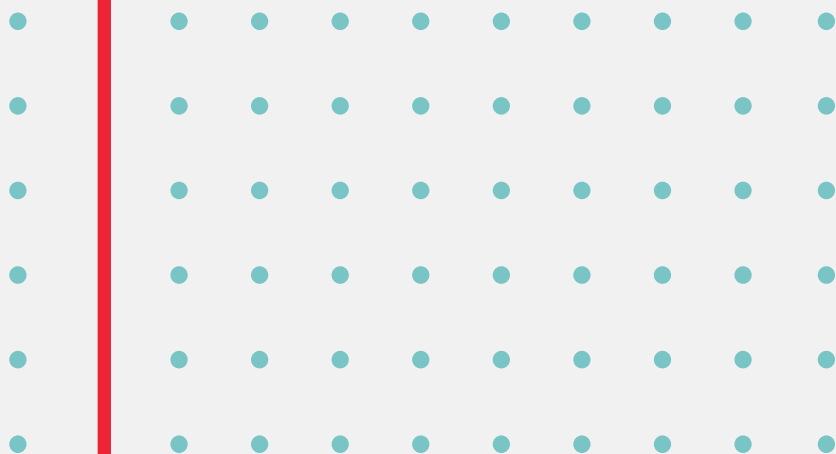


Calendar year
2021

Calendar year 2021

Community and Social Responsibility



Red Hat



Letter from Paul Cormier

I often say, “The only constant in our industry is change.” This has been particularly evident in recent years. Coming out of the pandemic, 2021 provided an opportunity to reflect on and implement the lessons we’ve learned, laying the foundation for the future of work at Red Hat.

Our associates and our business thrive on flexibility, whether at home or in an office. Throughout the pandemic (and beyond), we’ve found new ways to collaborate with one another. Our open source model—not just in software development, but in how we make decisions—continues to drive our success.

Over the past year, we revisited our priorities, reimagined our business strategy, and revised our workflows to come together and be stronger than ever. Through these changes, we’ve created a foundation and structure better aligned globally for consistency to help us scale Red Hat and better serve our customers and our communities.

Scaling our company ensures our success, but also uncovers new challenges. We must take into account the impact that expanding our workspaces, travel, material sourcing, and product development have on the environment around us. As Red Hat continues to grow, we’re taking positive steps to measure and mitigate our environmental impact to preserve our planet for future generations. As part of our commitment to improving our sustainability programs and disclosures, this year’s report is the first to be published with reference to the Global Reporting Initiative (GRI) standards and aligned with the UN Sustainable Development Goals. We also joined OS-Climate, through which we’re building an open data platform to better integrate the impacts of climate change on global financial decision making and risk management.

I’m proud of how we’ve faced the challenges of recent years, but we mustn’t become complacent. Despite uncertainty in the world around us, Red Hatters continue to show up for their teams, their projects, and their communities. We’ve proven that our ability to create, to innovate, and to execute are not confined to the four walls of an office. The future of work is everywhere and anywhere our associates want to be.

Paul Cormier
President and Chief Executive Officer

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Who we are

The world’s enterprise open source leader

Red Hat is the world’s leading provider of enterprise open source solutions, using a community-powered approach to deliver high-performing Linux®, cloud, container, and Kubernetes technologies. We help customers standardize across environments; develop cloud-native applications; and integrate, automate, and manage complex environments with award-winning support, training, and consulting services.

In 2019, Red Hat was acquired by IBM for US\$34B, the largest software acquisition to date. Upon closing of the acquisition, Red Hat joined IBM’s Hybrid Cloud team as a distinct unit, preserving the independence and neutrality of Red Hat’s open source development heritage and commitment, product portfolio and go-to-market strategy, and unique development culture. Together, IBM and Red Hat are helping enterprises innovate anywhere across hybrid cloud environments with a broader range of choice and flexibility.

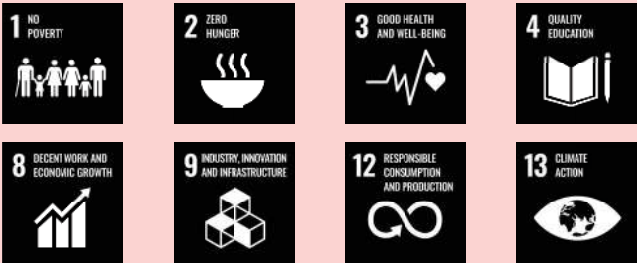
About this report

At Red Hat, community is at the heart of everything we do—which is why we put a twist on the typical corporate social responsibility report and frame ours around community and social responsibility.

Our 2021 community and social responsibility report chronicles a year in the life of Red Hatters. It goes beyond what we accomplished for our customers and partners—to how we gave back to our communities, took care of our associates, invested in our environmental sustainability programs, and built a better world by acting with integrity and in the best interest of our stakeholders.

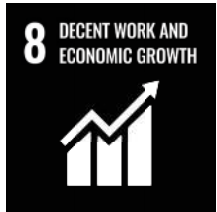


Our report, and our CSR efforts, align with many of the United Nations’ Sustainable Development Goals (SDGs). The relevant SDG icons are displayed in each section.





Environment and sustainability



Sustainability initiatives

We're making sustainability changes on a large scale, but even the small steps count

Red Hat strives to reduce our environmental impact by incorporating sustainability into business practices throughout the company. Last year, the company undertook a significant effort to document and disclose our total carbon footprint and introduce a more cohesive corporate strategy around our sustainability efforts.

2021 initiatives included enhancing energy efficiency programs, expanding renewable energy contracts to support the full operations of top-consuming facilities, and deploying sustainable design standards throughout our offices to reduce consumption.

