Doubling Down on Diversity + Inclusion = Business Accountability

Fostering an inclusive culture with a strong mix of diverse representation continues to be one of our top business priorities. We know diversity without inclusion won’t last long, and inclusion without diversity that reflects the communities we live in and serve isn’t true inclusion. Diversity + Inclusion (D&I) is critical to our success at VMware, a company of 30,000+ employees in 169 offices in 63 countries, speaking 70 different languages, with hundreds of thousands of customers globally.

In Fiscal Year 2020, we set specific and measurable goals around increasing representation for women and underrepresented minorities. As such, all Vice Presidents (VP) and above were assigned a D&I goal to improve the representation of women globally, improve representation of US underrepresented minorities (URMs), ensure all interview slates have at least one woman or URM candidate, and improve our culture through their leadership actions. But we know that our commitment to diversity needs to run deeper. Therefore, we are continuing to focus on women and URMs, but also are investing more in our Disability, Veterans and LGBTQ communities.

Our Power of Difference Communities (PODs) are a huge part of building the best VMware and we are very proud of the work they have accomplished over the past year. Our POD leaders and employees who participate are among the most passionate and mission-driven employees we have advocating for D&I efforts across VMware and beyond.

96% of VMware employees who participated in the survey support diversity and inclusion as an important priority at VMware.

We took several measures to create support and guidance for our senior leadership community. Our VMInclusion Council, a global cross-functional executive advisory group, worked closely with our senior leaders on their strategies and plans. To support VPs in achieving our goals, every VP was aligned with HR and Talent Acquisition experts to develop a personalized D&I Strategy and plan. We rolled out a company-wide Inclusion survey and provided leaders with a real-time survey dashboard that gave them clarity on actions and behaviors needed to drive inclusion at VMware. Additionally, leaders were asked to participate in reverse mentoring and listening sessions to deepen their personal understanding of D&I at VMware. We believe that by focusing on the experience of all our employees we can create equity for all within the walls of VMware.

Our Fiscal Year 2020 runs February 1, 2019 to January 31, 2020.
Attendees gather at Annual POD Leadership Summit

Members of the Disability POD at Summit
We are committed to continuing to benchmark the below questions and demonstrating progress going forward. It’s important to note that we noticed gaps between many of our underrepresented groups and majority groups. In order to maximize Diversity + Inclusion, we are committed to closing those gaps over time.

85% of VMware employees who participated agreed employees are treated fairly in their business group, regardless of their individual differences.

- 75% of those who identify as Black agreed
- 78% of those who identify as Disabled agreed
- 77% of those who identify as LGBTQ agreed
- 87% of those who identify as Latinx agreed
- 88% of those who identify as Military agreed
- 81% of those who identify as Women agreed

84% of VMware employees who participated agreed the senior leaders of their business group demonstrated a commitment to D&I through their actions.

- 70% of those who identify as Black agreed
- 77% of those who identify as Disabled agreed
- 76% of those who identify as LGBTQ agreed
- 85% of those who identify as Latinx agreed
- 88% of those who identify as Military agreed
- 79% of those who identify as Women agreed

77% of VMware employees who participated agreed their business group is making noticeable improvements on its inclusive culture.

- 63% of those who identify as Black agreed
- 69% of those who identify as Disabled agreed
- 63% of those who identify as LGBTQ agreed
- 80% of those who identify as Latinx agreed
- 81% of those who identify as Military agreed
- 71% of those who identify as Women agreed

Note – Men and Asian are reflected in the majority group scores so not listed separately. Less than 1% identified as gender nonbinary so data not included due to small sample size and to protect confidentiality.

“Building a strong diverse and inclusive culture is not just about building a better company, it’s about a better society.”
– BO FU, ASIAN POD LEADER
Representation Counts, Especially at the Top

We believe in transparency. We set bold goals around our representation, and while we made positive progress in some areas, we still have work to do. Some insights from our FY20 results include:

**Women:** 1 percent increase in representation globally. Women in Tech increased 1.3 percent, women in non-tech increased by 1.1 percent, women in leadership increased by 0.5 percent and regionally women increased by 0.7 percent in Americas (AMER), 1.1 percent in Asia-Pacific and Japan (APJ) and 1.3 percent in Europe and Middle East & Africa (EMEA). While this is positive progress, it is not on pace with our long-term representation goals. We will continue to set goals and focus on making progress in FY21.

