



IDEA

**INCLUSION, DIVERSITY, EQUITY
& ACCESSIBILITY REPORT**

DRAPER | November 2023



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01 INTRODUCTION

“Diversity drives innovation – when we limit who can contribute, we in turn limit what problems we can solve.”

— TELLE WHITNEY

A Note from Our Chief Diversity Officer

Over the last 12 months, Draper has made huge investments in its future. We have tripled our investment in inclusion, diversity, equity and accessibility (IDEA)—adding resource programs and staff to build out an inclusive practice that will be vital to our overall Draper NXT strategy. We will need to grow our practice to stay competitive.

Draper NXT is the path we will travel to ensure not only that our legacy thrives in the contemporary era, but that we make even greater impact on our customers' success and national security going forward.

Solving the nation's toughest problems is what we do at Draper. This opportunity challenges us to create a vibrant, inclusive workplace where all employees are valued.

We need the best and brightest minds to support our customers and clients, and they are looking for more than a place to work. They need to know that their employer supports them in all ways. Draper is made up of caregivers, military members, LGBTQIA+ community members, those with

disabilities, and under-represented talent from across all lenses of diversity. We must continue to strive toward equitable outcomes for all.

Fortunately, we have a stellar executive leadership team partnering across the organization to make Draper the best place to work. We're investing in new tools, updating processes, and creating new pathways for growth. It's an extremely exciting time to be at or join Draper.

Come join me.



AISHA A. LOSCHE
CHIEF DIVERSITY OFFICER



A Note from Our President and CEO

At Draper, we strive to maintain a work environment that allows our employees to bring their authentic selves to work every day. We do this because we know diverse expertise and perspectives enable us to solve challenging and important problems in the nation's interest.

I am proud of our achievements this year, and I thank our Chief Diversity Officer Aisha Losche, our employee resource groups, my leadership team, and our employees. Our 2023 Inclusion, Diversity, Equity, and Accessibility (IDEA) Report is a testament to the progress we've made. We are pleased with the successes that underscore our IDEA commitments, which are important to us. The report also reflects the employee experiences across all our campuses and in every sector of Draper.

While we saw significant accomplishments overall in our IDEA efforts, we know there is more we can do. Maintaining a

company with diverse teams allows us to better serve our existing customers and expand our client base. How we work is as important as the customers we serve and the missions we support.

As such, we remain committed to creating an inclusive and accessible work environment that allows us to attract, recruit, and retain top talent. Draper is committed to building upon our values to ensure IDEA is embedded systemically and structurally to have a long-lasting impact today and in the years to come.



JERRY M. WOHLTZ
PRESIDENT AND CEO



02 LOOKING BACK & LOOKING FORWARD

Draper will foster an environment of mutual support and respect.

Over the last year, we shored up our diversity strategy and approach. We did not waver on our support for our people. While things are shifting and changing outside our doors, we have been working to ensure our employees are seen, heard, and valued.

Once again, this report is incomplete in the sense that we have not collected data about our LGBTQIA+ population. When we started to assess new tools, we realized the need for a much larger data transformation to support our Draper NXT vision. Tentatively, we will have a new tool in place in DFY26.

Our DFY23 report has a new format and aligns with our restructured leadership team and business strategies. We've added color, texture, and data to tell the transparent and honest representation of where we are and where we are going.

MENTORSHIPS

In March 2023, we launched an enterprise-wide mentorship program on the MentorcliQ platform. This allowed us to take a more inclusive approach to engage employees who are hybrid, remote, or working on one of our nine campuses.

Since the launch, 11 percent of employees have engaged in the program. We have all but two departments actively participating in the program. As it matures, we expect to see all departments engaged.

ENVIRONMENTAL IMPACT

We've been monitoring Draper's release of pollutants into groundwater from our Concord, Mass., Strategic Test Facility for more than 10 years.

We plan to perform an environmental cleanup pursuant to the Massachusetts variant of Superfund when we raze that facility. We're building our new Strategic Enhanced Ground Test Facility in Titusville, Fla., to adhere to all environmental regulations, including regulations pertaining to the construction itself (e.g., safeguarding a protected species of tortoise that was identified on the plot of land).



Strategic External Partners

As we updated our college recruitment strategy to partner with schools with strong STEM programs, we extended our relationships with several organizations. Each of these relationships will allow us to build a pipeline, create development opportunities, as well as unique areas where we can establish new ways to feed the top of the funnel.

Currently, we partner with organizations like Patti Grace Smith Fellowship, Brooke Owens Fellowship, Skillbridge, Apex, Warrior Care, Edge 4 Vets, and more.

We're also taking assessments like the Human Rights Campaign Corporate Equality Index, Disability:IN's DEI and military-friendly assessments to ensure we are staying ahead of changes and providing our organization with best-in-class experiences.

OUR PARTNERS





Environmental Commitment

Draper is committed to achieving the City of Cambridge's ambitious greenhouse gas reduction goals. Since 2014, Draper has publicly disclosed energy usage by its Cambridge facilities, as required by Cambridge's Building Energy Use Disclosure Ordinance (BEUDO).

To comply with recent amendments to BEUDO, Draper is now assessing, prioritizing, and implementing modifications to its facilities and operations. Draper aims to achieve a 20 percent reduction of greenhouse gas emissions by 2026, a 60 percent reduction by 2030, and a 100 percent reduction (i.e., net zero emissions) by 2035—fully 15 years prior to the net zero goals established by the Commonwealth of Massachusetts, the nation, and international organizations. As a means of achieving these stringent emission-reduction goals, Draper will comply with strict clean-energy construction standards recently established in Cambridge's building code. In parallel, Draper will continue to adhere to Cambridge programs to foster the reduction of greenhouse gas emissions by Draper's commuting employees.

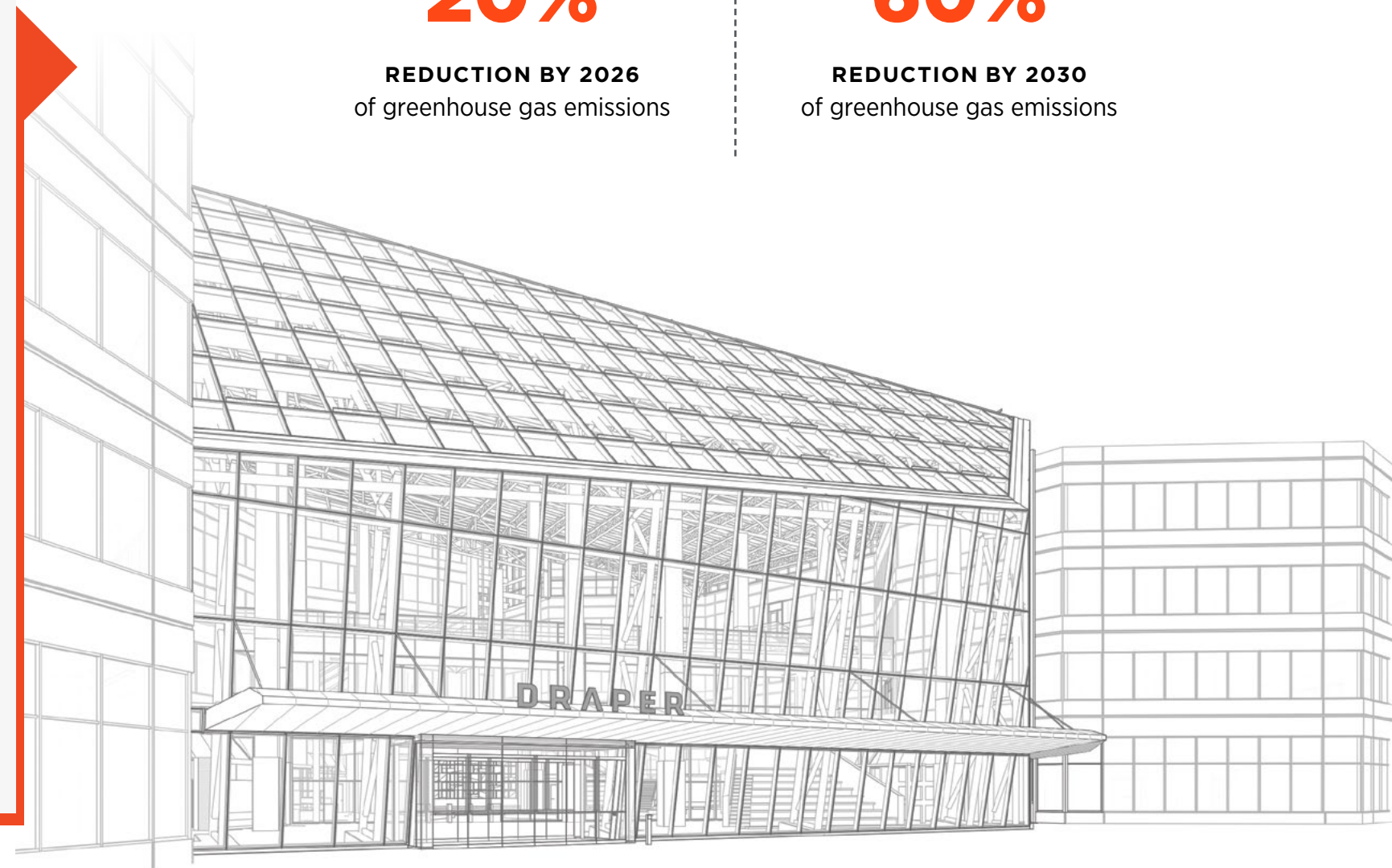
EMISSION REDUCTION PRIORITIES

20%

REDUCTION BY 2026
of greenhouse gas emissions

60%

REDUCTION BY 2030
of greenhouse gas emissions





Employee Resource Groups

Our Employee Resource Groups (ERGs) are a vital part of our culture and ecosystem. They have transformed our company with events, advocacy, and community building. Our nine ERGs are funded to create internal and external impact.