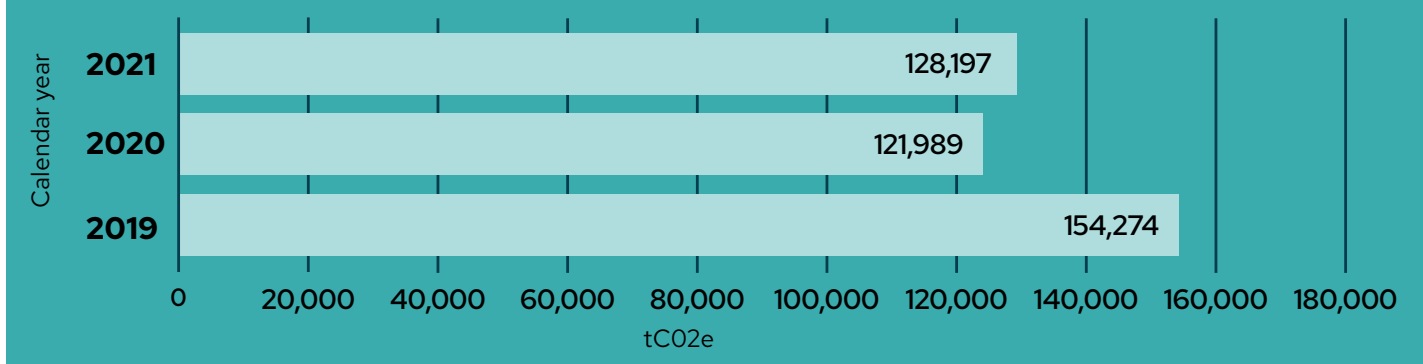
"Red Hat has already taken significant steps to reduce our carbon footprint. We recognize the impact that we can have on the environment and the need to take affirmative steps to preserve the planet for generations to come."

Paul Cormier
President and CEO, Red Hat



Scope 1, 2, and Operational Scope 3 Greenhouse Gas (GHG) Emissions, 2019–2021, (tCO2e)

(Relevant GRI Standard: 305-1)



Reviewing our impact on the environment

An improved data management strategy and performance monitoring of energy use allowed Red Hat to disclose our global absolute emissions portfolio in alignment with Greenhouse Gas (GHG) Protocol Corporate Standard and the Global Reporting Initiative (GRI) methodologies.

The disclosure marked not only a 17% decrease in Red Hat’s absolute global Scope 1 and 2 and operational Scope 3 emissions from 2019 to 2021, but also the first time Red Hat had the emissions data and capabilities to make the information available to the public. With the disclosure, Red Hat is closer to our wider ambition of evolving reporting on our operations in their entirety.

Analyzing Scope 1, 2, and 3 emission impacts, including developing methodologies that align with industry frameworks and best practices, allows us to better understand our effect on the environment and the carbon footprint tied to Red Hat’s operations. Red Hat formed a cross-functional operations team to oversee this collaborative effort, with participation from key stakeholders responsible for driving reductions across all emissions scopes and regular updates to members of Red Hat senior leadership to ensure visibility.

Last year, Red Hat focused on our Scope 1 and 2 emission impacts, as we calculate Scope 3.

Our emissions methodology adopts 2019 as the baseline year with 2020 and 2021 emissions also disclosed.

Our process gathers and reviews available building-usage data monthly.

- Data is obtained from metered consumption, supplier invoices, purchased quantities of fuel, reported mileage, and travel costs.
- All data is quality checked and reviewed by a team of third-party analysts. Where such data is not available, estimation methodologies are aligned to the GHG Protocol Corporate Standard.
- We use published emissions factors from relevant national inventories (e.g., DEFRA, IEA, EPA eGRID, NGA, and AIB) for each reporting year, and we convert consumption data into carbon dioxide equivalent (tCO2e).

Scope 1 and 2 included all leased offices in our portfolio, as well as associates’ use of company and leased vehicles.

- Our licensed office portfolio and colocation datacenters are excluded and will appear in Scope 3.
- Any leakage related to the use of refrigerants is excluded from Scope 1 as we develop a process to collect that data.

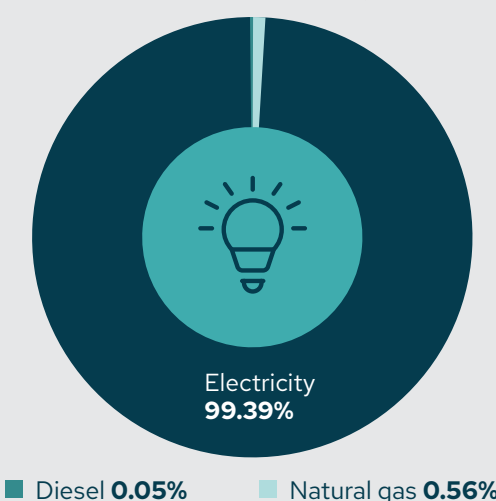
Managing emissions in our operations

Increasing renewable electricity procurement is a key component of Red Hat’s decarbonization strategy. Our aim is to purchase renewable electricity that is generated in the grid regions where our consumption of electricity occurs.

To do so, we’re working with energy suppliers and partners in some of our largest global locations to procure certified renewable energy. These include Raleigh, North Carolina; Westford, Massachusetts; Brno, Czech Republic; Pune, India; and Bangalore, India. Our purchases also signal to suppliers our desire for them to maintain and broaden renewable energy offerings.

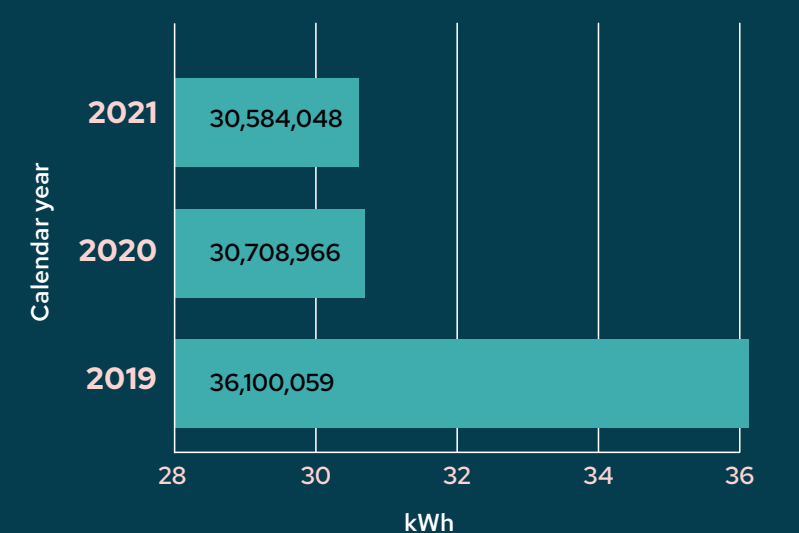
Energy consumption breakdown (%)

(Relevant GRI Standard: 302-1)