**U.S., Underrepresented Minorities (URM):** 0.6 percent overall increase of underrepresented minorities (Black, Latino, American Indian, Alaska Native, Native Hawaiian, and Pacific Islander) with minor gains in Leadership (Black, Latino, American Indian, Alaska Native, Native Hawaiian, Pacific Islander and 2 or more races), minor gains for technical positions (Hispanic and 2 or more races), and minor gains for non-technical (Black, Latino and 2 or more races). Our progress is not on pace with our long-term representation goals, so we are investing more in our URM communities, including more recruitment investments and targeted development opportunities.

**Intersectional Data:** This is the first time we are sharing intersectional data cuts, which we believe is a critical next step in our D&I efforts. What we saw in our Inclusion Survey, along with our representation data, is that we need continued focus for underrepresented groups (inclusive of U.S. URMs, Disabled and Veterans) who identify as women and men. The majority of our underrepresented groups, especially Black women and men and Disabled women, had larger gaps from the average in our inclusion survey. Lack of representation is closely connected to feelings of inclusion. Sharing our data as a benchmark is a first step and we are working to build specific hiring and development programs for these groups, partnering closely with our employee resource groups called Power of Difference Communities (PODs).

**Other communities:** We recognize and celebrate other underrepresented communities, including those who identify as LGBTQ, People with Disabilities, and Veterans. We rolled out global self ID categories in our inclusion survey to expand our measurements of diversity globally, reviewed the data by intersectional data cuts to identify targeted opportunities, and are working towards implementing Self ID in our HR systems in 2020.

“True inclusion is the Disability POD’s pursuit. We want to embrace and empower everyone and allow them to share their differences openly.”

– BINU KURUP,
Disability POD Leader
Representation data is current as of February 2020 and excludes blanks and declines.

“Other” includes American Indian, Alaska Native, Native Hawaiian, and Pacific Islander.

Self-identification is voluntary disclosure data. LGBTQ data was collected in countries where identification is legal as part of our inclusion survey which had limited employee participation. Veteran data is collected for protected-status veterans only, which does not include all veterans. We recognize that our current gender reporting is not inclusive of our non-binary population and are working on more inclusive data collection efforts.
Gender Breakdown at VMware (Global)

Race and Ethnicity at VMware (U.S.)

Gender Breakdown at VMware by Region

Overall

Leadership
Race and Ethnicity at VMware (U.S.)

Intersectionality by Gender, Ethnicity for Tech and Non-Tech (U.S.)

Other Communities at VMware

Regional Workforce

Global Age
Ultimately, change starts at the top. We need to build our pipeline to senior leadership to enable meaningful change in representation for women and men URMs.

**Hiring** – To improve representation of women globally and URMs (U.S.), we’ve modified our hiring processes. We now require at least one woman or one underrepresented minority on all requisitions at the interview stage in the U.S., and at least one woman on all requisitions at the interview stage globally. All job descriptions are vetted for biased language and we are improving our candidate experience by ensuring all hiring teams go through “Your Role as an Interviewer” training. We are also piloting a new approach to job descriptions to ensure we are focused on skills needed to be successful in a role and not on a checklist of criteria for candidates to meet. **In our pilot year, progress included:**

- **65.5%** of candidate slates had at least one woman or URM
- **54%** of interview panels had a woman or URM as an interviewer
- **29.2%** of managers have gone through “Your Role as an Interviewer” training
“Our Pride@VMware family is more than just a POD representative of the LGBTQ+ community. It’s an inclusive and safe space for all.”
—RICKY BROOKS, PRIDE POD LEADER
Targeted Investments – We are finding new ways to identify and hire underrepresented talent. We are piloting several new programs including:

**Apprenti:** Apprenti helps identify and refer diverse candidates for apprenticeships. Apprenti offers a new approach to filling the talent gap through an innovative tech apprenticeship model. Apprentices complete a 4-month technical bootcamp and then work for 1-year under on-the-job training. VMware hired its pilot class in FY20, currently employing 9 apprentices, 2 in Boston and 7 in Palo Alto.

