

DigitalOcean's Diversity, Equity and Inclusion Report 2020





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I am incredibly proud to share DigitalOcean's first-ever diversity, equity and inclusion (DEI) report that highlights our employee workforce data for 2020. We are committed to publishing our diversity numbers annually, as well as making improvements against our targets over time. This year's report will serve as a baseline as we make progress, and like all areas of our business, we strive for progress, because there's always room to improve.

At DigitalOcean, we have a strong commitment to building a diverse workforce that reflects our values and the needs of our global customer base. One of our core values is We speak up when we have something to say, and listen when others do. This is about transparency and inclusion, and is our stake in the ground that our company is one where everyone feels welcome as themselves, can raise their hand and they are valued. We understand that the only way we can realize this incredible opportunity to serve the 130+ million entrepreneurs and developers, around the world, is for all of us to work together, regardless of our backgrounds. Our business opportunity is simply too important and massive to have a culture where all people aren't contributing as equals.

As part of this report, we are committed to the following goals around diversity, inclusion and equity:

- By 2025 in the U.S., we will reflect the communities we serve in our employee population in both race/ethnicity and gender, using the U.S. census as our indicator.
- Globally, by 2022 we aim to have a zero differential in sentiment across all employees regardless of gender or ethnicity when conducting our annual TIDE employee survey.
- In evaluating equity, we will continue to ensure equal total rewards opportunities for all employees regardless of gender identity, ethnicity, location, sexual orientation, disability status, and more.

Why now? Our commitment to diversity, equity and inclusion is ingrained in our values and we are accountable to deliver on our commitments, including sharing our dedication and progress towards diversity. We want DigitalOcean to be a transparent and inclusive place where you know where we stand and no matter your background or experiences, you have a voice and you are heard.

A diverse workforce is vital for DigitalOcean to reach our significant potential. As I like to say, it's not just what we do, it's also how we do it. Valuing and creating a diverse team to serve our customers is a key aspect to how we will do it, and I am excited for us to release this report today, and look forward to updating you on our progress each and every year from now.



Yancey Spruill *CEO, DigitalOcean*

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Welcome to DigitalOcean's first annual Diversity, Equity and Inclusion Report. In this report, you will find DigitalOcean's Mission Statement regarding our commitment to diversity, our 2020 employee metrics, and information on the initiatives we are taking to ensure we create and foster a diverse, equitable, and inclusive environment.

DEL Mission Statement

At DigitalOcean, we believe our community is bigger than just us. We are committed to creating and serving a diverse, equitable, and inclusive environment that supports and elevates all employees, especially those who are often the most underrepresented and historically marginalized in our communities. We believe in speaking up when we have something to say and listening when others do, which means fostering a curious and accountable culture in which we can all bring our full and best selves to work.

Focus Areas

To focus on, support, and accomplish our goals of making DO a more diverse and inclusive community, we hold our entire company accountable to our diversity, equity and inclusion efforts. With our Chief People Officer as executive sponsor, a cross-functional group of passionate employees has rallied to focus on three key areas of the business related to DEI:

- Metrics & Reporting
- Recruitment & Onboarding
- Development & Mentoring

By focusing on these core areas of opportunity, we will continue to better DigitalOcean's DEI ecosystem by attaining and retaining diverse talent, providing guidance and internal connections for employees, as well as continuing measurement to gauge success or opportunities for growth.

Below, we outline our progress and initiatives in these core focus areas, starting by presenting our 2020 employee data. We are also pleased to share information on additional initiatives related to DEI, including our compensation equity philosophy and community involvement.



We strongly believe in taking a data-driven approach to our DEI strategy. By leveraging our internal data as the north star of our action planning, we can ensure we are assessing our progress against measurable metrics and identifying and addressing gaps within the organization. To accomplish this, we measure and report against a number of key metrics on a regular basis. Our 2020 data includes the demographic makeup of our employees, results from our annual employee sentiment survey, and new hire and attrition rates examined by gender and ethnicity/race.

Metrics and Reporting: 2020 Data

We are committed to transparency with both our employees and the community in the sharing of this data. Given the sensitive nature of this data, we take all necessary steps to ensure this data is protected, and presented in an aggregated, anonymized fashion.