They also serve as catalysts for more-inclusive policies, new offerings, and better connectivity across our campuses and beyond. We are grateful for all that they do and know they are important to our culture, IDEA strategy, and innovations in our work.

DRAPER ERGS

- Ability+
- Asian Pacific Americans@Draper (APA)
- Black Inclusion Network at Draper (BIND)
- Caregivers
- Early Career
- LATINX
- LGBTQIA+
- Military & Veteran
- Women@Draper





03 DATA INFORM OUR PROCESS

Precision navigation is part of our heritage and what makes us great. We take pride in what we do, and we use data to inform our strategies.

In the last three years, we have completed a comprehensive analysis and established an accurate baseline for Draper's availability pool for employees with diverse backgrounds, in terms of our specific job categories. For DFY24, we will update our approach to show the impact of our strategies to move the needle.

To facilitate this effort, Draper's Human Resources team, in conjunction with Draper's Chief Diversity Officer, engaged with other similar industries to find the best of breed in developing a benchmark. We continue to use Gartner Talent Neuron¹ as the database gold standard for current talent and targeted future recruiting. The Talent Neuron data has provided Draper with an understanding of the landscape in which we operate.

Using this data, Draper's HR analysts carefully mapped each job at Draper into the appropriate Standard Occupation Classification (SOC) code—a federal statistical standard that classifies workers into occupational categories. Analysts were then able to compare the Draper workforce availability pool across the U.S., as indicated by the Talent Neuron data (also categorized by SOC code). For purposes of this report, we used regional data from the largest geographical places Draper has a presence, which would be New England (Maine, Massachusetts, Connecticut, New Hampshire and Rhode Island), Southeast (Texas, Florida, and Alabama) and Virginia (Washington, D.C.) area.

1. Gartner Talent Neuron runs proprietary algorithms on public profile data, which they harvest from professional networking sites and resumé banks like Google, Indeed, Xing, GitHub, and Stack Overflow to estimate the diversity breakdown for a given role. They validate these estimates with data from government agencies, such as the U.S. Census Bureau, the U.S. Department of Labor, Equal Employment Opportunity Commission, as well as company reports and surveys.



Availability Versus Headcount

Chart 1

This first chart shows the overall makeup based on gender and racial representation.¹ For FY23, we are on track for female representation from a U.S. and regional perspective. Unfortunately, we are woefully subpar when it comes to representation from historically excluded racial groups (HEGs).² With new leaders, functions, and processes, we anticipate improvements as we continue to build our inclusive workplace.

Chart 2

We continue to see growth in the diversity of our managers across the company. We have had opportunities to promote from within and recruit amazing new talent. Draper NXT requires us to expand our hiring in manager roles to support our growth, our people, and our customers. We will continue to review our processes to ensure we remove bias.

CHART 1. ALL DRAPER EMPLOYEES

Total Count = 2,088

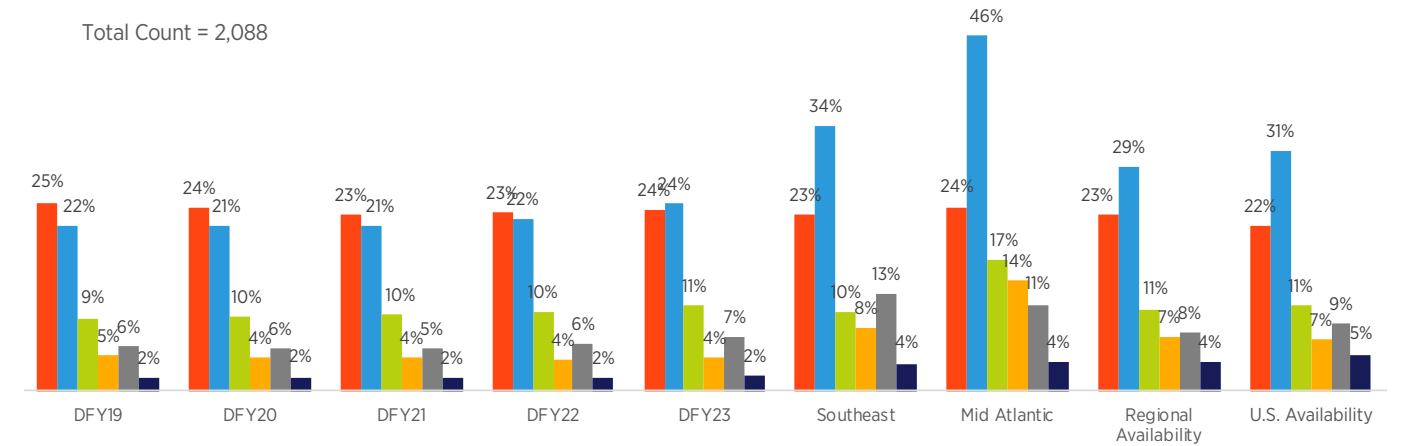
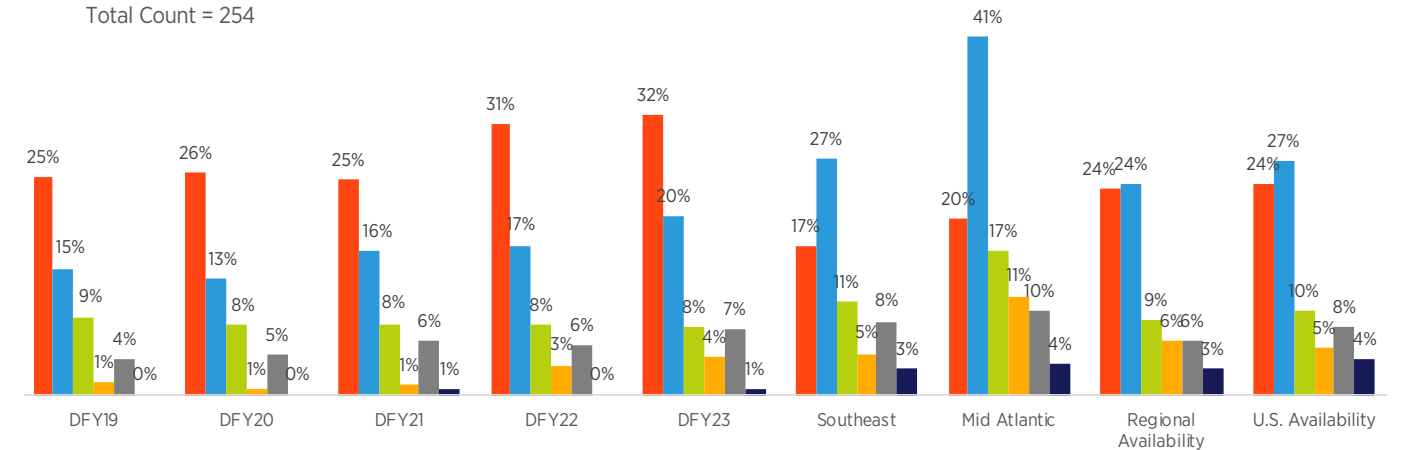


CHART 2. ALL DRAPER MANAGERS

Total Count = 254



1. At Draper this includes Asian, Black or African American, Hispanic or Latino, Native American or Alaskan Native, Native Hawaiian or other Pacific Islander, and those who identify as two or more races and/or ethnic groups.

2. Two or more/other specifically includes Native American or Alaskan Native, Native Hawaiian or other Pacific Islander, and those who identify as two or more races and/or ethnic groups.