**Path Forward:** Path Forward offers returning professionals the opportunity to restart their career with companies that appreciate the skills they offer, the perspectives they provide, and the contributions they can make. Path Forward returners complete a 16-week returnship. VMware offered 75% of returners in the pilot a full-time position and saw a 100% acceptance rate.

**VMware Neurodiversity Inclusion Program:** A pilot hiring program with a goal to empower VMware to tap into a qualified pool of neurodiverse talent, source this talent, and retain new employees who are successfully hired. The current program is tailored towards individuals with autism. In the pilot class, three individuals were hired across three different Product groups.

**VMware Achieve Scholarship:** In its 4th cycle, the Achieve Scholarship provides a one-time $10K USD tuition award to a student who identified as women pursuing a degree in Computer Science or Computer Engineering.

**VMware Rise Scholarship:** In its first year, the Rise Scholarship provides a one-time, $5,000 USD tuition award to two students pursuing a degree in Computer Science, Computer Engineering, or related. Applicants must identify with one or more underrepresented minority groups.

**Launch Program:** R&D New Grad program specifically designed for students at the Bachelor’s level. Created to help diversify our Product New Grad population by targeting undergrad’s where VMware has more opportunity to engage with diverse students.

**Dedicated Talent Acquisition D&I Candidate Managers:** The team acts as “candidate advocates” for women and underrepresented groups, working in broad strokes across the organization. The team has a goal to not just attract a diverse pool of candidates, but also to develop meaningful, long-term relationships in an effort to find a role that aligns with each candidate’s experiences and aspirations.
Employee-Powered Momentum

Our Power of Difference Communities (PODs) are employee-driven groups that enhance VMware’s inclusive culture. We have 7 Global Demographic PODs (Asian@VMware, Black@VMware, Disability@VMware, Latino@VMware, PRIDE@VMware, Women@VMware, and Veterans@VMware) with 11 VMinclusion Site PODs across our Global Locations (UK, Australia/New Zealand, Bulgaria, China, Cork, Costa Rica, Germany, India, Japan, Middle East & Africa, South East Asia & Korea). Participation is open to anyone in the company and is designed to help participants grow as leaders, engage with different communities, and drive business impact.

This year we doubled down on our PODs by electing 14 Global POD Leaders across our 7 demographic PODs. These leaders are connecting the work of the PODs directly to our business and dedicating 20% of their role to D&I work. We know that our POD leaders invest a lot in building a great company, so we invest in them with access to external coaching.

- 75 POD Leaders
- 39 Executive Sponsors
- 150+ Core Team Members

We hosted the Third Annual Global POD Leadership Summit where POD leaders and our executives engaged in meaningful dialogue and strategic action planning. PODs involved thousands of our employees, partners and customers through over 250 programs and events globally in 2019. They continue to provide invaluable input into our benefits and policies, including our newly launched LGBTQ Benefits Site, enhanced fertility benefits, Parental Leave Policy, US Military Leave Policy, Gender Transition Guidelines, and global benefits for same-sex couples.

Commitment to Pay Equity

We are committed to ongoing pay equity review and are proud that we continue to see women earn 99% of their male counterparts’ salary globally and racial and ethnic minority employees earn 100% of their white counterparts in the U.S.²
Embedding D&I into our Product Design

In September 2019, Clarity Design Systems, our open source software, which has over 1M users is now largely accessible for any user with any disability, making it the third ever fully accessible open source design system. In 2019, we started planning for our first accessibility hackathon, which was successfully led in February 2020, a joint effort between the Office of the Chief Technology Officer, the Disability POD and our Accessibility Team.

In China, VMware worked with industry partners on technology that can make workplaces more accessible for people with visual impairments. Cai Yongbin, CEO of Eton Information Technology, a leading engineer who has vision loss, developed a proof-of-concept based on an application from the Workspace ONE platform. VMware continues to collaborate to further this effort.