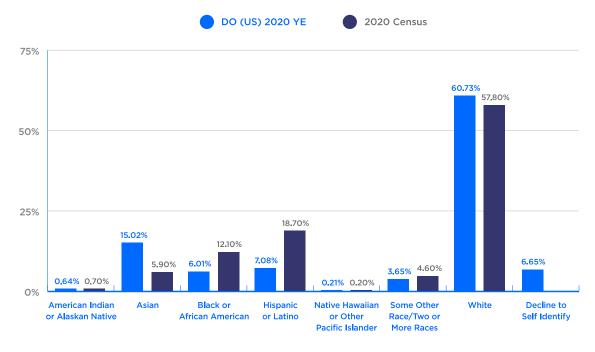
We do not distinguish between technical and non-technical populations due to the high level of technical competencies embedded within many of our traditionally non-technical functions such as Customer Success & Support, Product Marketing, and Go-to-Market.

As our developer, startup and SMB communities continue to evolve, we aim to evolve with them. We will continue to measure our own demographic makeup against that of the communities we serve—and specifically, we intend on tracking our U.S. population against that of the U.S. Census report on a quarterly basis. Hiring is a crucial part of the diversity and inclusion conversation.

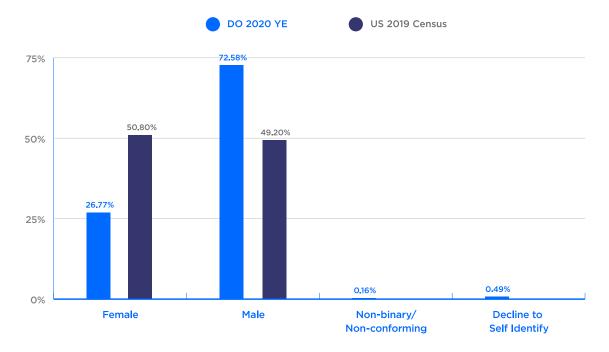
Our overall employee metrics show the makeup of our employees by gender, and our U.S. employees by ethnicity/race at the end of 2020, compared with that of 2019 & 2020 U.S. Census Data, respectively. Additionally, we recognize that hiring is a crucial part of the diversity and inclusion conversation, and therefore have also examined the makeup of our new hires by gender and ethnicity/race (U.S.).



DO Overall 2020 & U.S. Census: Ethnicity/Race



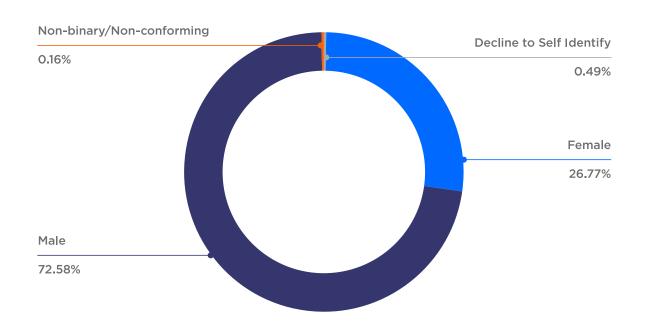
DO 2020 & U.S. Census: Gender



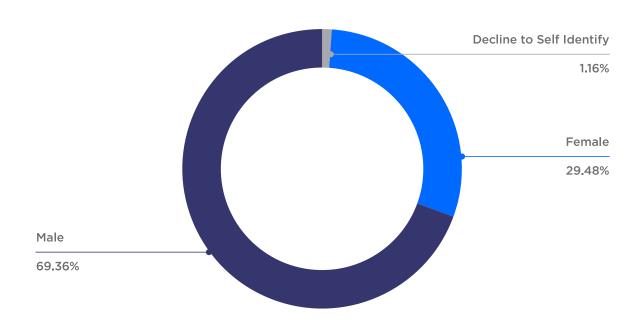
*2020 US Census data on gender has not yet been released (8/12/2021). We will update this chart once 2020 data becomes publicly available.