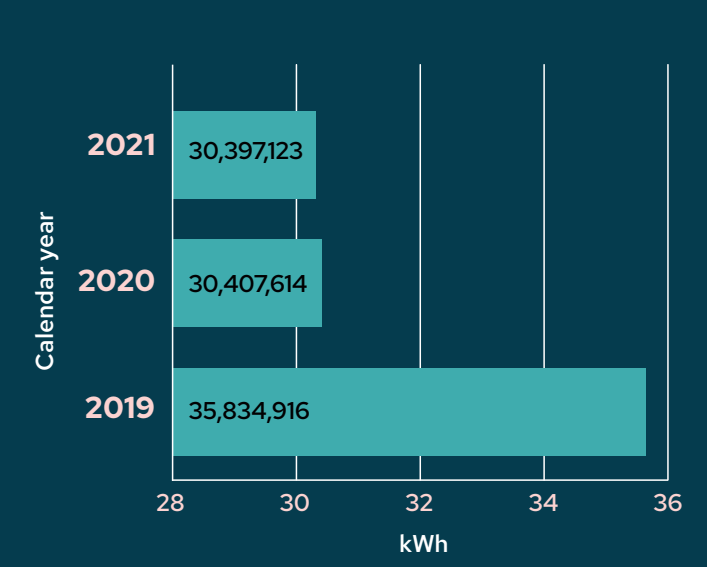
Total energy usage (kWh)

(Relevant GRI Standard: 302-1)



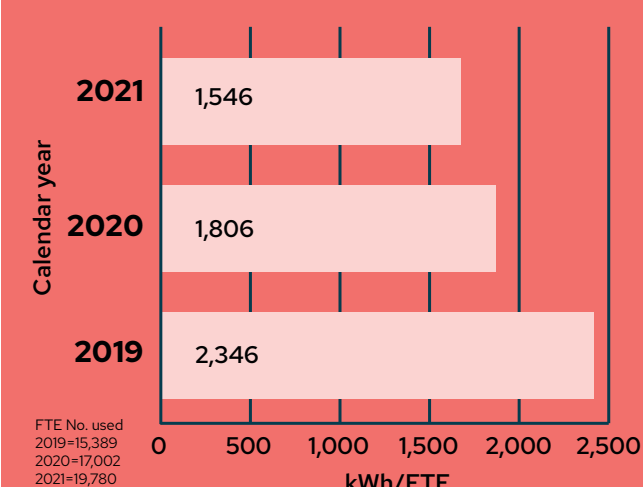
Total electricity usage (kWh)

(Relevant GRI Standard: 302-1)



Energy intensity (kWh / FTE)

(Relevant GRI Standard: 305-4)



2019 FTE was reported on a different fiscal year pre-acquisition by IBM, from March 2019 through February 2020.

*Scope 1 emissions are direct greenhouse gas (GHG) emissions from sources controlled or owned by Red Hat (e.g., emissions associated with fuel combustion and from owned or leased vehicles). Scope 2 emissions are indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling. Scope 3 emissions are the result of activities from assets not owned or controlled by Red Hat, but that Red Hat indirectly impacts in its value chain. Scope 3 emissions include all other sources not included in Red Hat’s scope 1 and 2 boundary.

Westford office

One success in 2021 was transitioning our Westford, Massachusetts office to a renewable energy contract beginning in 2022 and running through 2025.

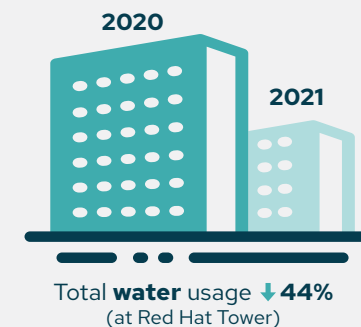
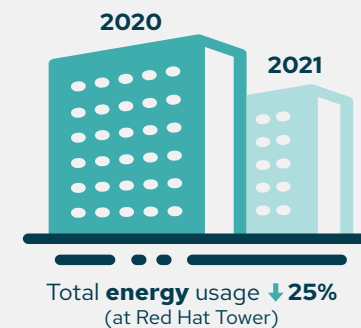
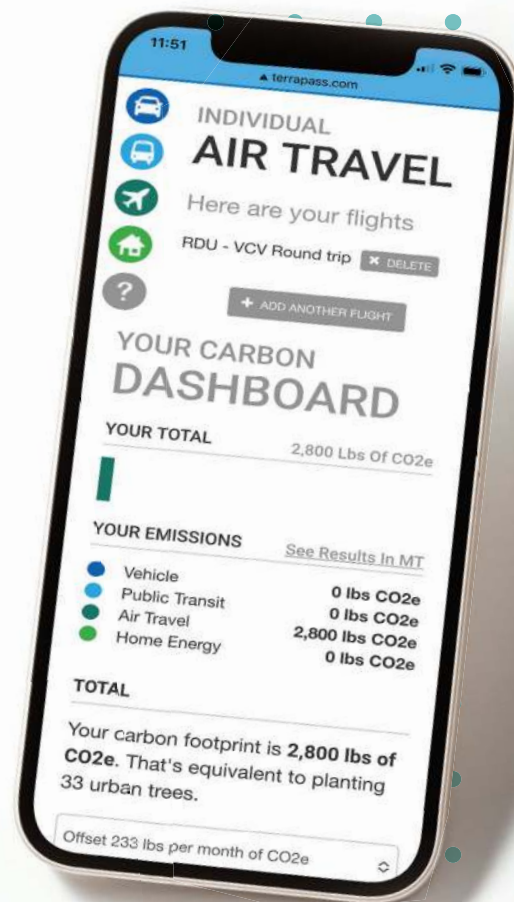
The Westford office consumed more electricity than any other office in 2021, and represented 28% of our global electricity usage. The change, which was vetted against Red Hat's own criteria for renewable electricity, is estimated to bring carbon emissions savings equal to 6,216 passenger vehicles taken off the road for one year.



Building relationships with our landlords and service providers is also paramount to our decarbonization strategy. We work with colocation datacenter and leased office space providers to collate usage data on our activity in their facilities. With the data, Red Hat can understand and develop joint sustainability commitments, such as increasing availability of renewable electricity in our offices and datacenters located in shared buildings.

LEED (Leadership in Energy and Environmental Design) certification guidelines continue to influence the design of our offices, including being used during 2021 development and refurbishment projects in Pune, India; Ra'anana, Israel; and Sydney, Australia.

A flight emissions insight tool, which we debuted in 2020, provides associates with a graphic of the carbon emissions associated with every flight, so they can make informed decisions. However, travel was limited in 2021 compared with previous years with an 84% average overall reduction in 2021 compared to 2020.



Impact of the pandemic

Asynchronous COVID protocols meant there was little consistency from office to office on when or how Red Hatters were using our facilities. Our overall associated energy use between 2021 and 2020 remained relatively consistent, but with site level variations due to differences in location, remote working strategy, and use and role of the building.