In Singapore, VMware partnered with the Association for Persons with Special Needs (APSN) to create an app that will help integrate the special needs community into the workforce by addressing social skills and employment challenges. The winning team from Ngee Ann Polytechnic’s School of InfoComm Technology worked closely with VMware and APSN over six months to make their winning idea a reality, and the beta app “APSN Live” was announced in Singapore by VMware CEO Pat Gelsinger in November.

Ongoing Learning and Education

The work is never done to create a diverse and inclusive environment and it’s constantly evolving, so we’re working hard to develop a growth mindset around all things D&I.

We refreshed and continued our research-based Unconscious Bias education on how to block bias in the workplace. We now provide two virtual sessions across multiple time zones each quarter. Sixty-eight percent of managers have completed the training and seventy percent of those who participated in the Unconscious Bias education survey have concrete actions they’re taking as a result.

We scaled our Voice & Influence Circles Program, which empowers women, men, and gender non-conforming individuals to be change agents for gender equality through focused leadership development sessions that allow any employee to start a Circle on-demand. More than 750 employees have participated with 90 percent seeing themselves as leaders upon completion of the program.

We piloted a conversation series on spirituality and interfaith at work that aims to promote greater understanding, empathy and respect. We are working to share the content and learnings in FY21.

We launched the Belong Here: Transform Anywhere storytelling campaign, which spotlighted seven employee and leader videos on ways they bring their authentic self to work. This inspired a series of panels and conversations around uncovering and authentic leadership.

We piloted Dell’s Many Advocating Real Change (MARC) workshop and several other D&I workshops including Introduction to Inclusion, Intersectionality and Belonging. We shared key insights and built demand for a more comprehensive Inclusive Leadership learning journey in FY21.
Building Communities Across the Technology Industry

We work to inspire change and build community across the technology industry and beyond. Some of our key investments include:

**CodeHouse Atlanta:** Weekend-long special event for Black and Latinx students who identify as women and are studying Computer Science/Computer Engineering. Attendees tackle a technical challenge that engages and gives back to the community, network with industry leaders and enjoy an unrivaled event experience.

**CodeHouse Palo Alto:** Similar to CodeHouse Atlanta, this is also a weekend-long special event for students who identify as women and are studying Computer Science/Computer Engineering.

**D&I Connect:** Initially launched in APJ, D&I Connect is an evening of networking where local Talent Acquisition and Hiring Managers host ~60 prospective women candidates at VMware offices. The evening is focused around a guest speaker or panel and concludes with networking. We have plans to expand across APJ and EMEA in FY21.

**Nirmaan:** Our inaugural event in Bangalore, India, was hosted on December 10, 2019 to bring together the industry to help drive diversity in tech and enable women across different levels in organizations to get support from industry leaders. More than 300 attendees from 100+ companies participated at the event, including a large number of women in mid-level career with an average 8-10 years of work experience. There were development tracks on Leadership and Digital transformation that used storytelling and workshops with leading industry supporters to drive engagement.

**Stanford VMware Women’s Leadership Innovation Lab:** Through a $15 million endowment to the Women’s Leadership Innovation Lab, VMware is investing in women’s leadership research at Stanford for generations to come. We are committed to bridging the gap between industry and academia, and through this collaboration, we intend to accelerate combining research with practitioner insights to generate new evidence-based solutions.

**VMinclusion Taara:** In partnership with Women Who Code India, we launched VMinclusion Taara in late 2018, making a commitment to train 15,000 women on VMware products & technology that enable digital business transformation; so that they can return to the workplace more easily after taking time off, with confidence. As of January 31, 2020, 4,500 participants are engaged with the program and 68% of these women have activated their account to start their learning journey.
Women Transforming Technology: VMware founded the Women Transforming Technology (WT2) conference, a consortium of companies and organizations committed to building a community of support to tackle issues that women face in the industry. In 2019, the 4th Women Transforming Technology conference brought together 550 in-person and over 4,000 virtual participants from 145 organizations. Some of our key learnings from WT2 in 2019 that we are putting in place for the 5th WT2 in May 2020 is more actionable content, more engagement of the online/virtual WT2 community and more accessibility. In 2020, WT2 will be a completely virtual event.

We believe that we can’t solve this challenge alone and are working with strategic partners to create systemic change.