Gender (Global)

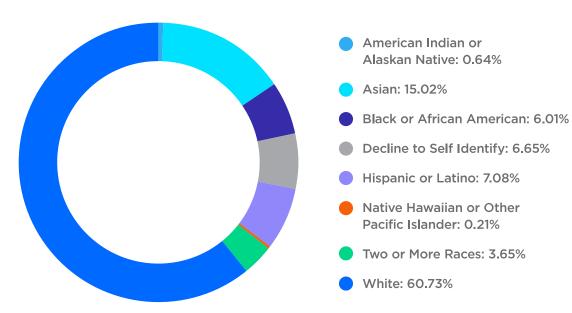


2020 New Hires by Gender (Global)



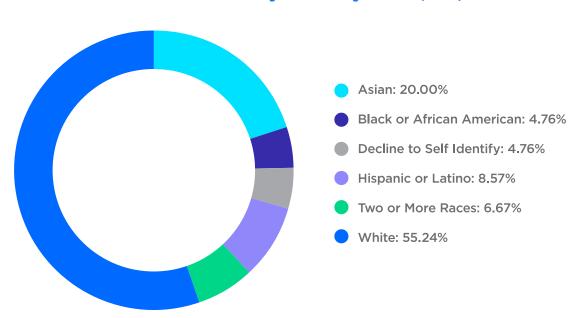






^{*}This does not reflect our international employees, who made up 23.5% of our population in 2020.

2020 New Hires by Ethnicity/Race (U.S.)

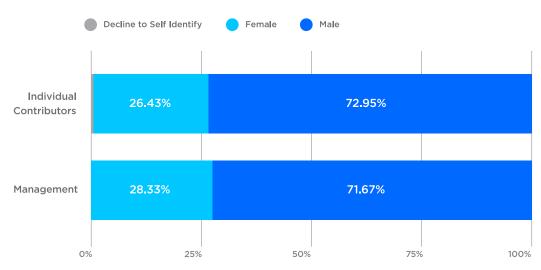




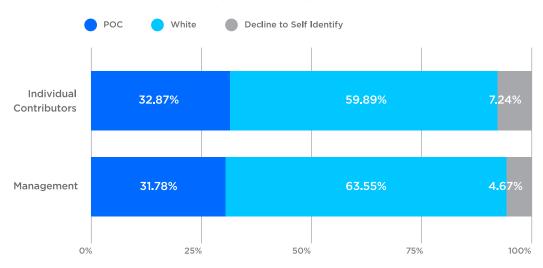
Employee Level Data

Ensuring equal opportunities for advancement is an important part of DEI, and so we analyze our manager population against our individual contributor population, both through the lens of gender (globally) and ethnicity/race (U.S. only). Data split by both gender and ethnicity/race is nearly identical, showing no discrepancies by level.

Job Level by Gender (Global)



Job Level by Ethnicity/Race (U.S.)*



*does not reflect international population



TIDE Survey Data

In addition to analyzing employee demographic data, we leverage our annual engagement survey, the DO TIDE, to measure employee sentiment and favorability across a number of categories. This analysis includes reviewing engagement results for our employees based on gender, ethnicity, location, tenure and more.

Our 2021 engagement survey demonstrated that across the company as a whole, favorability towards the DEI survey questions increased 9% from 2020. In 2021, 86% of our employees agreed or strongly agreed with three statements oriented around DigitalOcean valuing diversity and equality amongst its employees, our culture feeling inclusive regardless of role, title, or location, and employees feeling comfortable speaking up.

Attrition Data

While our engagement survey is a strong indicator of sentiment towards inclusion at DO, we also study our attrition rates to inform our engagement and retention strategies.

In 2020, overall attrition rates for our male and female populations were within 0.5% of one another, indicating that neither women nor men are exiting the company at greater rates. Our population size for non-binary and non-conforming employees was not large enough to calculate attrition. We will continue to evaluate attrition rates for all gender identities through quarterly analysis.

With regards to ethnicity, all populations we measured were within 1% of our DO overall average. Specifically, we looked at our people of color (POC) attrition rate compared to the White population, which revealed a 0.6% difference.



In support of our wider DEI mission, we are working on the following initiatives, which range from partnerships to ensure we are recruiting from a diverse talent pool to community outreach initiatives in line with our commitment to diversity and inclusion both inside and outside DO.

Recruiting and Onboarding

We work hard to ensure that DigitalOcean is recruiting from a diverse talent pool and bringing in candidates from underserved communities. This year, we are proud to newly engage with a number of trailblazers in the industry, including **Out in Tech**, **Techqueria**, and **Geekettes**. We are proud members of Out In Tech's Qorporate Council, a membership program for organizations committed to enhancing opportunities for the LGBTQ+ community and other underrepresented groups in the tech industry. Forging and strengthening relationships with external DEI partners has been essential to our diversity strategy at DO, and we are excited to continue establishing and building relationships to expand our reach within the community.

