Our Approach to ESG
In fiscal year 2020 (FY20), we conducted an initial review of the environmental, social, and governance (ESG) issues that are most material to our business. Following this review, we created an ESG Framework to organize how we measure and manage our performance across these issues.

We are committed to being transparent throughout our ESG journey and, moving forward, will publish an annual ESG report. This publication shares our FY20 progress and FY21 plans across the three pillars of our Framework: People, Products, and Operations.

Vocera provides secure, integrated, intelligent communication and clinical workflow solutions focused on empowering mobile workers. Our solutions include an intelligent enterprise software platform; lightweight, wearable, voice-controlled communication devices; and smartphone applications.

Our business is primarily focused on serving the healthcare market. Care teams at nearly 1,900 healthcare facilities worldwide have selected our solutions to call and text securely, reduce alarm fatigue, and enhance workflow to help improve patient experience.

Founded in 2000, our Mission is to simplify and improve the lives of healthcare professionals and patients, while enabling hospitals to enhance quality of care and operational efficiency.

Acting on this Mission is more critical today than ever before. The pressure put on the healthcare system and its frontline workers and patients during COVID-19 is unprecedented. Our ability to continue delivering on our Mission requires a plan for growing and innovating sustainably.

Our high ethical standards and strong governance are the foundation of our business.

Ethical business conduct is the responsibility of all employees. Employees certify their understanding of our Employee Code of Business Conduct and Ethics annually and any allegations of misconduct are reviewed by our Compliance Officer.

Vocera is governed by our Board of Directors which works with our CEO and other senior management to determine our business strategy and ensure the sustainable growth of the company. The Board is composed of nine Directors, eight of whom are independent. We value and seek out diversity for our Board. As of FY20, 11% of members are ethnically diverse and 33% are females.

Our Board committees include:
- Audit
- Compensation
- Governance and Nominating

The Nominating and Governance Committee oversees our ESG work and as of FY21, we will report to the full Board on the topic annually.
**Diversity, equity, & inclusion**

We value the unique backgrounds, perspectives, and ideas brought to work each day by our nearly 700 employees. Our work in diversity, equity, and inclusion (DEI) focuses on increasing diverse representation and fostering a work environment where everyone is respected and can succeed.

In FY20, 28% of U.S. employees and 24% of U.S. management were ethnically diverse. Globally, women made up 32% of our workforce and 27% of management positions. We aim for every part of the employee journey to be inclusive. We review our job advertisements to ensure the language we use encourages individuals of all backgrounds to apply. We also strive to eliminate bias in opportunities for career growth by requiring that all promotions go through a formal workflow process.

We engage employees on DEI through pulse surveys and dedicated focus groups. In FY20, we held a focus group with our female employees to understand how we can better support their careers. Based on the results, in FY21 we will initiate a program to boost skills for women in the workplace including self-advocacy, personal brand, financial fluency, and leadership communication.

In FY21, we will conduct an internal DEI assessment that will inform the development of a formal DEI Framework. The assessment will include an analysis of representation, recruitment, and retention data through a DEI lens. It will also include interviews with Vocera leadership to assess their perceptions of our DEI performance, employee sentiment, and help prioritize near term action for DEI.

**Employee development, engagement, & well-being**

Because employees are our greatest asset, we invest in their success through development, engagement, and well-being resources.

In FY20, we launched our formal employee well-being program, Vocera on Wellness (VOW). VOW focuses on five factors of well-being: financial, physical, emotional, social, and family. This program is key to keeping our employees happy, healthy, and productive. In FY21, we will expand the program to include additional emotional and mental health resources.

In response to the pandemic, in FY20 we added new benefits to our Employee Assistance Program (EAP). Benefits vary by country but typically include access to mental health resources and professionals, and resources designed to benefit social needs such as parenting and elder care. In FY21, we will launch a communication campaign to drive awareness and increase access and utilization of EAP resources as well as host several live sessions focused on emotional and mental health.

Even amid an unprecedented and uncertain year, our employees remained highly engaged. In FY20, our quarterly employee pulse survey results were better than the industry benchmark and we had 90% employee retention, also better than the technology industry standard. We know that our teams will only succeed with the right leadership. In FY21, we will focus our leadership development on managing a remote team, mental health and resilience, and developing and retaining diverse, equitable, and inclusive teams.