**AVAILABILITY
VERSUS
HEADCOUNT**

Engineering - Charts 3 & 4

These charts illustrate our largest population at Draper. Our Engineering organization has 1,460 of our 2,088 employees at the time data were sourced.

Engineering has been a critical partner. They are consistently making strides when it comes to IDEA. While the percentage looks smaller, we have to account for the overall growth of the organization. The two charts show the breakdown of female and underrepresented racial and ethnic group employees in Engineering, first in all roles, and then, more narrowly, among the Engineering technical staff.

In chart 3, we see that female representation has grown to 24 percent, but our racial representation has been below availability in all markets. Chart 4 focuses on our technical staff within Engineering. We do have growth year over year. Last year, we stated the need to move our numbers up to match or exceed national and regional availability by DFY25. It is a large goal, so we've crafted a strategy with our Talent Acquisition team to support us as we seek and hire great talent.

CHART 3. ALL ENGINEERING

Total Count = 1,460

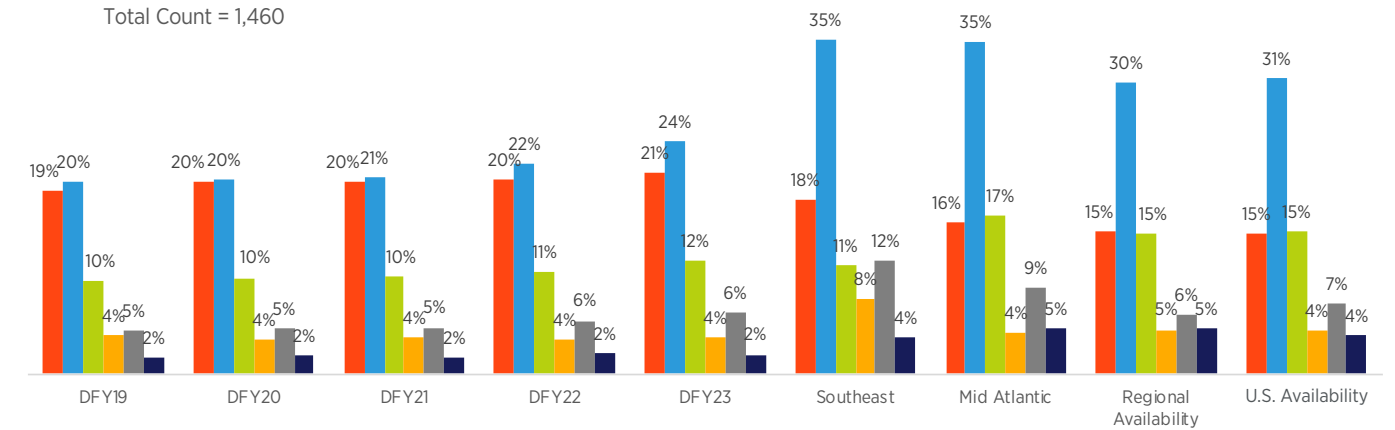
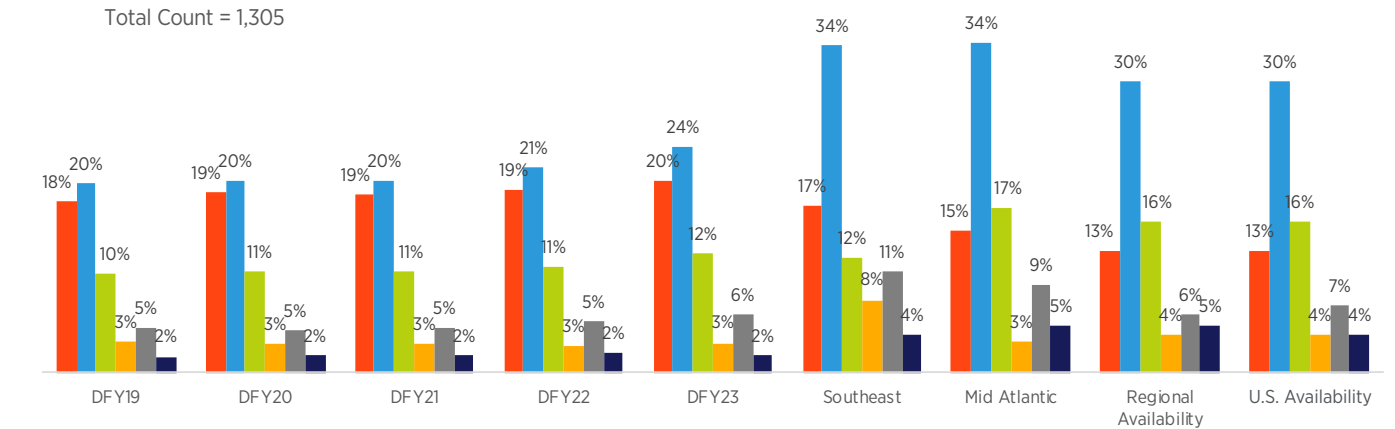


CHART 4. ALL ENGINEERING TECHNICAL STAFF

Total Count = 1,305





**AVAILABILITY
VERSUS
HEADCOUNT**

Biotechnology Systems – Charts 5 & 6

We redesigned our team to better align with our market focus areas. Our Biotechnology Systems team is poised for growth as we continue to stay close to the innovations within this space.

We have an opportunity to expand our footprint within this business area. Our data show the availability of the talent we have is there. Draper will share the value proposition with the community to join us on our mission to solve the nation’s toughest problems.

CHART 5. ALL BIOTECHNOLOGY SYSTEMS

Total Count = 13

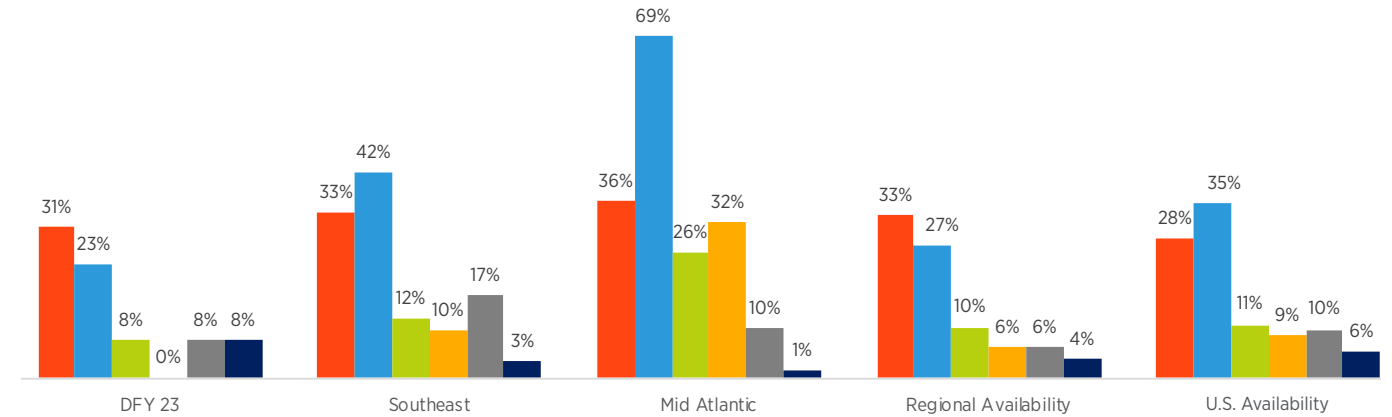
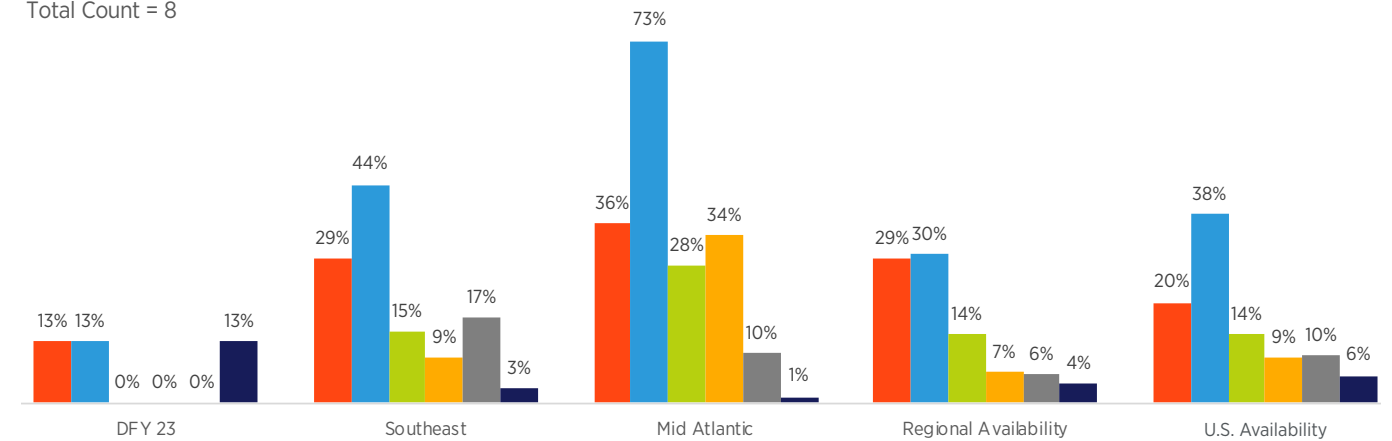


CHART 6. ALL BIOTECHNOLOGY SYSTEMS TECH STAFF

Total Count = 8





**AVAILABILITY
VERSUS
HEADCOUNT**

Electronic Systems – Charts 7 & 8

Electronic Systems is a unique blend of skillsets from across our company. The strength of the teams coming together will be vital to our Electronic Systems work. This year will be a baseline as they continue to grow our talent across all lenses of diversity.

