and the exercise price per option multiplied by the number of unvested options.

(2) Amount shown does not include the value of any acceleration under the MRSU award. Under the terms of the MRSU award agreement, any MRSUs that have not met the stock price requirement as of termination of Mr. Spruill's employment for any reason will be forfeited. The minimum stock price requirement was not met as of December 31, 2022 and as a result we have not considered any part of the MRSU award to be achieved for the purposes of the table.

(3) Represents change in control (as defined in the 2021 Plan) severance benefits based on a double-trigger arrangement, which assumes the executive officer is terminated without "cause" or resigns for "good reason" (as such terms are defined in the executive officer's employment agreement) within three months prior to or 12 months following a change in control of the Company.

(4) Represents benefits based on termination in the case of an executive's death or disability (as defined in the 2021 Plan).

(5) On August 5, 2022, Mr. Sorenson entered into the Transition Agreement, which set forth the terms of his retirement from the Company. Amounts shown reflect the arrangement under Mr. Sorenson's employment agreement without giving effect to the terms of the Transition Agreement. For more information, including a description of the terms of the Transition Agreement, see "Compensation Discussion and Analysis-Other Features of Our Executive Compensation Program-Employment Arrangements" above and Exhibit 10.2 to our Current Report on Form 8-K filed on August 8, 2022.

(6) On February 15, 2023, the Company and Ms. Brantz entered into a mutual agreement, pursuant to which Ms. Brantz would leave the Company, effective as of April 1, 2023. In connection with her departure from the Company, Ms. Brantz is entitled to receive $170,000, representing six months of base salary, and continuation of health benefits for six months with a value of $15,471.

(7) Mr. Monroy resigned from the Company, effective as of March 31, 2023. Mr. Monroy was not entitled to any payments or other benefits in connection with his resignation.

Pay Versus Performance

We are required by SEC rules to disclose the following information regarding compensation paid to our Chief Executive Officer (our "PEO") and our other named executive officers (collectively, our "non-PEO NEOs"). The amounts set forth below under the headings "Compensation Actually Paid to PEO" and "Average Compensation Actually Paid to non-PEO NEOs" have been calculated in a manner consistent with Item 402(v) of Regulation S-K. The footnotes below set forth the adjustments from the total compensation for each of our NEOs reported in the Summary Compensation Table above.

The following table sets forth additional compensation information of our PEO and our non-PEO NEOs along with total shareholder return ("TSR"), net income and our Company-selected measure (the sum of revenue growth and free cash flow margin) for fiscal years 2021 and 2022. Since the Company completed its IPO in 2021, data from fiscal year 2020 is excluded from the table.

					Value of Initial Fixed $100 Investment Based On:			
Fiscal Year[1]	**Summary Compensation Table Total for PEO**[2] **($)**	**Compensation Actually Paid to PEO ($)**	**Average Summary Compensation Table Total for non-PEO NEOs**[2] **($)**	**Average Compensation Actually Paid to non-PEO NEOs ($)**	**Total Shareholder Return**[3] **($)**	**Peer Group Total Shareholder Return**[3] **($)**	**Net Income ($ in thousands)**	**Revenue Growth Plus Free Cash Flow Margin (%)**[4]
2022	797,179	(200,132,194)	4,430,909	(13,942,162)	59.93	94.73	(24,283)	47
2021	82,536,062	293,335,312	7,774,582	13,883,786	189.01	131.92	(19,503)	41

(1) The PEO and non-PEO NEOs included in the above compensation table reflect the following:

Year	PEO	Non-PEO NEOs
2022	Yancey Spruill	William Sorenson, Carly Brantz, Jeffrey Guy, Gabriel Monroy
2021	Yancey Spruill	Gabriel Monroy, Alan Shapiro

(2) In determining the compensation actually paid ("CAP") to our PEO and our non-PEO NEOs, we deducted or added back the following amounts from or to the total amounts of compensation reported in the table above for each covered year. Grant date fair value represents the grant date fair value of equity-based awards granted in each year. Fair value adjustments reflect adjustments to the value of equity awards as calculated in accordance with the rules prescribed under Item 402(v) of Regulation S-K and in accordance with ASC Topic 718, which included the categories of adjustments for each year as set forth below. For additional information regarding the determination of fair value, see Note 11. Stock-Based Compensation of the audited consolidated financial statements included in our Annual Report.