At Red Hat Tower, our Raleigh, NC office, for example, our total energy usage dropped 25% during 2021 compared to the same period in 2020. Total water usage at the Tower also fell 44% compared to 2020.

As offices open up, we continue to monitor our energy usage and associated emissions, as well as watch how they change with efficiency initiatives and flexible office occupancy.

Accelerating climate-aligned data in the financial services industry

Red Hat joined OS-Climate (OS-C), a Linux Foundation-backed open source project that aims to build technology and data platforms to better integrate the impacts of climate change in global financial decision-making and risk management.

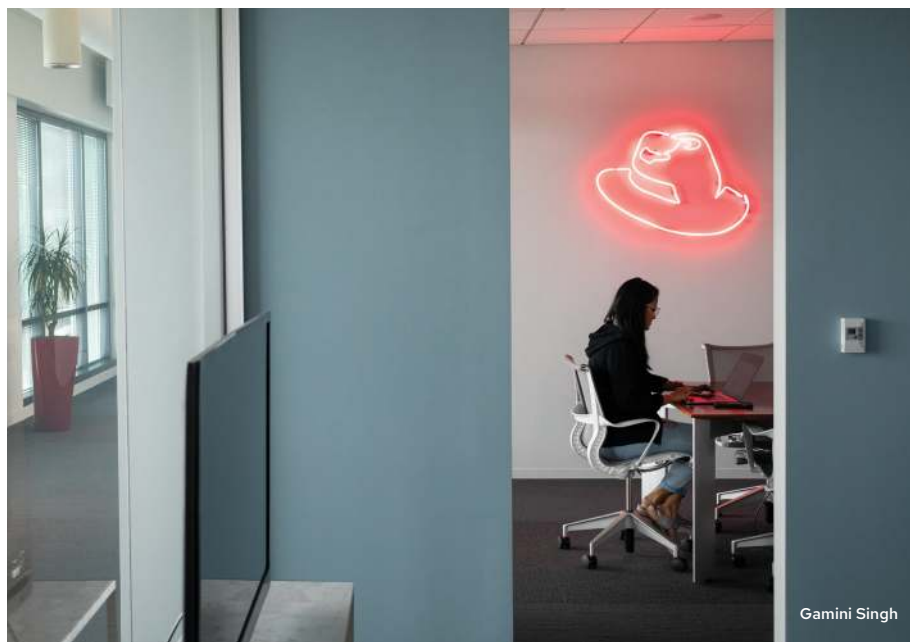
Red Hat committed a team of solution architects, data engineers, and software engineers to the project, as well as community management resources to help OS-C build a "data commons" architecture. It will be an open platform that aggregates a variety of structured and unstructured

data into a single library of trusted data to standardize and improve the accuracy of corporate climate and environmental, social, and governance (ESG) metrics.

This provides a more level data playing field that addresses a variety of regulatory requirements, providing global financial institutions with better, deeper views to evaluate climate change risk and opportunity as a core part of finance, banking, and investment strategies.

"Building an open source community to address a challenge as wide-ranging as climate change requires more than just code; it requires a holistic approach that starts from the foundation upwards. Red Hat is a proven leader in open source, both at a technological and cultural level, and we're pleased to be able to lean on their vast experience in helping us craft a truly collaborative and impactful ecosystem around OS-Climate and the OS-Climate Data Commons."