CHART 7. ALL ELECTRONIC SYSTEMS

Total Count = 86

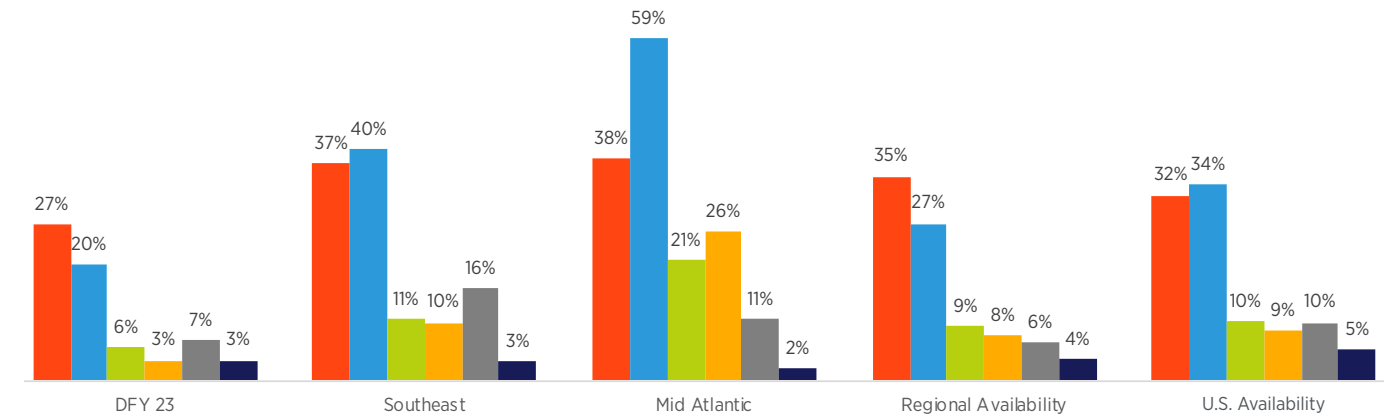
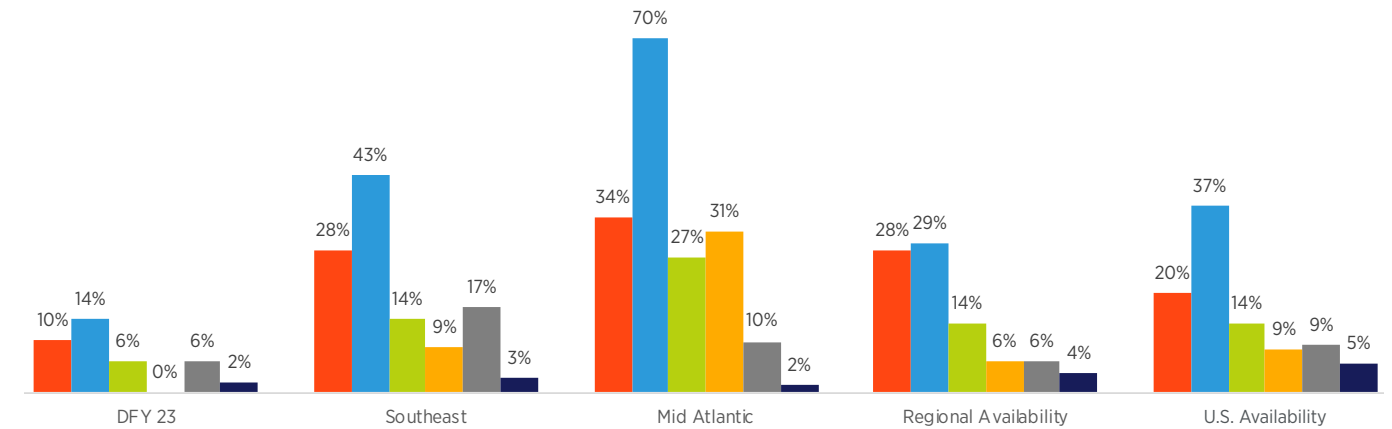


CHART 8. ALL ELECTRONIC SYSTEMS TECH STAFF

Total Count = 49





**AVAILABILITY
VERSUS
HEADCOUNT**

Navy Strategic Systems – Charts 9 & 10

With recent historic growth within our Navy Strategic Systems for DFY24 and beyond, it will require a larger, more-diverse team. The Vice President/General Manager and their directors already have put plans in place to ensure they are casting a wider net to improve representation across their team.

CHART 9. ALL NAVY STRATEGIC SYSTEMS

Total Count = 64

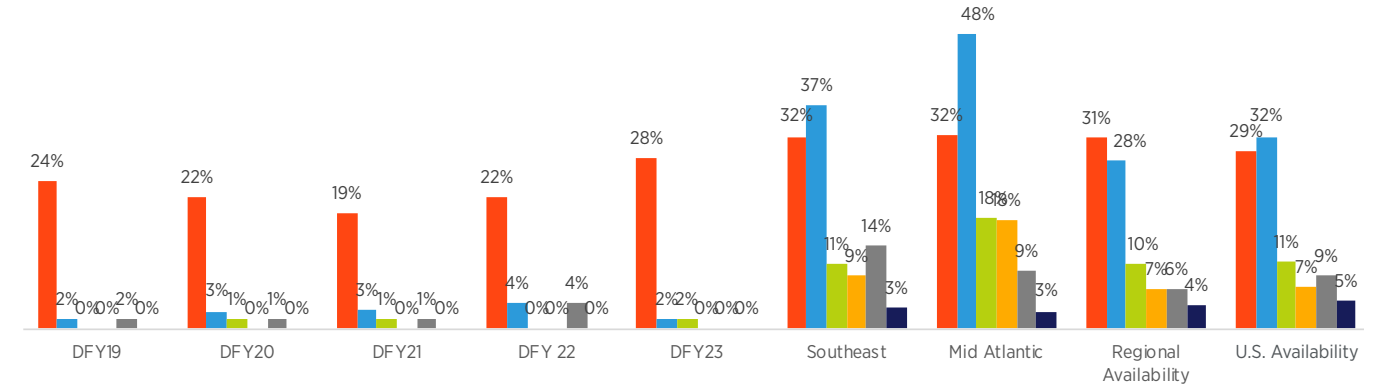
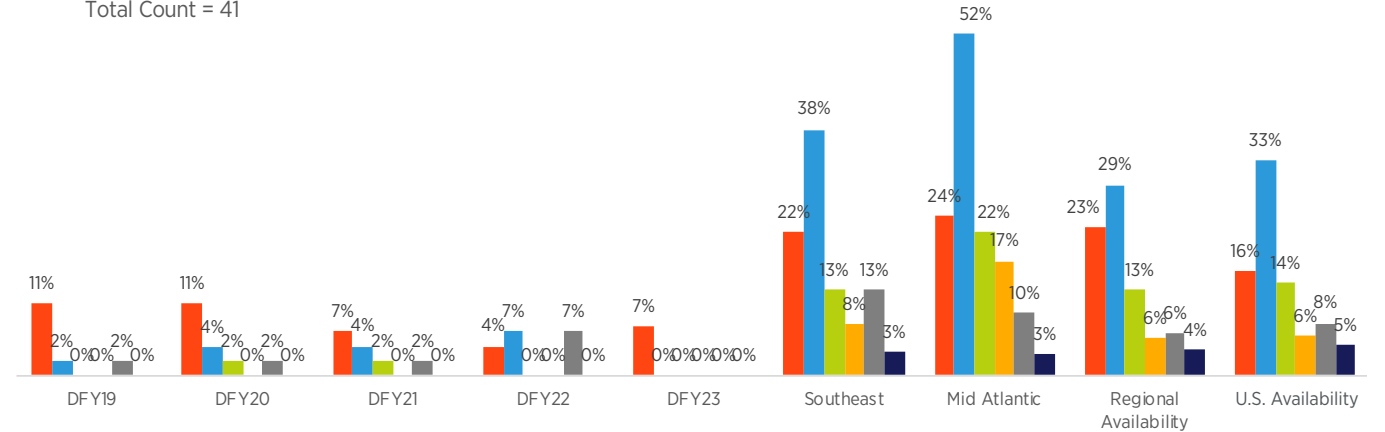


CHART 10. ALL NAVY STRATEGIC SYSTEMS TECH STAFF

Total Count = 41





AVAILABILITY VERSUS HEADCOUNT

Air Force (AF) & Missile Defense (MD) Strategic Systems – Chart 11

Much like our U.S. Navy market area, we are seeing more opportunities to grow the team in strategic and meaningful ways. Since it's a new alignment within Draper, we should be able to see the outputs in DFY25.