PEO	**2022 ($)**	**2021 ($)**
- Grant Date Fair Value of Option Awards and Stock Awards Granted in Fiscal Year	—	(81,236,800)
+ Fair Value at Fiscal Year-End of Outstanding and Unvested Option Awards and Stock Awards Granted in Fiscal Year	—	177,891,450
+/- Change in Fair Value of Outstanding and Unvested Option Awards and Stock Awards Granted in Prior Fiscal Years	(168,349,099)	84,906,975
+ Fair Value at Vesting of Option Awards and Stock Awards Granted in Fiscal Year That Vested During Fiscal Year	—	—
+/- Change in Fair Value as of Vesting Date of Option Awards and Stock Awards Granted in Prior Fiscal Years For Which Applicable Vesting Conditions Were Satisfied During Fiscal Year	(32,580,273)	29,237,624
- Fair Value as of Prior Fiscal Year-End of Option Awards and Stock Awards Granted in Prior Fiscal Years That Failed to Meet Applicable Vesting Conditions During Fiscal Year	—	—
Total Added (or Deducted)	**(200,929,372)**	**210,799,249**

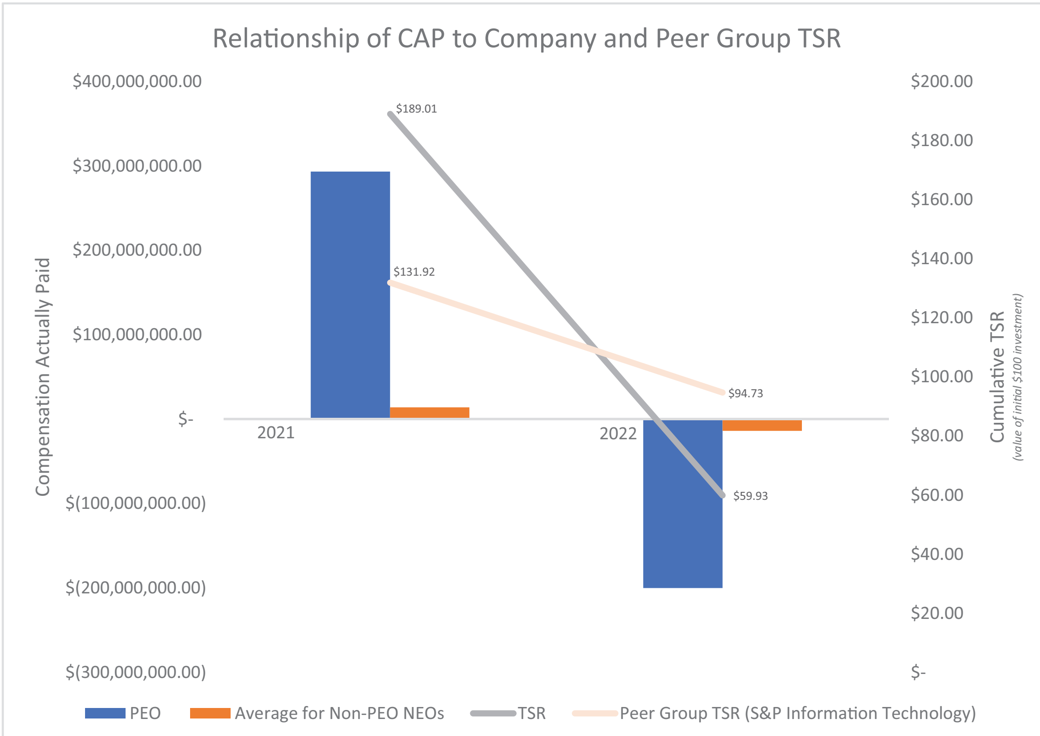
Non-PEO NEOs	2022 ($)	2021 ($)
- Grant Date Fair Value of Option Awards and Stock Awards Granted in Fiscal Year	(3,925,706)	(7,191,913)
+ Fair Value at Fiscal Year-End of Outstanding and Unvested Option Awards and Stock Awards Granted in Fiscal Year	459,886	10,381,805
+/- Change in Fair Value of Outstanding and Unvested Option Awards and Stock Awards Granted in Prior Fiscal Years	(9,150,092)	1,642,694
+ Fair Value at Vesting of Option Awards and Stock Awards Granted in Fiscal Year That Vested During Fiscal Year	161,281	69,444
+/- Change in Fair Value as of Vesting Date of Option Awards and Stock Awards Granted in Prior Fiscal Years For Which Applicable Vesting Conditions Were Satisfied During Fiscal Year	(5,918,440)	1,207,174
- Fair Value as of Prior Fiscal Year-End of Option Awards and Stock Awards Granted in Prior Fiscal Years That Failed to Meet Applicable Vesting Conditions During Fiscal Year	—	—
Total Added (or Deducted)	**(18,373,071)**	**6,109,204**

