



Report of Independent Accountants

To the Board of Directors and Management of VMware, Inc.

We have reviewed VMware Inc.'s management assertion, included in the accompanying Appendix A, that the metrics identified below for the year ended January 31, 2018, are each presented in conformity with the assessment criteria set forth in management's assertion (the "assessment criteria").

- Total energy consumed (Scope 1 and Scope 2)
- Scope 1 (direct) greenhouse gas ("GHG") emissions
- Scope 2 (indirect) GHG emissions
- Scope 3 (indirect) business air travel GHG emissions

VMware, Inc. management is responsible for its assertion and for the selection and development of the assessment criteria, which management believes provide an objective basis for measuring and reporting on the GHG emissions inventory. Our responsibility is to express a conclusion on management's assertion based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants ("AICPA") in AT-C section 105, *Concepts Common to All Attestation Engagements*, and AT-C section 210, *Review Engagements*. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to management's assertion in order to be fairly stated. A review is substantially less in scope than an examination, the objective of which is to obtain reasonable assurance about whether management's assertion is fairly stated, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. We believe that our review provides a reasonable basis for our conclusion.

In performing our review, we have complied with the independence and other ethical requirements of the Code of Professional Conduct issued by the AICPA.

We applied the Statements on Quality Control Standards established by the AICPA and, accordingly, maintain a comprehensive system of quality control.

GHG emissions quantification is subject to inherent measurement uncertainty because of such things as GHG emissions factors that are used in mathematical models to calculate GHG emissions and the inability of those models, due to incomplete scientific knowledge and other factors, to accurately measure under all circumstances the relationship between various inputs and the resultant GHG emissions. Environmental and energy use data used in GHG emissions calculations are subject to inherent limitations, given the nature and the methods used for measuring such data. The selection by management of different but acceptable measurement techniques could result in materially different amounts or metrics being reported.

As discussed in Appendix A, VMware, Inc. has estimated GHG emissions for certain emissions sources for which no primary usage data is available.

Based on our review, we are not aware of any material modifications that should be made to management of VMware Inc.'s assertion presented in Appendix A in order for it to be fairly stated.

PricewaterhouseCoopers LLP
August 10, 2018

Appendix A

Management Assertion

Management of VMware, Inc. (“VMware”) is responsible for the completeness, accuracy and validity of the total energy consumed and Greenhouse Gas (“GHG”) emissions (the “metrics”) for the year ended January 31, 2018. Management is responsible for the collection, quantification and presentation of the metrics for the year ended January 31, 2018 and for the assessment criteria (the “assessment criteria”) used in determining that the information is appropriately measured and disclosed.

Management of VMware asserts the following metrics are presented in conformity with the assessment criteria set forth below.

Metric Description	Definition of Metric /Assessment Criteria	Year ended January 31, 2018 Value
Total Energy Consumed (Scope 1 and Scope 2)	Direct and indirect energy consumed: total megawatt hours (“MWh”) of direct and indirect energy purchased, including natural gas, diesel, gasoline and electricity for the year ended January 31, 2018, as either (1) third party invoices recorded in the environmental/utilities management system, (2) direct observation of meter or odometer or (3) based upon the estimation methodology See the Estimation Methodology for Direct and Indirect Energy Consumption section below for additional information	157,354 MWh
Scope 1: GHG emissions (MT CO ₂ e) from direct energy consumption and fugitive emissions `from refrigerant gas loss	Metric tons of carbon dioxide equivalent emissions (MT CO ₂ e) for the year ended January 31, 2018, based on direct Scope 1 energy consumption and fugitive emissions from refrigerant gas loss	Scope 1 MT CO ₂ e 3,996

	<p>Scope 1 emissions are based on the stationary combustion of natural gas, stationary diesel fuel and owned/leased mobile sources, multiplied by their associated emission factor.</p> <p>In addition, Scope 1 emissions include fugitive emissions from refrigerant gas loss</p> <p>See the Estimation Methodology, GHG Emission Factors, and Uncertainty sections below for additional information on GHG emission factors and estimates</p>	
<p>Scope 2: GHG emissions (MT CO₂e) from indirect energy consumption (Location-based)</p>	<p>MT CO₂e for the year ended January 31, 2018, based on indirect Scope 2 energy consumption</p> <p>Scope 2 emissions are based on purchased electricity multiplied by the associated emission factor</p> <p>See the Estimation Methodology, GHG Emission Factors, and Uncertainty sections below for additional information on GHG emission factors and estimates</p>	<p>Scope 2 MT CO₂e 59,466</p>
<p>Scope 2: GHG emissions (MT CO₂e) from indirect energy consumption (Market-based)</p>	<p>MT CO₂e for the year ended January 31, 2018, based on indirect Scope 2 energy consumption</p> <p>Scope 2 emissions are based on purchased</p>	<p>Scope 2 MT CO₂e 23,911</p>

	<p>electricity multiplied by the associated emission factor</p> <p>See the Estimation Methodology, GHG Emission Factors, and Uncertainty sections below for additional information on GHG emission factors and estimates</p>	
<p>Scope 3: GHG emissions (MT CO₂e) (indirect) from business air travel</p>	<p>MT CO₂e for the year ended January 31, 2018, based on energy consumption of our air travel providers in transporting our employees</p> <p>See the GHG Emission Factors and Uncertainty sections below for additional information on GHG emission factors and estimates</p>	<p>Scope 3 MT CO₂e 46,840</p>

Overview of GHG Data

VMware uses the principles and guidance of the World Resources Institute (“WRI”) and the World Business Council for Sustainable Development’s (“WBCSD”) *Greenhouse Gas Protocol Initiative’s Corporate GHG Accounting and Reporting Standard, Revised* (the “GHG Protocol”), and the GHG Protocol’s supplemental *Corporate Value Chain (Scope 3) Accounting and Reporting Standard*, recognized external standards, to calculate and report direct and indirect GHG emissions.