Space Systems – Chart 12

Much like Electronic Systems and Air Force, this business area has been realigned. We are looking to enhance our approach as we restructure the team and provide more opportunity and growth of personnel.



DIVERSITY OF TECHNICAL STAFF

We are fully aware of the lack of representation within our Technical team within Space program where there is 0% diversity.

CHART 11. ALL AF & MD STRATEGIC SYSTEMS

Total Count = 13

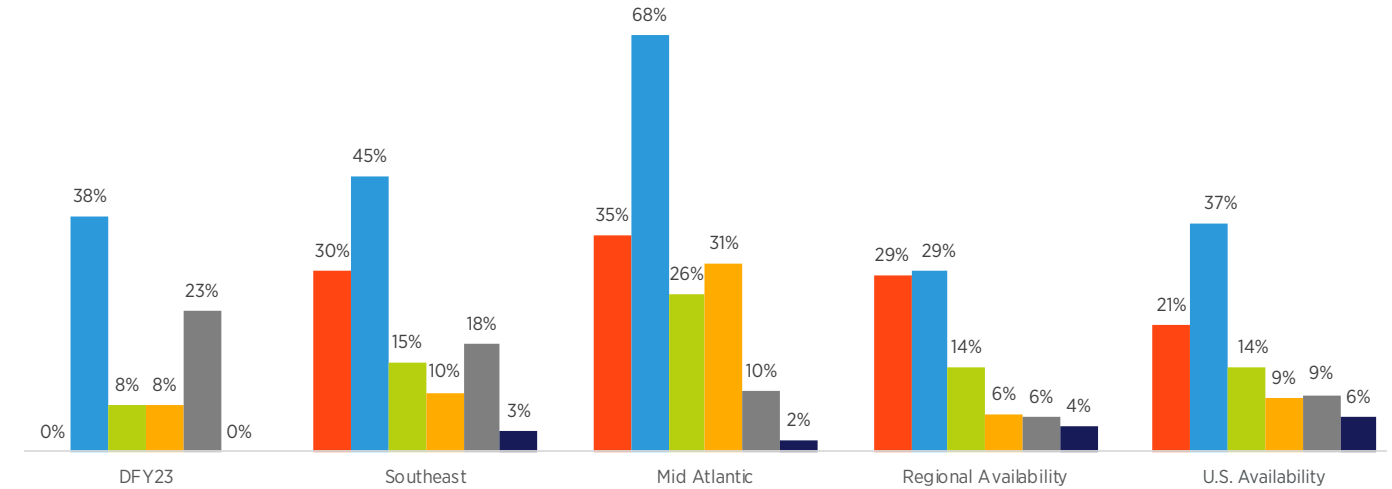
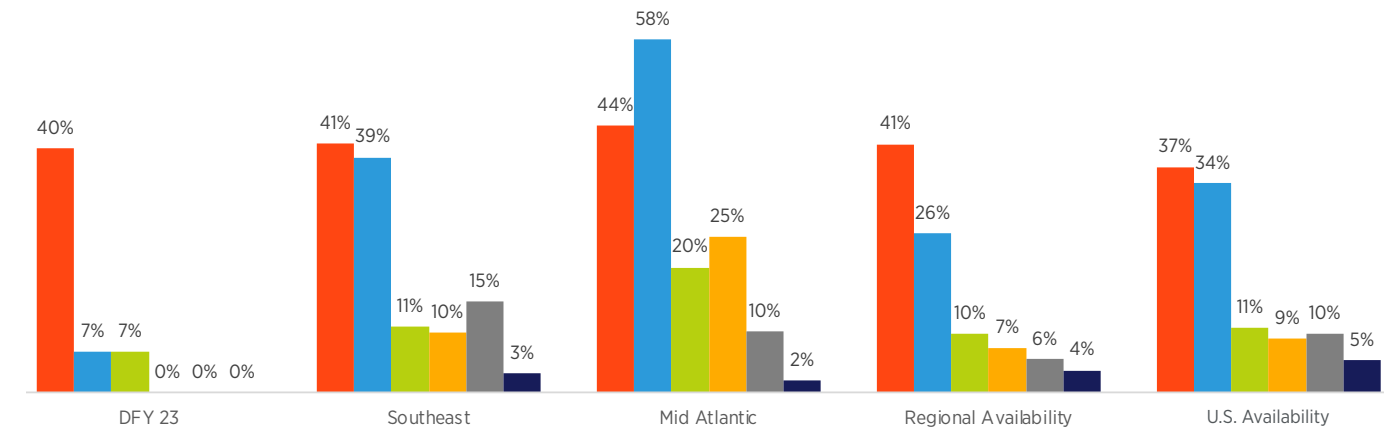


CHART 12. ALL SPACE SYSTEMS

Total Count = 15





**AVAILABILITY
VERSUS
HEADCOUNT**

Charts 13 & 14

Our Corporate functions have had consistent representation across many lenses of diversity. As we continue to develop our reporting capabilities, we're going to show the nuance of the numbers and how professional growth and development manifest for these groups.

In summary, while our current mix of gender and racial/ethnic diversity across the entire corporation are similar to the regional mix, there are pockets that need drastic improvement. We are fully committed to making those improvements.