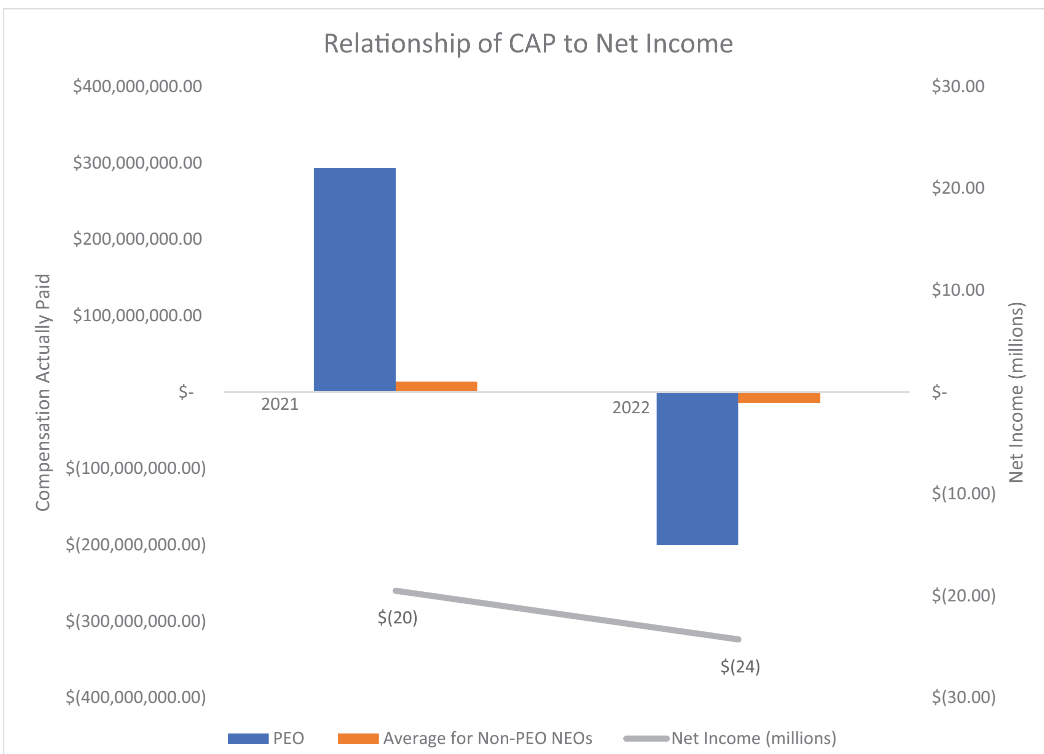
(3) Peer Group TSR reflects the Company's peer group (S&P Information Technology Index) used in the stock performance graph contained in our Annual Report. The values assume $100 was invested in each of our common stock and our peer group index at their respective closing prices on March 24, 2021 (the date our common stock commenced trading on the NYSE), including the reinvestment of dividends.