Truman Semans
Executive Director, OS-Climate



Gamini Singh

Champions of software freedom

8 DECENT WORK AND ECONOMIC GROWTH



9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

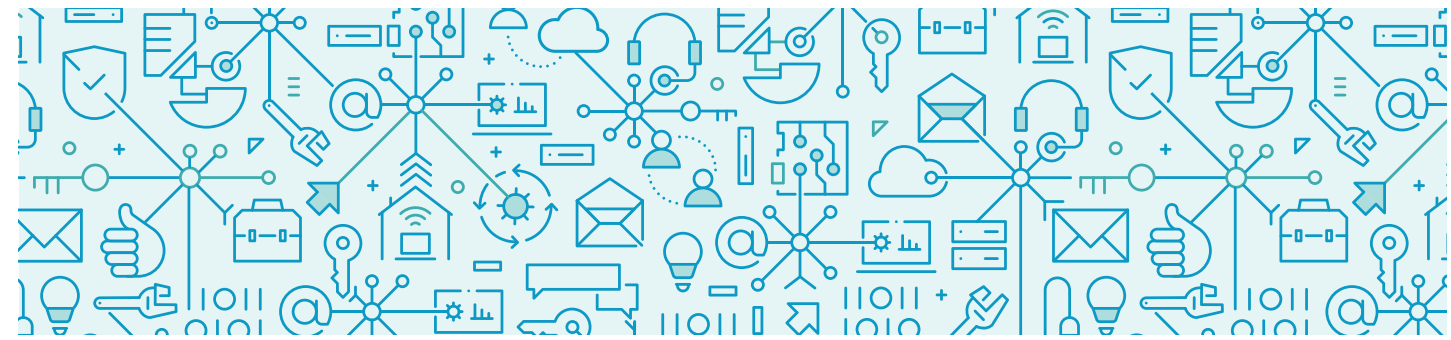


Red Hat Product Security 20 Years of service

September 21, 2021



Sidney McLaurin

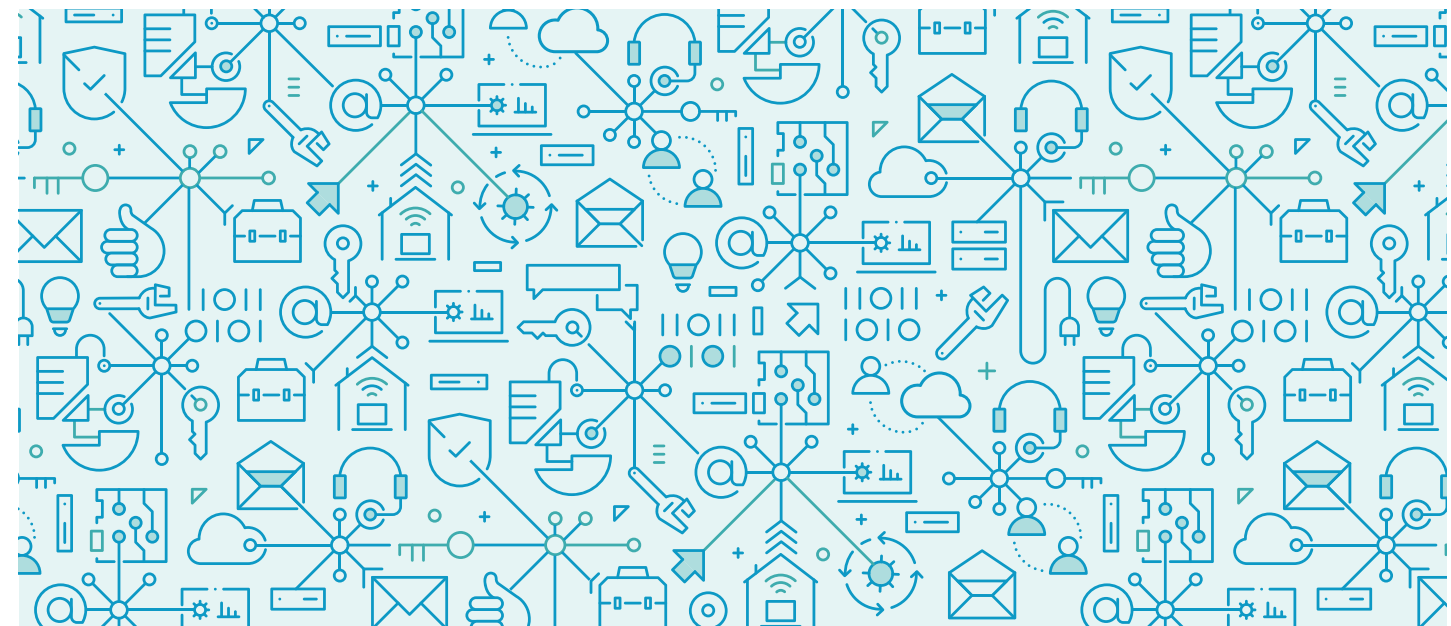


Defending the open source ecosystem

Advancing the conversation with customers, communities, and policymakers

Red Hat is a vital member of the open source security community. For more than 20 years, we have provided our customers and the open source community the guidance, stability, and resilience needed to confidently deploy enterprise solutions.

In addition to hardening and streamlining security updates and testing across our product line and our own open source software supply chain, Red Hat fights against open source fear and uncertainty by ensuring the transparency of security vulnerability information and sharing our expertise throughout the open source ecosystem.



Addressing open source & cybersecurity

The issue of cybersecurity was evident in 2021 with a number of high-profile incidents, including the Colonial Pipeline attack in the United States, ransomware attacks on cities and hospitals, as well as other incidents involving proprietary software and systems.

A flaw found in Log4j—a piece of open source code broadly used in Java™ applications—culminated the year’s heightened cybersecurity news. Red Hat and the open source community responded by working together to assess the situation, find a solution, and educate customers and policymakers. Individually, Red Hat also reviewed our own software development processes to apply more rigor to developing trustworthy, resilient software.

There is a vital need for continuous software life cycle management—by vendors, by those who manage it themselves, and by product and service users—and we must work together to fulfill that need.

Policy makers drill down on cybersecurity

Around the world, policy makers are wrestling with the challenges of cybersecurity that affect each of us. Most notably, in May 2021, U.S. President Joe Biden declared software security a national priority by releasing the Executive Order on Improving the Nation’s Cybersecurity, or Cyber EO.

The core tenets of the Cyber EO—which include requiring developers and vendors to maintain greater visibility into their software and make security data publicly available—are essential to improving the security posture of all software, both proprietary and open source.

Red Hat already curates upstream community source code for review and inclusion in products that undergo extensive composition, security screening, and quality assurance testing prior to release. We also have an ongoing dedicated process for supporting customers by tracking product components, assessing the implications of identified vulnerabilities, and providing security updates. We focus on continuing to implement elements of the Cyber EO that directly affect our products and customers.

Continuous improvement

We combined and released years of our articles, blogs, and resources into a comprehensive whitepaper, *An open approach to vulnerability management: Red Hat’s methodology*¹.

Red Hat® Enterprise Linux® and Red Hat OpenShift® also offer a layered approach to integrating security functionalities and features throughout the container life cycle to support mission-critical environments.

Certified scanners

We introduced the Red Hat Vulnerability Scanner Certification so customers using Red Hat certified partner security solutions can experience a more accurate process for assessing vulnerability risks of Red Hat products and packages, including Red Hat Universal Base Images.

Using a Red Hat-certified scanner means the rich and transparent data produced by the Red Hat Product Security team is used by our partners’ scanning products to deliver more consistent scanning results. This leads to a more streamlined experience with our partners and an established collaborative ecosystem to help reduce frustration, ease adoption, and provide more confidence in the reported outputs for our mutual customers and the entire life cycle of Red Hat products.



Brian Coca

Memberships

Red Hatters share open source knowledge and skills in many global technology organizations. The organizations we join tend to fall into three categories: standards, software foundations, and expertise organizations.

- **Standards organizations**
promote technical and market efficiency, foster global trade, lower barriers to market entry, and disseminate new technologies.
- **Software foundations**
are nonprofit organizations whose mission is generally to provide an open environment for collaborative software development. Software foundations also provide a legal framework for corporate and individual members, as well as supporting the donation of resources for members’ benefit.
- **Expertise organizations**
include organizations that manage and maintain technical specifications or organizations composed of legal experts whose inputs are valuable to policymakers around the world.

Memberships added in 2021

- FIDO Alliance (Fast IDentity Online)
- Magma Core Foundation
- Open 3D Engine (O3DE)
- Open Source Security Foundation (OpenSSF)
- OS-Climate
- sigstore
- Scalable Open Architecture for Embedded Edge (SOAFEE)
- TM Forum



Open Source Program Office

A resource in open source communities

Under the stewardship of our Open Source Program Office (OSPO), we contribute code and ideas, collaborate on content, mentor leaders, participate in standards organizations, and sponsor events. **In this way, Red Hat shares our deep expertise in open source project management and data-informed decision-making throughout the open source ecosystem**, providing meaningful insights and a content-rich reference library for our associates, customers, partners, and others outside the company.

“2021 saw continued growth and formalization of open source programs in all sectors, bringing the rich collaborative benefits of open source software to all walks of life.”

Deborah Bryant
Senior Director, Open Source Program Office, Red Hat



A lesson in community building

With an OSPO sponsorship, researchers from the University of Nebraska, Omaha and the University of Missouri began studying how businesses approach open source from the perspective of a contributor.