CHART 13. ALL CORPORATE FUNCTIONS - HISTORIC

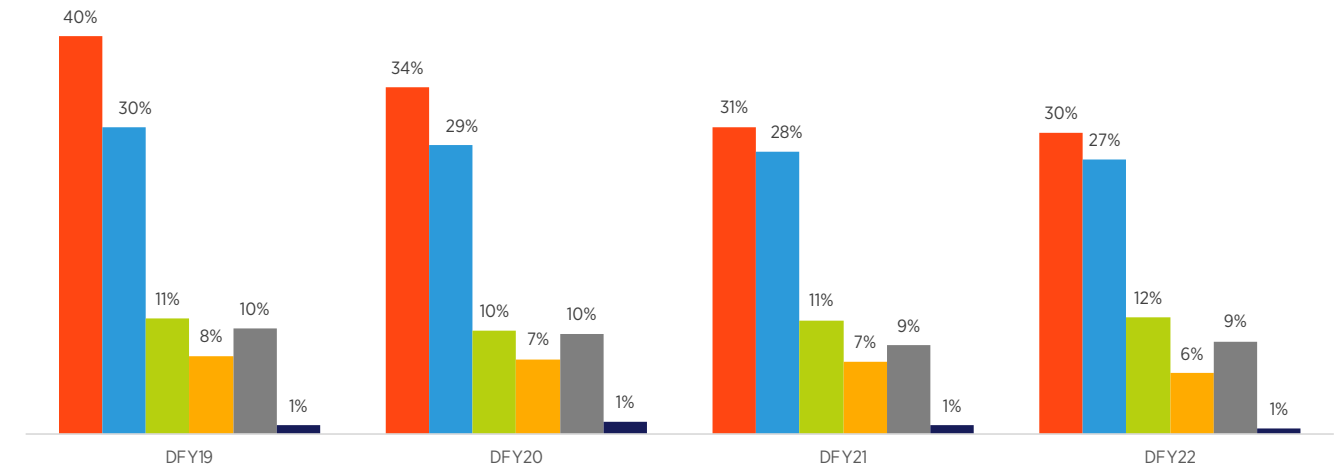
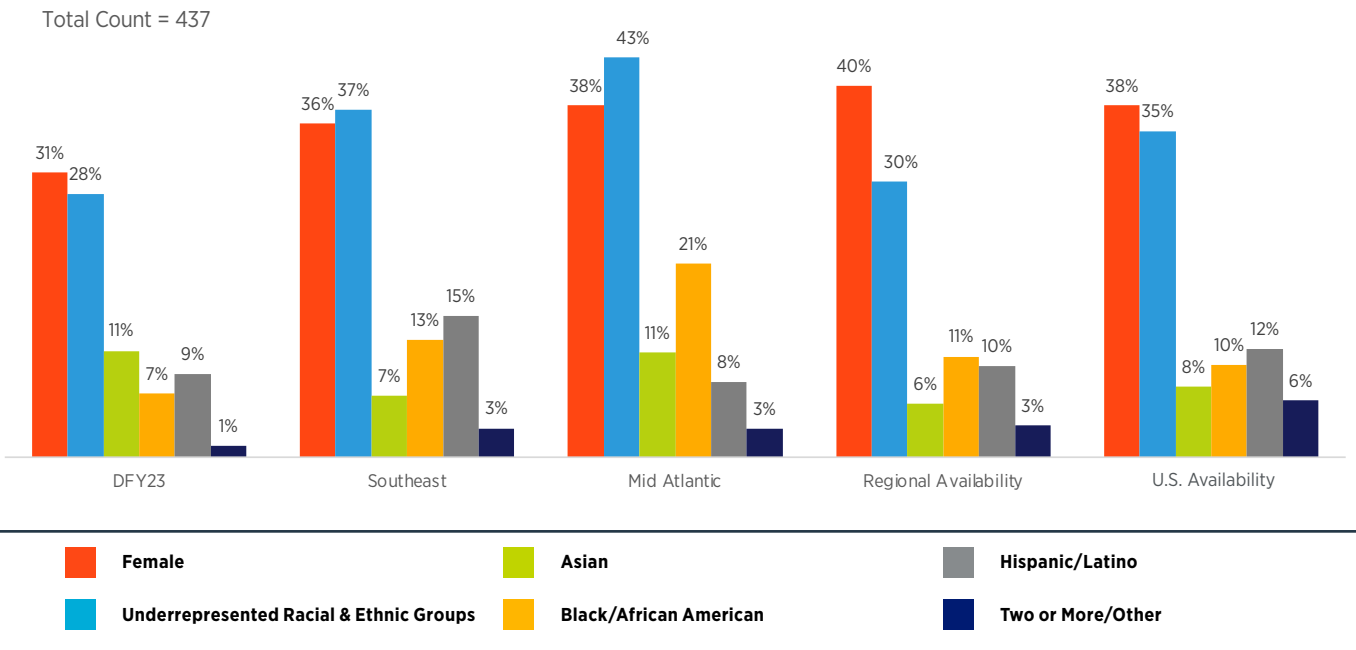


CHART 14. ALL CORPORATE FUNCTIONS - CURRENT



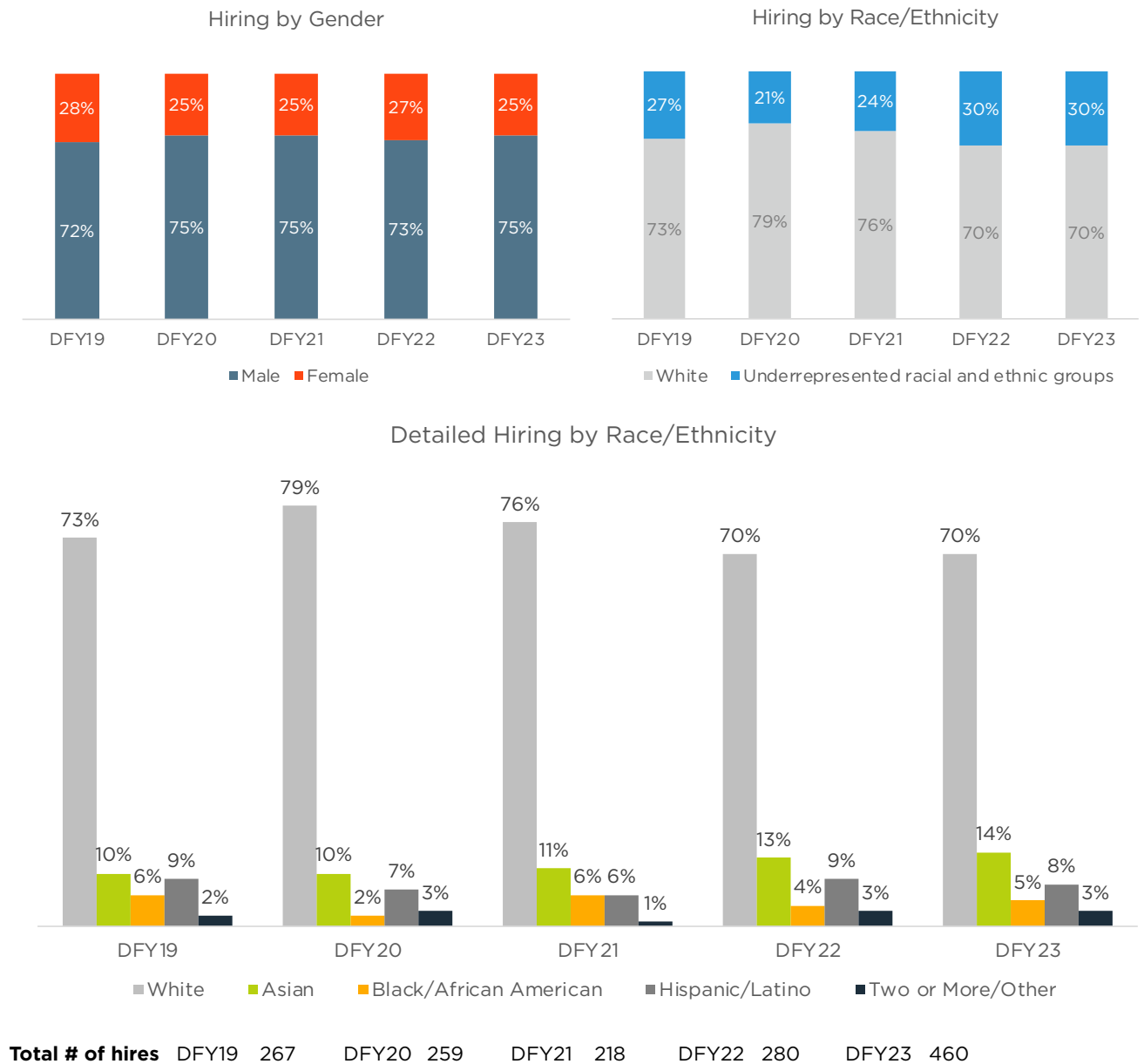


Hiring

For Draper to meet the needs of our customers and our nation’s security mission, we must continue to grow our talent. As a reminder, our gendered data is not a full representation of our talent pool. We acknowledge that our LGBTQIA+ talent, who may not identify in the ways presented in these charts, are missing.

We remain consistent in our hiring of women over the last five years. Our recruitment for our historically excluded groups grew when you compare our overall growth stayed steady at 30 percent.