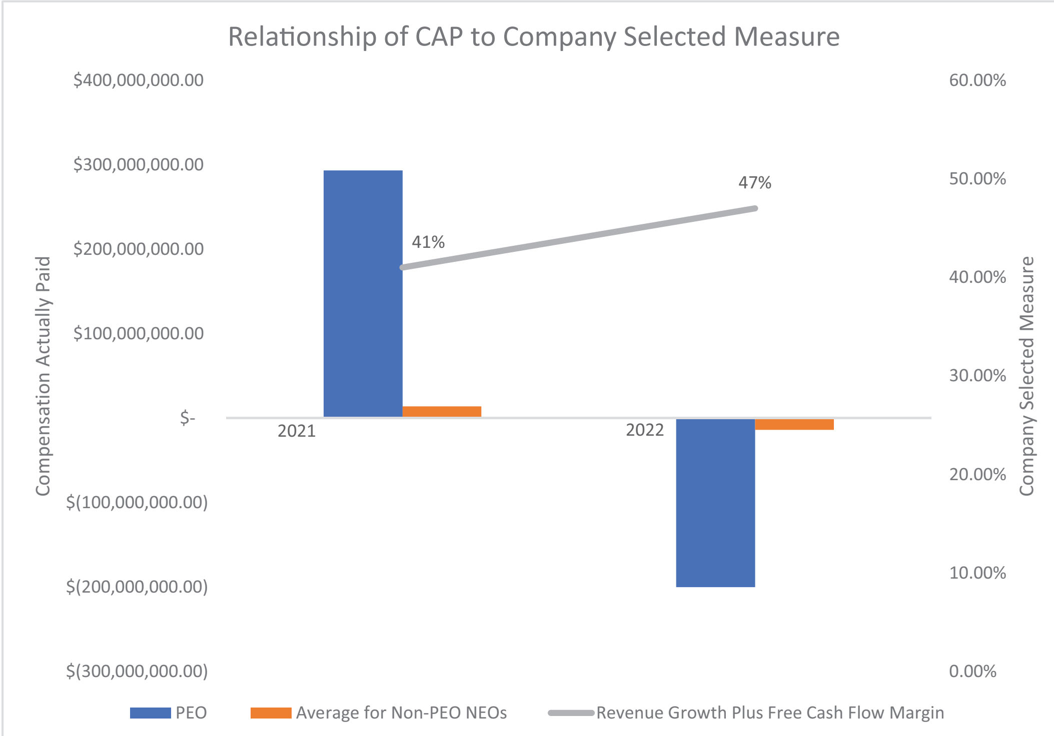
(4) Represents the sum of revenue growth and free cash flow margin. Revenue growth is defined as the percentage increase in revenue from the prior year. Free cash flow is a non-GAAP financial measure that we define as net cash provided by operating activities less purchases of property and equipment, capitalized internal-use software costs, purchase of intangible assets, and excluding acquisition and integration related costs. Free cash flow margin is calculated as free cash flow divided by total revenue.

Pay versus Performance Descriptive Disclosure

The graphs below show the relationships between CAP to our PEO and the average CAP to our non-PEO NEOs to each of (i) the Company's TSR and the TSR of the S&P Information Technology Index, (ii) our net income and (iii) our Company-Selected Measure, the sum of revenue growth and free cash flow margin.







Pay versus Performance Tabular List

The following table provides what we believe are the most important financial performance measures we used to link CAP to our PEO and non-PEO NEOs to Company performance in the most recent fiscal year, each of which is described in more detail in the section titled "Executive Compensation—Compensation Discussion and Analysis":

Performance Measure
Revenue growth plus free cash flow margin
Revenue growth
Free cash flow margin

All information provided above under the "Pay Versus Performance" heading will not be deemed to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof and irrespective of any general incorporation language in any such filing, except to the extent the Company specifically incorporates such information by reference.