The WRI and WBCSD issued additional guidance for Scope 2 emissions in 2015 (in *GHG Protocol Scope 2 Guidance, An amendment to the GHG Protocol Corporate Standard*), which sets forth reporting under both location-based and market-based methodologies, where the prior version of the GHG Protocol only addressed a location-based methodology. The location-based method applies average emissions factors that correspond to the grid where the consumption occurs, whereas the market-based method applies emissions factors that correspond to energy purchased through contractual instruments. Where contractual instruments were not purchased, the market-based emissions factors represent either the residual mix, where available, or the location grid-average factors. VMware is reporting under both location-based and market-based methodologies.

Organizational Boundary

In conformity with the GHG protocol, reported direct and indirect GHG emissions represent 100% of the emissions from all facilities (for Scopes 1 and 2) where VMware has operational control, and excludes the operations of our parent company, Dell EMC Corporation.

Base Data

Base data utilized in the calculation of Total Energy Consumed, Scope 1 (direct) and Scope 2 (indirect) GHG emissions is obtained from direct measurements for Scope 1, third-party invoices for Scopes 1 and 2, and estimates for Scopes 1 and 2. VMware generates estimates where measurement data or third party invoices are not readily available (see Estimation Methodology below). Base data utilized in the calculation of Scope 3 (indirect) business air travel GHG emissions is obtained from reports provided by a third party with flight distance for business air travel.

Estimation Methodology

If no primary electricity usage data is available, energy consumption is estimated by building based on the floor area occupied by VMware and the average electricity use. The estimation factor per square footage was established using actual year ended January 31, 2018 data for all regions and building types. Estimations account for 7% of the total energy consumption usage within our boundary. Specifically, 4% of Scope 1 and 6% of Scope 2 is based on estimated data.

An estimate for emissions due to refrigerant leakage is applied to our entire portfolio of 140 sites based on actual usage at our facility in Palo Alto, California. Management has assessed the remaining portfolio of air conditioning units within their reporting boundary, and also reviewed regions for known spillages, and concluded that Palo Alto's data is representative of the expected gas leakage across their other locations.

GHG Emission Factors

Carbon dioxide emissions and equivalents have been determined on the basis of measured or estimated energy and fuel usage, multiplied by relevant carbon emission factors and for carbon dioxide equivalent emissions taking into account global warming potentials.

Emission Source	Emission Source Type	Emission Factor Employed
Scope 1, Global	Stationary combustion of natural gas, stationary	GHG emissions are calculated using factors from the 2017 Federal

	diesel fuel, owned/leased mobile sources	Register EPA, Title 40, Part 98
Scope 1, Global	Refrigerant gas	Global warming potentials used to convert refrigerant emissions into CO ₂ e are from IPCC Fourth Assessment Report 2007
Scope 2, U.S.	Electricity	GHG emissions are calculated using factors from the United States EPA eGRID sub-region 2016 emissions factors for electricity purchased in the U.S., published in February 2018
Scope 2, outside of the U.S.	Electricity	GHG emissions are calculated using national emissions factors provided by the International Energy Agency (IEA) for 'CO ₂ Emissions from Fuel Combustion (2015 edition)
Scope 3, Global	Business air travel	GHG emissions are calculated using business air travel – 2017 Guidelines to Defra / DECC's GHG Conversion Factors for Company Reporting (August 2017) GHG emissions for business air travel are calculated using mileage information provided by VMware's commercial travel manager

In quantifying market-based electricity GHG emissions, GHG Protocol Scope 2 Guidance defines a hierarchy of factors for quantifying market-based emissions, in order from highest to lowest preference. The table below provides a description of the hierarchy and the relevance to VMware for the current year inventory.

Emission Source Type	Emission Factor Employed
Direct line connection	Not applicable
Energy attribute certificates	VMware applies a zero emission factor for on-site solar generation where Renewable Energy Credits generated are retained by VMware, and for purchased renewable energy attribute certificates applied to VMware's operations
Electricity contracts	Not applicable
Energy supplier-specific emission factors	VMware uses publicly available documents (i.e. websites, sustainability reports) from its energy suppliers to seek supplier factors, where applicable
Residual mix	Not applicable
Location-based factors	VMware uses location-based emission factors, as described in the table above, where there is no residual mix available

Uncertainty

GHG emissions quantification is subject to inherent measurement uncertainty because of such things as GHG emissions factors that are used in mathematical models to calculate GHG emissions and the inability of these models due to incomplete scientific knowledge and other factors, to accurately measure under all circumstances the relationship between various inputs and the resultant GHG emissions. Environmental and energy use data used in GHG emissions calculations are subject to inherent limitations, given the nature and the methods used for measuring such data. The selection by management of different but acceptable measurement techniques could result in materially different amounts or metrics being reported.

VMware recognizes that business air travel remains an estimate since unforeseen circumstances can occur (e.g., different routes due to adverse weather or unforeseen aircraft fleet changes), however the figure presented is considered to be a reasonable estimate of VMware's business air travel emissions.