**People**

The talent and dedication of our people make the positive impact of our products possible. We foster diversity, equity, and inclusion, and invest in our employees’ success through our employee development and well-being programs.
Our Approach to ESG

Responsible sourcing

We partner with suppliers that share our high standards for ethical behavior and quality. Before a material supplier can work with us, they are required to complete a self-assessment on their quality management capabilities and social and environmental impacts. If approved, they must agree to the product quality and safety, human rights, environmental compliance, and other expectations set out in our Master Service Agreement.

We audit our key material suppliers annually to ensure our standards for responsible production and quality are upheld. When a nonconformance incident is identified, we work with suppliers to resolve the issue. In cases where a supplier cannot meet our standards, we will cease work with them.

In FY20, we were unable to conduct on-site audits due to COVID-19 restrictions. We will reinstate these audits as soon as it is safe to do so.

Product quality & safety

All of our products undergo dedicated internal or external quality and safety testing. If a customer identifies an issue, our quality team works with our customer support to resolve it and will conduct a full investigation in select circumstances.

To continually improve our solutions, we hold an annual customer council meeting where customers provide direct feedback on their experiences. We also host an external industry group, the CEO Coalition, which is dedicated to finding ways of improving the patient/caregiver experience.

We aim to improve the overall safety of healthcare workers through our products and collaboration. For example, our Smartbadge contains a dedicated panic button that alerts hospital security to any urgent situation. In FY20, we established a council of leading U.S. health system CEOs, CNOs, and other hospital leadership dedicated to raising the priority of protecting the physical and emotional wellbeing of healthcare teams within the healthcare industry. In FY21, we will convene these healthcare industry leaders with a goal of establishing and publishing a set of standards and principles around improving care team safety and wellbeing. We have also engaged a Government Affairs organization to build awareness with policy influencers on the growing crisis within healthcare regarding the safety and wellbeing of its workers, and how supporting healthcare workers with hands-free mobile communication technology is central to personal protective equipment.

Product security

We prepare for cybersecurity risks by building our products and software in line with leading security protocols. In FY20, 100% of our products received third-party security certifications or underwent third-party security assessments.

We further strengthened product security in FY20 by streamlining software and privacy design processes related to the development of our hardware and software. In FY21, we will increase our efforts to obtain additional third-party verifications of our processes and use any learnings for further improvement.

In FY20, our Ease product line completed Health Information Trust Alliance certification - meeting the highest standards of HIPAA compliance. In FY21, we will engage in the Federal Risk and Authorization Management Program for our Ease app, which provides a standardized approach to security assessment, authorization, and continuous monitoring for cloud products and services.

In FY21, we will pursue certification to the Federal Information Processing Standard for our Smartbadge. Receiving this security certification is required before we are able to sell the Smartbadge to the U.S. Federal Government.

100% of our products received third-party security certifications or underwent third-party security assessments in FY20
Environmental efficiency

The majority of our operational environmental footprint consists of our nine offices. To reduce the impact of our day-to-day operations, we equip our sites with sustainable attributes including state-of-the-art building management systems. We also engage employees in sustainability through initiatives such as providing electric vehicle charging stations and our sustainable commuting program.

In FY20, the energy used at our headquarters in San Jose, California, decreased by 3% from FY19 to 1400 MWh. We attribute this reduction to operational changes put in place in response to COVID-19. We will continue to take a localized approach to finding ways of operating efficiently across each of our offices.

Corporate security

The safety and security of our employees and corporate data remain a top priority for Vocera. We regularly engage our Board on corporate security, including quarterly updates and an annual review of our strategy.

Employees are our first line of defense for cybersecurity. All employees are required to complete annual security training which we update to cover emerging threat topics. FY20 training included: data security and privacy, office security, and General Data Protection Regulation (GDPR) requirements.

We partner with a third-party to review our internal information security processes and conduct penetration tests annually. In FY20, we also simulated a security breach to test Vocera’s incident response process. Learnings from this event will be used to inform a revised response protocol to better prepare Vocera should a cybersecurity event occur.

In FY20, we achieved UK Cyber Essentials certification – required to sell in the UK – for our ability to protect against a wide variety of cyber-attacks. In FY21, we are working to obtain UK Cyber Essentials Plus, which includes a third-party verification of our cybersecurity protocols. We also plan on working toward a company-wide ISO 27001 program, a leading certification for information security.