Equity Compensation Plan Information

The following table summarizes our equity compensation plan information as of December 31, 2022. Information is included for equity compensation plans approved by our stockholders. We do not have any equity compensation plans not approved by our stockholders.

Plan Category	(a) Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights(1)	(b) Weighted Average Exercise Price of Outstanding Options, Warrants and Rights(2)	(c) Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a))(3)
Equity Plans approved by stockholders	18,625,592	$7.23	14,432,260
Equity Plans not approved by stockholders	—	—	—

(1) Consists of outstanding (i) stock options under the 2013 Plan covering an aggregate of 10,156,037 shares of our common stock, (ii) RSUs under the 2013 Plan and the 2021 Plan covering an aggregate of 4,803,433 shares of our common stock, (iii) PSUs under the 2021 Plan covering an aggregate of 666,122 shares of our common stock, and (iv) MRSUs under the 2021 Plan covering an aggregate of 3,000,000 shares of our common stock. The number of shares to be issued in respect of (i) the MRSUs and (ii) PSUs for which the applicable performance period has not ended have been calculated based on the assumption that the maximum levels of performance applicable to these awards will be achieved. Excludes future rights to purchase shares under our ESPP, which depend on a number of factors described in the ESPP and will not be determined until the end of the applicable purchase period.

(2) The weighted-average exercise price excludes any outstanding RSUs and PSUs, which have no exercise price.

(3) Includes the 2021 Plan and ESPP. Stock options or other stock awards granted under the 2013 Plan that are forfeited, terminated, expired or repurchased become available for issuance under the 2021 Plan. The 2021 Plan provides that the total number of shares of common stock reserved for issuance thereunder will be automatically increased, on January 1 of each calendar year, in an amount equal to 5% of the total number of shares of our capital stock outstanding on December 31 of the prior calendar year, or a lesser number of shares determined by the Board. The ESPP provides that the total number of shares of common stock reserved for issuance thereunder will automatically increase on January 1 of each calendar year by the lesser of (a) 1% of the total number of shares of our capital stock outstanding on December 31 of the prior calendar year and (b) 3,300,000 shares; provided that the Board may determine that such increase will be less than the amount set forth above. Accordingly, on January 1, 2023, the number of shares of our common stock available for issuance under the 2021 Plan and the ESPP increased by 4,836,625 shares and 967,325 shares, respectively, pursuant to these provisions. These increases are not reflected in the table above.

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth certain information regarding the ownership of the Company's common stock as of March 15, 2023 by: (i) each director and nominee for director; (ii) each of the named executive officers; (iii) all executive officers and directors of the Company as a group; and (iv) all those known by the Company to be beneficial owners of more than five percent of our common stock.

The percentage of shares beneficially owned shown in the table is based on 93,238,592 shares of our common stock outstanding as of March 15, 2023. In computing the number of shares of common stock beneficially owned by a person and the percentage ownership of such person, we deemed to be outstanding any shares of our common stock subject to options held by such person that are currently exercisable or exercisable within 60 days of March 15, 2023 and any shares of common stock issuable upon the vesting of RSUs within 60 days of March 15, 2023. However, we did not deem such shares of our common stock outstanding for the purpose of computing the percentage ownership of any other person.

Beneficial ownership is determined in accordance with the rules of the SEC and generally includes any shares over which a person exercises sole or shared voting or investment power. Unless otherwise indicated, the persons or entities identified in this table have sole voting and investment power with respect to all shares shown beneficially owned by them, subject to applicable community property laws. The information contained in the following table is not necessarily indicative of beneficial ownership for any other purpose, and the inclusion of any shares in the table does not constitute an admission of beneficial ownership of those shares. This table is based upon information supplied by officers, directors and principal stockholders and Schedules 13D and 13G and Forms 4 filed with the SEC.