In-depth interviews with 40 corporate decision makers explored motivations, barriers to contributing, project characteristics, organizational policies, and differentiation practices. Qualitative content analysis then extracted corporate engagement themes. The results ultimately help answer a key issue vexing the open source ecosystem: How can businesses be encouraged to contribute to open source in addition to consuming it?

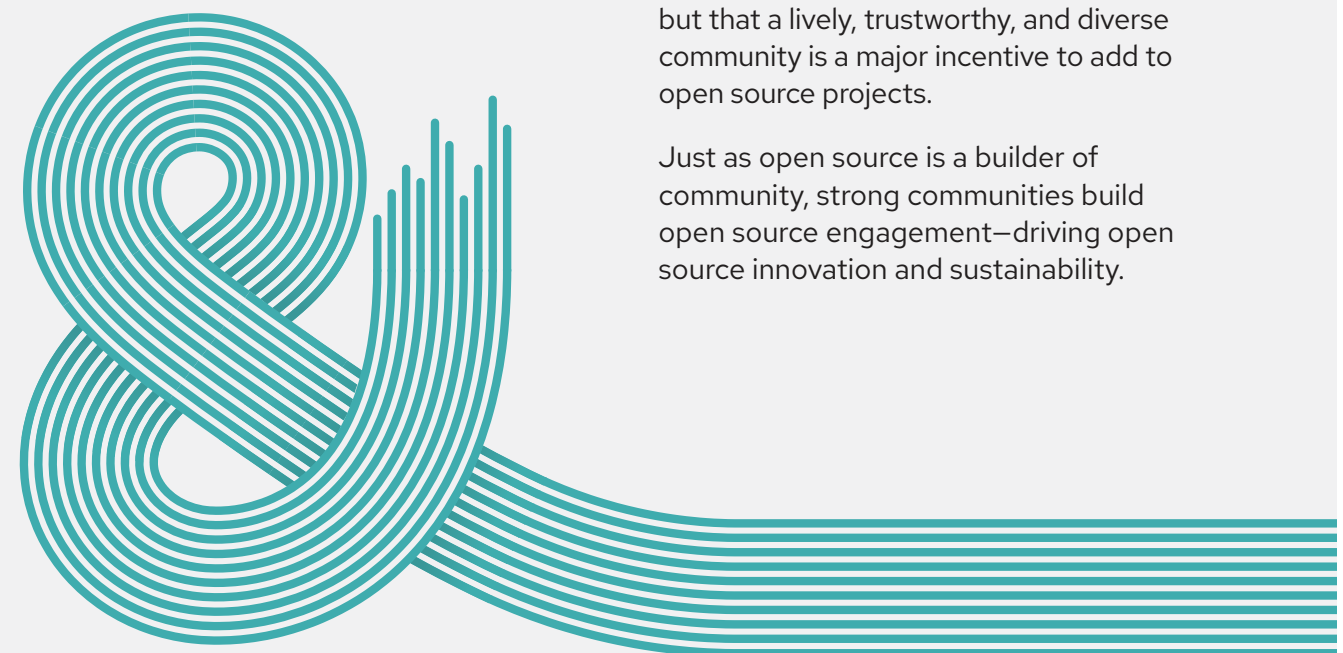
Interviewees hinted at efforts within their organizations to change the status quo, and noted common barriers and incentives to giving back to open source communities.

To be considered viable, open source communities must foster an active community around projects. Project and community organizational structures—including transparency in both internal management and research and development—are also factors.

Being transparent, however, is not enough. Attractive open source communities are ones that value and instill principles of diversity, equity, and inclusion. For example, the business leaders interviewed valued diversity in open source community project governance, seeing it as signifying a project’s commitment to collaboration. Whereas they considered instances of toxicity, racism, social biases, and intimidation as strong detractors that imperiled their employees’ psychological safety.

These are indications that corporations are thinking about open source projects beyond their immediate business goals and approaching open source community engagement as a sociotechnical investment. The study underlines that business leaders weigh the merits of adding to open source communities against a variety of elements, but that a lively, trustworthy, and diverse community is a major incentive to add to open source projects.

Just as open source is a builder of community, strong communities build open source engagement—driving open source innovation and sustainability.





Exploring drivers of enterprise open source

The State of Enterprise Open Source² is an annual exploration of what's driving enterprise leaders to choose open source. It uses the same set of questions each year to interview IT leaders worldwide and track changes in their use of, and attitudes about, enterprise open source over time. The 2021 report stands out in two ways.

1. The report provided a look into how COVID-19 has influenced IT decision makers' beliefs. As in past years, open source remains cemented as an innovation engine for the software industry. Nine out of 10 IT leaders surveyed were using enterprise software at the time of the survey. The most common uses were infrastructure modernization (64%), application development (54%), and digital transformation (53%).
2. For the first time, IT leaders were asked, "When deciding on a software vendor, what effect does knowing that they contribute to the open source community have on your decision?" The question helps to better understand an important facet of open source sustainability: What role should large consumers of open source, or more plainly large companies, play in the open source community, and are they doing their fair share?

In two years, enterprise open source use for both application development and digital transformation has increased by 11 points. COVID-19 and the shift to remote work compelled many organizations to redouble their digital transformation efforts to maintain innovation and continue to meet customer demands. Application development has remained in second place since our first survey. The two are closely related, as new applications play a large part in digital transformation. Taken together, they clearly demonstrate that organizations are using enterprise open source for strategic purposes, not just as infrastructure.

The answers to these questions were surprising. The surveyed IT leaders cared a great deal—nearly 40% were "much more likely" to select a vendor that contributes to the open source ecosystem, and 45% are "somewhat more likely" to do so.

Red Hat has known since its founding that working in upstream projects is not only the right thing to do—it's the best approach to open source software development and the best way to deliver open source benefits to customers. There is also the benefit of upstream project contributors developing expertise and influence that benefit their customers. Getting confirmation that IT leaders agree is encouraging.

The report provides important insight into the developing IT landscape, as the technology trends that we see reshaping how we work and do business were born in open source—enterprise Linux, cloud computing, edge computing, Internet of Things, containers, artificial intelligence and machine learning, and DevOps. The same open source principles have also inspired people around the world to join together and make rapid advancements—like developing the COVID-19 vaccine—in less time.

In both the case of enterprise technology and getting beyond COVID-19, the issues are too large for one person, company, organization, or country to tackle. Open source, however, has proven to be a powerful tool. Under the principles of collaboration, transparency, and the belief that good ideas can come from anywhere, we can set innovation and discovery in motion.