Development and Mentorship

We are committed to providing ongoing education and development opportunities to raise awareness of DEI in the workplace, cultivate an inclusive environment, and build a culture of allyship. From developing and delivering DEI managerial and leadership training to supporting employee-led initiatives, we are dedicated to listening to our DigitalOcean employees and action planning around their feedback to create a culture of inclusivity.

As part of our development and mentorship efforts, DigitalOcean is proud to have launched employee resource groups (ERGs) in 2021, also known as affinity groups. ERGs are employee identity or experience-based groups designed to help build a sense of community and belonging for employees. ERGs are employee-led, voluntary groups that are given the financial means to support professional development, strengthen our business, and advance our commitment to a diverse and inclusive workplace. DO's ERGs aim to create a safe space for employees by fostering a diverse and inclusive environment where all are welcomed, valued, and respected. ERGs also aim to help employees navigate the organization, develop personally and professionally, and create a supportive network.

Our first four ERGs are aimed to support women, early career professionals, military and veterans, and the LGBTQIA+ community. Our ERG's will be ever evolving and growing, and we are excited to continue to add and support ERGs.



Compensation - Internal Equity

While DO's compensation practice has evolved substantially in recent years, a key principle of our compensation philosophy has always been, and will always be, ensuring fair pay and development opportunities for all employees regardless of gender identity, ethnicity, sexual orientation, disability status, and more. As part of our commitment to a fair and unbiased compensation practice, we conduct deep analysis before, during, and after all compensation cycles at the company. We conduct disparate impact analyses on all compensation and rewards offerings including, but not limited to, year-end bonus payouts, annual merit adjustments, and quarterly promotion cycles. Through this analysis, we ensure there is no statistically significant gap in pay between gender or ethnic groups, which was also the case for our 2020 year-end compensation cycle. We also evaluate employee pay against third party published compensation data to ensure all populations sit at similar placements in their respective salary ranges, relative to the external market midpoint(s) available.

DO IN THE COMMUNITY

Here at DigitalOcean, we acknowledge that our community is bigger than just us. We foster the global developer and entrepreneurial communities because they are the source of our ideas and innovation and are essential to our sustained growth. We are proud to support our community, and have funded several programs to amplify the important work needed to support underserved communities.

Hollie's Hub for Good

Hollie's Hub for Good was founded to help community nonprofit projects or startups with the resources and visibility needed to help in the fight to improve health and education, reduce inequality, and spur economic growth. In 2020, DigitalOcean committed to:

Providing \$500,000 in infrastructure credits as well as promotion and publicity for new, not-for-profit projects related to improving health and education, reducing inequality, and spurring economic growth.

Apply here

INITIATIVES



Giving \$50,000 in cash donations to the Hollie's Hub for Good Fund, which supports organizations including: Per Scholas, NPower, Black Girls Code, SocialWorks, Dev Color, All Star Code, and Blacks in Technology Foundation.

Creating an ever-growing directory that helps developers and businesses find other ways to get involved, connect with partners, help existing projects amplify their efforts, and use DigitalOcean resources to learn new concepts and teach others.

Pledge 1%

In early 2021 as part of our IPO, we announced our commitment to join the Pledge 1% movement. Pledge 1% is a global movement of companies to commit a portion of their capital to serving their communities. As part of this, we will be allocating 1% of our pre-IPO equity valuation, around \$50 million, to expand our Hollie's Hub for Good charitable endeavors over the next 10 years.

Employee Charitable Contribution Match Program

In addition to encouraging employees to get involved in the community, in June of 2020, DigitalOcean introduced a Charitable Contribution Matching program for employees. As part of the program, DigitalOcean will match all employee donations to qualified charitable organizations, up to \$100,000. Between employees' contributions and DigitalOcean's match, over \$178,000 was donated in 2020 to organizations like American Civil Liberties Union Foundation (ACLU), We the Protesters, and the Equal Justice Initiative.

Conclusion

2020 was a year that highlighted vast gaps across industries. We recognize our work here is not done and will never be done. As part of this report, we are committed to keep striving to influence positive change, inside and outside of DigitalOcean.

Interested in joining DigitalOcean to help us move the needle on our efforts? Check out our careers page at do.co/careers.