Unless otherwise indicated, the address for each beneficial owner listed in the table below is c/o DigitalOcean Holdings, Inc., 101 6th Avenue, New York, New York 10013.

	Beneficial Ownership	
Beneficial Owner	**Number of Shares**	**Percent of Total**
5% Stockholders		
Entities affiliated with AI Droplet Holdings LLC(1)	25,865,449	27.74%
Entities affiliated with IA Venture Strategies Fund II, LP(2)	7,404,482	7.94%
The Vanguard Group(3)	6,153,572	6.60%
BlackRock, Inc.(4)	5,345,991	5.73%
Named Executive Officers and Directors		
Yancey Spruill(5)	3,315,815	3.44%
William Sorenson(6)	1,050,316	1.12%
Carly Brantz(7)	248,161	*
Jeffrey Guy(8)	294,979	*
Gabriel Monroy	18,485	*
Warren Adelman(9)	64,839	*
Pratima Arora	34,156	*
Amy Butte(10)	95,833	*
Warren Jenson(11)	62,374	*
Pueo Keffer	1,455	*
Christopher Merritt	—	*
Hilary Schneider(12)	64,365	*
All executive officers and directors as a group (14 persons)(13)	**4,355,344**	**4.48%**

(1) Consists of (a) 23,582,125 shares held directly by AI Droplet Holdings LLC ("Droplet Holdings"), (b) 155,665 shares held directly by AI Droplet Sharing LLC ("Droplet Sharing"), and (c) 2,127,659 shares held directly by AI Droplet Subsidiary LLC ("Droplet Subsidiary"). Each of Access Industries Management, LLC ("AIM") and Len Blavatnik may be deemed to beneficially own, and share investment and voting power over, the shares held directly by Droplet Holdings because (i) AIM is the sole manager of Droplet Holdings, and (ii) Mr. Blavatnik controls AIM and a majority of the outstanding voting interests in Droplet Holdings. Each of AIM, Access Industries Holdings LLC ("AIH") and Mr. Blavatnik may be deemed to beneficially own, and share investment and voting power over, the shares held directly by Droplet Sharing because (i) AIM is the sole manager of Droplet Sharing and AIH, (ii) AIH controls all of the outstanding voting

interests in Droplet Sharing, and (iii) Mr. Blavatnik controls AIM and a majority of the outstanding voting interests in AIH. Each of AIM, Droplet Holdings and Mr. Blavatnik may be deemed to beneficially own, and share investment and voting power over, the shares held directly by Droplet Subsidiary because (i) AIM is the sole manager of Droplet Subsidiary and Droplet Holdings, (ii) Droplet Holdings owns all of the equity interests in Droplet Subsidiary, and (iii) Mr. Blavatnik controls AIM and a majority of the outstanding voting interests in Droplet Holdings. The address of the foregoing is 40 West 57th Street, 28th Floor, New York, NY 10019.

(2) According to a Schedule 13G/A filed with the SEC on February 9, 2023 reporting stock ownership as of December 31, 2022, consists of (a) 7,246,424 shares held directly by IA Venture Strategies Fund II, LP (''IA Venture Fund'') and (b) 158,058 shares held directly by IA Venture Strategies II Side Fund, LP (''IA Venture Side Fund''). IA Venture Partners II, LLC is the general partner of IA Venture Fund and IA Venture Side Fund. Roger Ehrenberg, Bradford Gillespie and Jesse Beyroutey are the members of IA Venture Partners II, LLC and may be deemed to have shared voting, investment and dispositive power with respect to the shares held by this entity. The address of IA Venture Partners II, LLC is 920 Broadway, 15th Floor, New York, NY 10010.

(3) According to a Schedule 13G filed with the SEC on February 9, 2023 reporting stock ownership as of December 30, 2022, consists of 6,153,572 shares of common stock held by The Vanguard Group - 23-1945930 (''The Vanguard Group''). Of the shares of common stock beneficially owned, The Vanguard Group reported that it had shared voting power with respect to 113,498 shares, shared dispositive power with respect to 166,481 shares, and sole dispositive power with respect to 5,987,091 shares. The address for The Vanguard Group is 100 Vanguard Blvd., Malvern, Pennsylvania 19355.