1296 Total interviews were conducted with IT leaders worldwide

150

Completed submissions from English-speaking Asia Pacific (APAC)

448

Completed submissions from Europe, the Middle East, and Africa (EMEA)

300

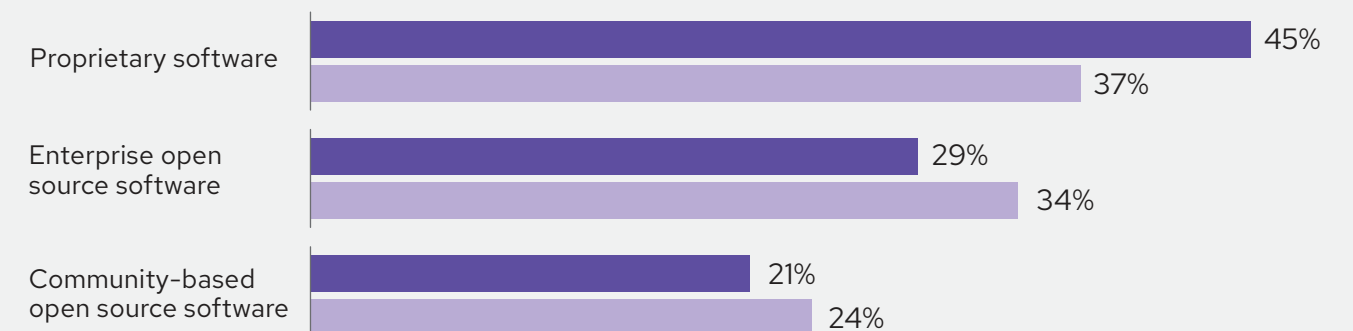
Completed submissions from Latin America (LATAM)

398

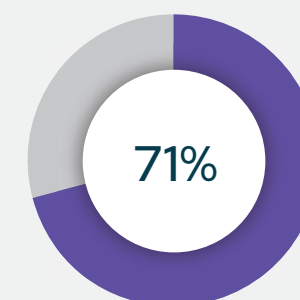
Completed submissions from the United States

Expected change in software usage

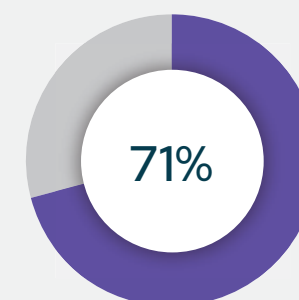
■ Today ■ In two years



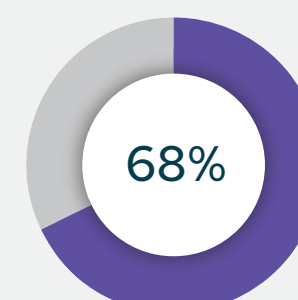
IT leaders are currently making good use of emerging technologies



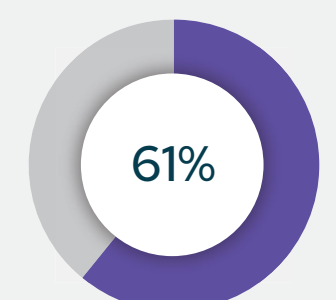
Artificial intelligence (AI) or machine learning (ML)



Edge computing or Internet of Things (IoT)



Containers



Serverless computing



Lisbeth Fuentes



Thao Turnbull

Social impact



Koren Townsend



Willis Calhoun and K Stone



Jose Beitia



Sharing comes naturally

Red Hatter contributions go beyond code

Being open means reaching beyond ourselves to help others. Through donations, volunteering, and open source projects, Red Hatters rally to do good both where we live and around the world. Together, we work to support basic human needs, health, STEM (science, technology, engineering, and math) education, and environmental sustainability.





Red Hat Cares

One can impact many

Associate-led corporate citizenship

Red Hat's corporate citizenship strategy is built by associates

who steer our charitable priorities, funding decisions, and volunteer opportunities.

Our community and social responsibility work has long focused on supporting basic human needs, health, and STEM education. Last year, in response to our most recent associate survey, we added environment and sustainability causes to our corporate funding priorities.

Financial giving

Red Hat donated more than US\$4.2 million in 2021 to charitable and education causes in the communities where we operate.

Of that giving, more than US\$925,000 came from our matching gifts program.

In 2021, Red Hat matched associates' donations to more than 2,200 charities. Some of the largest recipients from the matching gifts program included Equal Justice Initiative, Children's Inn at National Institutes of Health, St. Jude's Children's Research Hospital, American Red Cross, UNICEF, Leukemia & Lymphoma Society, and local food banks.

Associates around the world volunteer to serve on Red Hat's local charitable and community relations committees. These committees review applications for charitable projects nominated by their fellow associates and decide which local nonprofit organizations to support. **More than US\$950,000 of Red Hat's total giving was made through this associate-led process.**



"I submitted a request for an organization that I've personally supported for years, which has a wonderful program to assist the homeless... What a great surprise when I received the email that an unrestricted donation was approved for \$3,000. The entire process, from ask to grant, took about a week. Proud to be a Red Hatter."

Spank McCoy

Senior Technical Writer, Red Hat



Added environment and sustainability causes to our corporate funding priorities in

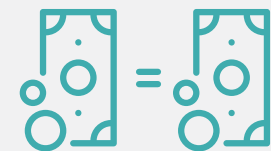
2021



More than

\$4.2 million

donated in 2021



More than

\$925,000

from matching gifts program



More than

\$950,000

given through associate-led process

Volunteering

Red Hat held our first-ever global Day of Service during We Are Red Hat Week, Red Hat's annual celebration of our brand and culture. Associates had six virtual volunteering experiences to choose from.

Red Hatters from 24 countries participated in activities throughout the day, including recording essential health information for rural women and children around the world, designing STEM flashcards and question banks for nonprofits working with children, three nonprofit hackathons, and creating and sending caring cards to senior citizens and hospitalized children.

Throughout the year, Red Hatters organized local and regional volunteer projects:

- More than 60 Red Hatters in APAC helped digitally map Illela, a remote area in Nigeria, as part of a mapathon in collaboration with Doctors Without Borders (Médecins Sans Frontières).
- 27 associates teamed up in the annual Ride for Rainbows to raise SGP\$25,000 for Club Rainbow, a Singapore-based charity supporting children with chronic illnesses.
- 60 associates in APAC collectively ran, walked, cycled, and swam over 50,000 km to raise money for the Let Kids Fly Foundation.
- Over SGP\$50,000 was raised for the Cancer Foundation when Red Hatters shaved their heads through Hair for Hope.
- Red Hatters in Brno, Czech Republic reached 1,155,099 km in a virtual run/walk challenge benefiting Liga Vozíčkářů, a charity helping people with disabilities achieve independence. Red Hatters raised and contributed 155,604 Kč.
- Brazil Red Hatters volunteered their time to the Semear Institute to help reduce university dropout rates by connecting students to financial support, mentorship, and networking.