CHART 15. HIRING



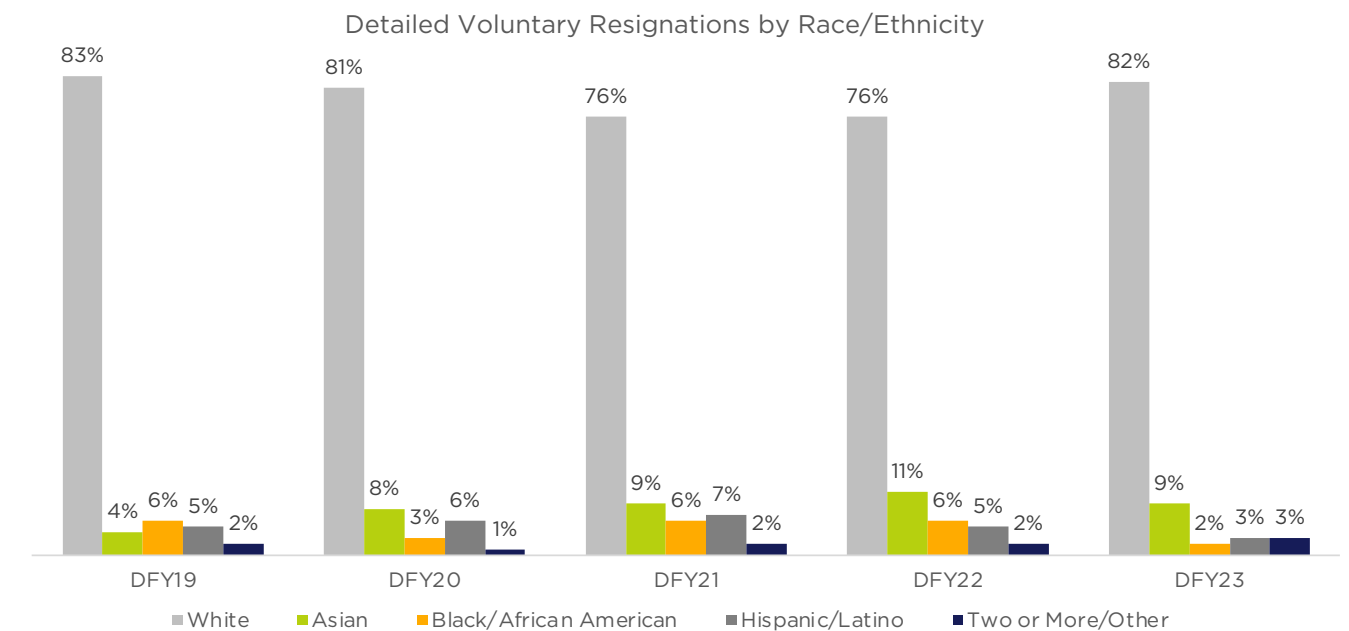
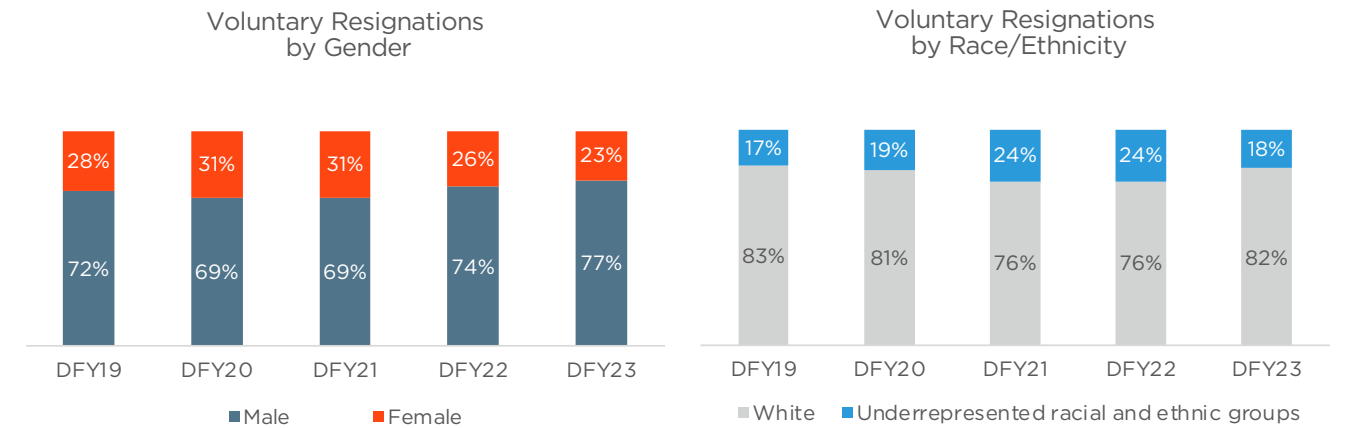


Retention

The past two years have brought about an inflection point for employees to decide what will be drivers of their careers. For Draper to keep the best and brightest, we must provide a top work environment and experience. As our IDEA strategy comes together, we will implement new strategies to support our retention levels.

One of the first actions we will take is to start an organization-wide mentorship program in Q3 of this fiscal year.

CHART 16. VOLUNTARY RESIGNATIONS¹



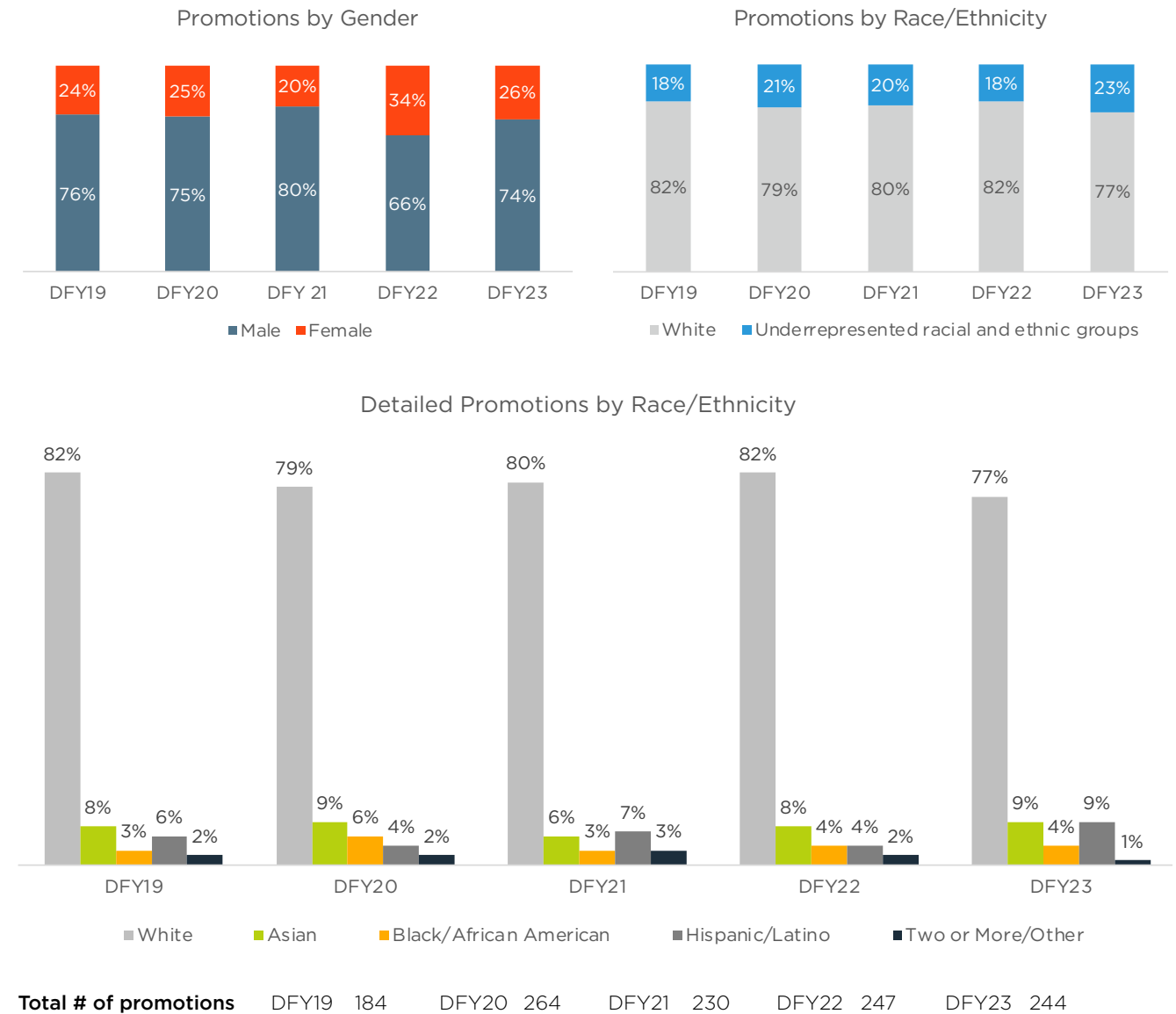
¹ Showing the ratio of employees in each category who resigned in that year as a percentage of the total number of voluntary resignations in that year.



Promotion Rates

We are overhauling our current processes to mitigate bias, increase the clarity of promotion criteria, and ensure equity throughout. From the changes we've already implemented, we have surpassed our Annual Operation Plan goal for our female population. With our new processes, we hope to make similar gains for our talent of color and others.