(4) According to a Schedule 13G filed with the SEC on February 3, 2023 reporting stock ownership as of December 31, 2022, consists of 5,345,991 shares of common stock held by BlackRock, Inc. (''Blackrock''). Of the shares of common stock beneficially owned, Blackrock reported that it had sole voting power with respect to 5,278,257 shares and sole dispositive power with respect to 5,345,991 shares. The address for Blackrock is 55 East 52nd Street, New York, New York 10055.

(5) Consists of (a) 105,865 shares held by Mr. Spruill and (b) 3,209,950 shares issuable upon the exercise of options.

(6) Consists of (a) 114,066 shares held by Mr. Sorenson and (b) 936,250 shares issuable upon the exercise of options.

(7) Consists of (a) 39,364 shares held by Ms. Brantz and (b) 208,797 shares issuable upon the exercise of options as of April 1, 2023, which was Ms. Brantz's last day of service with the Company.

(8) Consists of (a) 38,906 shares held by Mr. Guy and (b) 256,073 shares issuable upon the exercise of options.

(9) Consists of (a) 27,339 shares held by Mr. Adelman and (b) 37,500 shares issuable upon the exercise of options.

(10) Consists of (a) 31,000 shares and (b) 64,833 shares issuable upon the exercise of options, each held by Plato Partners LLC.

(11) Consists of (a) 1,958 shares held by Mr. Jenson and (b) 60,416 shares issuable upon the exercise of options.

(12) Consists of (a) 1,865 shares held by Ms. Schneider and (b) 62,500 shares issuable upon the exercise of options.

(13) Consists of (a) 442,773 shares of common stock and (b) 3,912,571 shares of common stock issuable upon the exercise of options, held, as of March 15, 2023, in aggregate by persons considered to be our executive officers and directors as of the date of this Proxy Statement.

TRANSACTIONS WITH RELATED PERSONS AND INDEMNIFICATION

Related Person Transactions Policy and Procedures

In 2021, the Company adopted a written Related Person Transactions Policy that sets forth the Company's policies and procedures regarding the identification, review, consideration and approval or ratification of "related persons transactions." For purposes of the Company's policy only, a "related person transaction" is a transaction, arrangement or relationship (or any series of similar transactions, arrangements or relationships) in which the Company and any "related person" are participants involving an amount that exceeds $120,000. Transactions involving compensation for services provided to the Company as an employee, director, consultant or similar capacity by a related person are not covered by this policy. A related person is any executive officer, director or more than 5% stockholder of the Company, including any of their immediate family members, and any entity owned or controlled by such persons.

Under the policy, where a transaction has been identified as a related person transaction, management must present information regarding the proposed related person transaction to the Audit Committee (or, where Audit Committee approval would be inappropriate, to another independent body of the Board) for consideration and approval or ratification. The presentation must include a description of, among other things, the material facts, the interests, direct and indirect, of the related persons, the benefits to the Company of the transaction and whether any alternative transactions were available. To identify related person transactions in advance, the Company relies on information supplied by its executive officers, directors and certain significant stockholders. In considering related person transactions, the Audit Committee takes into account the relevant available facts and circumstances including, but not limited to (a) the risks, costs and benefits to the Company, (b) the impact on a director's independence in the event the related person is a director, immediate family member of a director or an entity with which a director is affiliated, (c) the terms of the transaction, (d) the availability of other sources for comparable services or products and (e) the terms available to or from, as the case may be, unrelated third parties or to or from employees generally. In the event a director has an interest in the proposed transaction, the director must recuse himself or herself from the deliberations and approval. The policy requires that, in determining whether to approve, ratify or reject a related person transaction, the Audit Committee consider, in light of known circumstances, whether the transaction is in, or is not inconsistent with, the best interests of the Company and its stockholders, as the Audit Committee determines in the good faith exercise of its discretion.

Transition Services Agreement

In September 2022, the Company acquired Cloudways, a leading managed cloud hosting and software-as-a-service provider for SMBs. In connection with the Cloudways acquisition, the Company entered into a transition services agreement (the "Transition Services Agreement") with Gaditek Associates ("Gaditek") for the continuation of certain administrative and operational services that Gaditek provided to Cloudways prior to the acquisition. The Company's Chief Revenue Officer, Muhammad Aaqib Gadit, is the former Chief Executive Officer of Cloudways and owns 14.3% of Gaditek. Fees under the Transition Services Agreement are primarily determined on a usage basis. In 2022, the Company incurred approximately $300,000 in fees to Gaditek pursuant to the Transition Services Agreement. The Transition Services Agreement has a one year term and is set to expire in the third quarter of 2023. The Transition Services Agreement was negotiated at arm's length and was executed at fair market terms.

Investors' Rights Agreement

We are party to an amended and restated investors' rights agreement with certain holders of our common stock, including entities affiliated with AI Droplet Holdings LLC and IA Venture Strategies Fund II, LP, which provides, among other things, such holders with certain registration rights, including the right to demand that we file a registration statement or request that their shares be covered by a registration statement that we are otherwise filing, subject to certain limitations. Pueo Keffer, a member of our Board, is a managing director of Access Technology Ventures, which is an affiliate of AI Droplet Holdings LLC.

Indemnification

The Company provides indemnification to its directors and executive officers so that they will be free from undue concern about personal liability in connection with their service to the Company. Under the Company's bylaws, the Company is required to indemnify its directors and executive officers to the extent not prohibited under Delaware or other applicable law. The Company has also entered into indemnification agreements with our officers and directors. These agreements provide, among other things, that the Company will indemnify the officer or director, under the circumstances and to the extent provided for in the agreement, for expenses, damages, judgments, fines and settlements he or she may be required to pay in actions or proceedings which he or she is or may be made a party by reason of his or her position as a director, officer or other agent of the Company, and otherwise to the fullest extent permitted under Delaware law and the Company's bylaws.

HOUSEHOLDING OF PROXY MATERIALS

The SEC has adopted rules that permit companies and intermediaries (e.g., brokers) to satisfy the delivery requirements for Notices of Internet Availability of Proxy Materials or other Annual Meeting materials with respect to two or more stockholders sharing the same address by delivering a single Notice of Internet Availability of Proxy Materials or other Annual Meeting materials addressed to those stockholders. This process, which is commonly referred to as ''householding,'' potentially means extra convenience for stockholders and cost savings for companies.

This year, a number of brokers with account holders who are our stockholders will likely be ''householding'' our proxy materials. A single Notice of Internet Availability of Proxy Materials will be delivered to multiple stockholders sharing an address unless contrary instructions have been received from the affected stockholders. Once you have received notice from your broker that they will be ''householding'' communications to your address, ''householding'' will continue until you are notified otherwise or until you revoke your consent. If, at any time, you no longer wish to participate in ''householding'' and would prefer to receive a separate Notice of Internet Availability of Proxy Materials, please notify your broker. Stockholders who currently receive multiple copies of the Notice of Internet Availability of Proxy Materials at their addresses and would like to request ''householding'' of their communications should contact their brokers.

OTHER MATTERS

The Board of Directors knows of no other matters that will be presented for consideration at the Annual Meeting. If any other matters are properly brought before the meeting, it is the intention of the persons named in the accompanying proxy to vote on such matters in accordance with their best judgment.

By Order of the Board of Directors

Alan Shapiro
General Counsel and Secretary

A copy of the Company's Annual Report on Form 10-K for the year ended December 31, 2022 is available without charge at *investors.digitalocean.com*, upon written request to: Corporate Secretary, DigitalOcean Holdings, Inc., 101 6th Avenue, New York, New York 10013 or by emailing *investors@digitalocean.com.*