CHART 17. PROMOTIONS





Additional Data Highlights

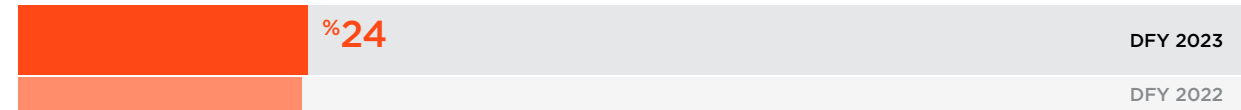
DFY23

Overall Diversity

RACE/ETHNICITY

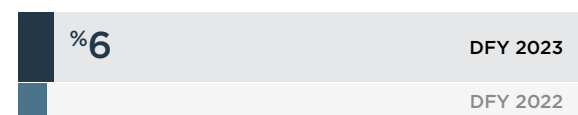


FEMALE

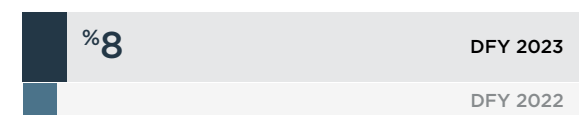


Representation of Other Employee Groups

VETERAN

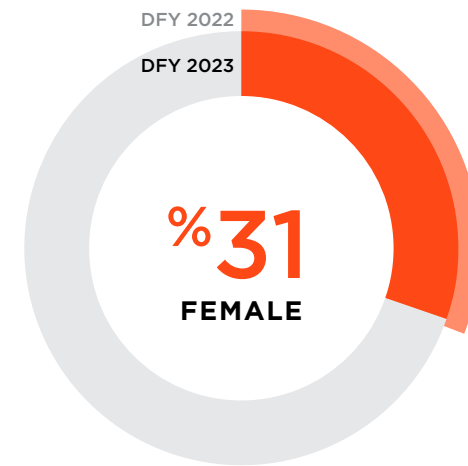


PERSONS WITH DISABILITIES

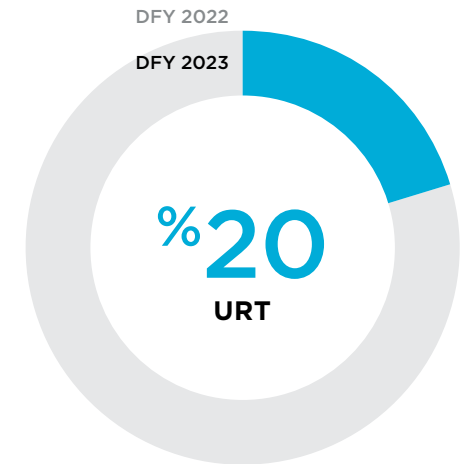
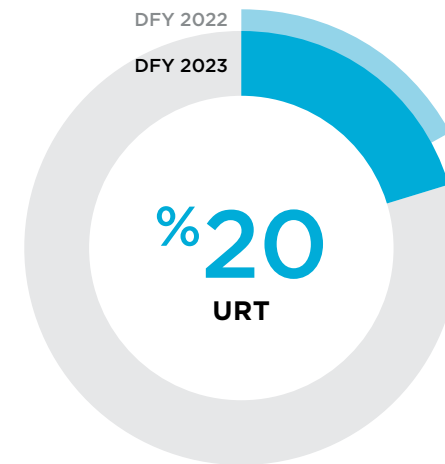
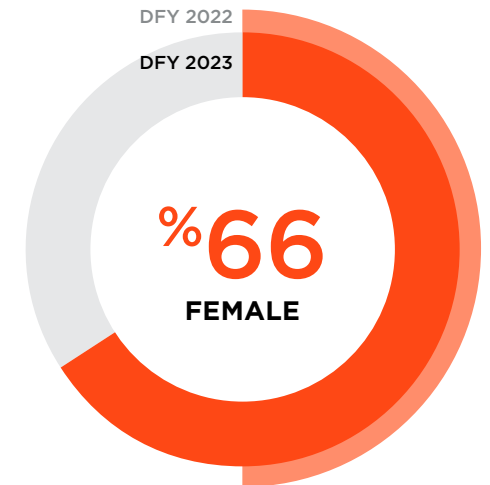


Percentages rounded to the nearest decimal

Diversity in Management Roles



Diversity in Roles VP and above





We must achieve a sense of belonging for the organization to expand our reach.

Over the last year, we held focus groups, conducted surveys, and received feedback directly from our employees to inform our IDEA strategy. On July 1, 2023, we started building the infrastructure of support and created our IDEA Office.

We spent many hours with our executive leadership team, IDEA Co-Leads, ERG leaders, and employees to craft this strategy. We partnered with Gartner Advisory to provide insights and guidance as we built our multi-year plan. We invested in several resources to ensure a strategy that would allow for sustained, lasting change. The following charts outline our plans and how we will meet our objectives. As we change, we will continue to update as we make progress.

04 SETTING OUR STRATEGY

Current State

Key Observations

Draper is transforming the way we work to better meet the needs of our customers. This journey is about more than just technology; it's about the impact we create, the lives we improve, and the legacy we build together, inspiring generations to come. Our executive leadership team, business tools, people managers, and IDEA functions are joining us on the journey to support Draper NXT. Over the last 10 months, we have implemented changes to positively impact our culture. Our focus groups, IDEA assessments, and feedback from employees have indicated that we have areas to improve upon.

Challenges

An ever-polarizing societal climate toward IDEA makes it difficult to reassure our people that this is the correct and necessary direction. We have a low maturity internally regarding inclusive leadership, which is tied to lack of exposure, understanding, and application to this work. We will need to find new ways to provide resources to our people as well as expectation of what we need from our people leaders. Building time for learning is another constraint ahead of us.

Critical Focus Areas

We need to ensure we are developing metrics and setting goals that our business leaders are meeting and exceeding, when possible. We must ensure leaders share the importance of IDEA throughout our workforce and how it aligns with our mission. It is critical for us to empower our leaders to become IDEA advocates and demonstrate the benefits of IDEA.





Executive Summary

Statement of IDEA Strategy

Draper is here to solve the nation’s toughest problems. We can only do that in an inclusive, diverse space that honors and respects individuals in all the ways they identify. We are committed to building upon our values to ensure IDEA is embedded systemically and structurally to have long-lasting change.

IDEA Strategic Plan Framework STRATEGIC PRIORITIES

Upskilling and educating people managers and employees on inclusivity advantages of diverse team, and unconscious bias training for all Draper employees.

Craft mentorship opportunities to ensure knowledge sharing through participation in memorializing and imparting institutional knowledge (written, verbal, etc).

Create a more-diverse workforce that is reflective of the demographics of customers and operating locations.

Motivate and reward inclusive management and behaviors in the accomplishment of Draper’s mission.

STATE OF IDEA DFY 2023

Attrition for Underrepresented Talent (URT)

Lack of community and belonging across campuses

Decentralized efforts and programs

Lower representation of URT in programs

Top Business Drivers

- 01 Draper NXT - Growth and organizational transformation
- 02 Growth of people and overhead efficiency and fiduciary responsibility
- 03 Business market strategic areas

Top IDEA Initiatives

- 01 Partnering on talent recruitment and retention
- 02 Inclusive culture building with ERGs empowered by IDEA leaders
- 03 External collaboration with conferences and community
- 04 Professional development and learning culture to build the leaders of tomorrow
- 05 Scale IDEA initiatives to all campuses and people across Draper

STATE OF IDEA DFY 2024

Continuous learning and growth opportunities for all Draper

Continue to establish mentorship approach

Partner on and execute our recruiting strategy

Slow the attrition for URT



Three-Year IDEA Roadmap

Strategic Priority	Long-term IDEA Objective	DFY24 Objective(s)	DFY25 Objective(s)	DY26 Objective(s)
Craft mentorship opportunities to ensure knowledge sharing.	Create a community of learning and sharing. Assess leader accountability to mentor or sponsor underrepresented talent and measure its increase/decrease.	Monitor pilot program and survey participants for feedback for better implementation and design.	Increase year-over-year participation. Track and monitor growth of participants.	Increase year-over-year participation. Track and monitor growth of participants.
Motivate and reward inclusive management and behaviors in the accomplishment of Draper's mission.	Engage our middle management to invest and grow underrepresented talent to place on succession plans for departments and functions.	Design IDEA action plans for each business area and function based on their needs.	Create new action plans and tie IDEA to compensation and promotion.	Implement new reward structure with IDEA elements incorporated.
Upskill and educate people managers and employees on inclusivity advantages of diverse teams, and unconscious bias.	Continuous and evolving learning around IDEA topics and issues.	Build and design training and toolkits for managers.	Managers' aptitude for IDEA is codified in their daily work.	Managers can only be put in roles if they exhibit IDEA and Core values.
Create a more diverse workforce that is reflective of the demographics of our customers and operating locations.	Increase recruitment and retention of underrepresented employees in STEM roles.	Design and build inclusive recruiting and hiring practices.	Increase year-over-year percentage of women and underrepresented groups.	More diversity in middle and senior management due to work done in succession planning.



Our Ongoing Mission

We have made progress, but we know there is still more to be done. As the IDEA Office grows, and we have more competency in this space, we will continue to see the growth and change. Building a more-diverse and -inclusive community at Draper is a shared responsibility, one with many opportunities to participate and make an impact through formal and informal ways. Joining an ERG, helping new employees orient to Draper, living our Core Values—all contribute to a more-welcoming workplace for all of us.

Please contact **Aisha Losche** with questions and ideas for improving the Draper experience.





DRAPER