Carmelo "Melo" Acevedo



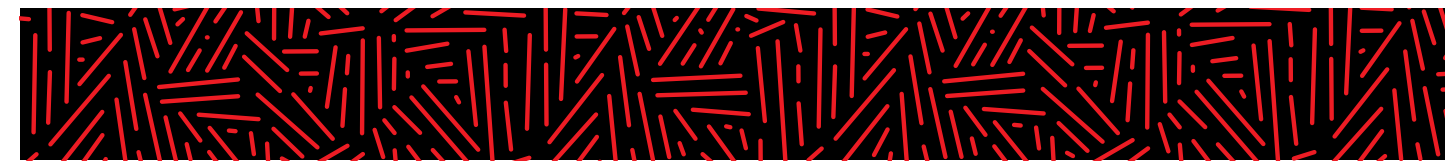
Gloria Ciavarrini



Laxmikant Bhaskar Pandhare



Nicole Ponticorvo



Kelly S. Earl



Cleo Tunnell and daughter



Renee Mansell and daughter

MLK Day of Service

In the U.S., Red Hatters commemorated and honored the legacy of Rev. Dr. Martin Luther King, Jr. through our annual MLK Day of Service. Led by the Blacks United in Leadership and Diversity (B.U.I.L.D.) community, the day's agenda featured opportunities for education, learning, and service. More than 300 volunteers across 26 states participated in virtual service projects including making a no-sew blanket, thank-you cards for active military members, and a hackathon to provide technology support for the Southern Coalition for Social Justice. The Day of Service also included internal and external speakers, historians, and thought leaders; a Red Hat Co.Lab event; and a fundraiser for the Equal Justice Initiative.



“Even though we're confined to our homes, you can still make an impact on the world.”

Koren Townsend
Senior Project Manager and
B.U.I.L.D. Chair, Red Hat



Orieji Iroha Agwu

Red Hat Impact

Putting Red Hatters' skills to work for the greater good

Red Hat Impact was organized in 2021 as a way to formally connect associates with skills-based volunteering opportunities. In its first year, the Red Hatters who piloted the program ahead of its formal 2022 launch donated more than 4,000 hours to open source science and education projects.

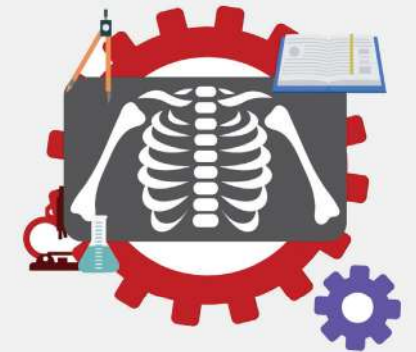
Inspire hackathon

In 2021, Red Hatters focused their expertise in a half-day global hackathon, where each region concentrated on one of three projects that continue to respond to COVID-19. In total, 120 Red Hat contributors wrote approximately 17,500 lines of code.

- **Americas: More than 70 Red Hatters made 57 pull requests for an open source healthcare framework** aiming to democratize medical analytics application development by using cloud technologies. The framework, ChRIS, supports healthcare organizations in owning their data while benefiting from public-cloud processing capabilities. With ChRIS, researchers have the ability to simply deploy an existing application in a cloud infrastructure with access to more data and more collaboration for medical innovation. Over the four-hour hackathon, we committed over 1,600 lines of code, wrote 124 new Ansible script files, and outlined 15 new Ansible playbooks. By the hackathon's end, ChRIS completed all Ansible automation and Python tasks to install ChRIS applications on multiple new operating systems, like Red Hat Enterprise Linux, CentOS, and Fedora.

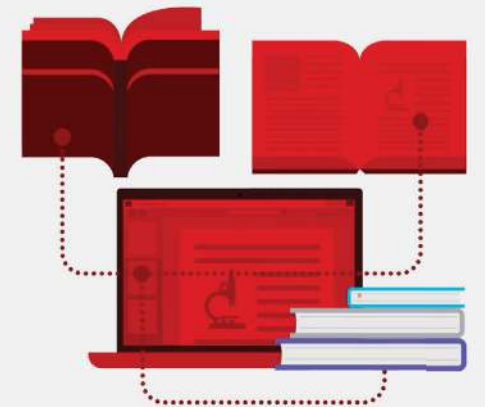
- **APAC: More than 12,000 lines of code by 13 authors and teams submitted** to Curriki, an open source education platform that works to increase the accessibility of interactive learning experiences. It provides free and open tools to design, customize, and publish content. Red Hatters advised on the complete architecture forming the basis of its service.

- **EMEA: Red Hatters spent four hours contributing to the application programming interface (API) infrastructure of an open-science platform, Serratus**, for discovering and analyzing viruses. More than 8,700 additions were made to 25 files. Plus, nearly 50% of existing metadata entries were checked and organized for aspects like geolocation, ecosystem, and body-site relevance.



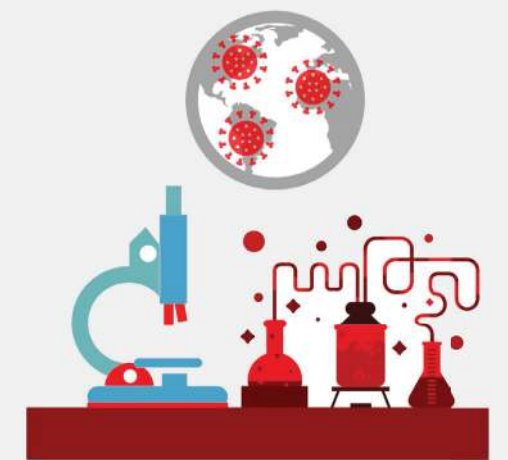
Covid-net on chRIS

An artificial intelligence and machine learning solution, using open source solutions to detect COVID-19 from chest x-rays.



Curriki

A nonprofit organization that delivers open e-learning resources.



Serratus

Open source science project working on freely and openly uncovering the assembly of viruses that make up our planetary biome.



Laura Fu



Tesh Patel

People



Marcelle Kennedy



Willis Calhoun and daughter

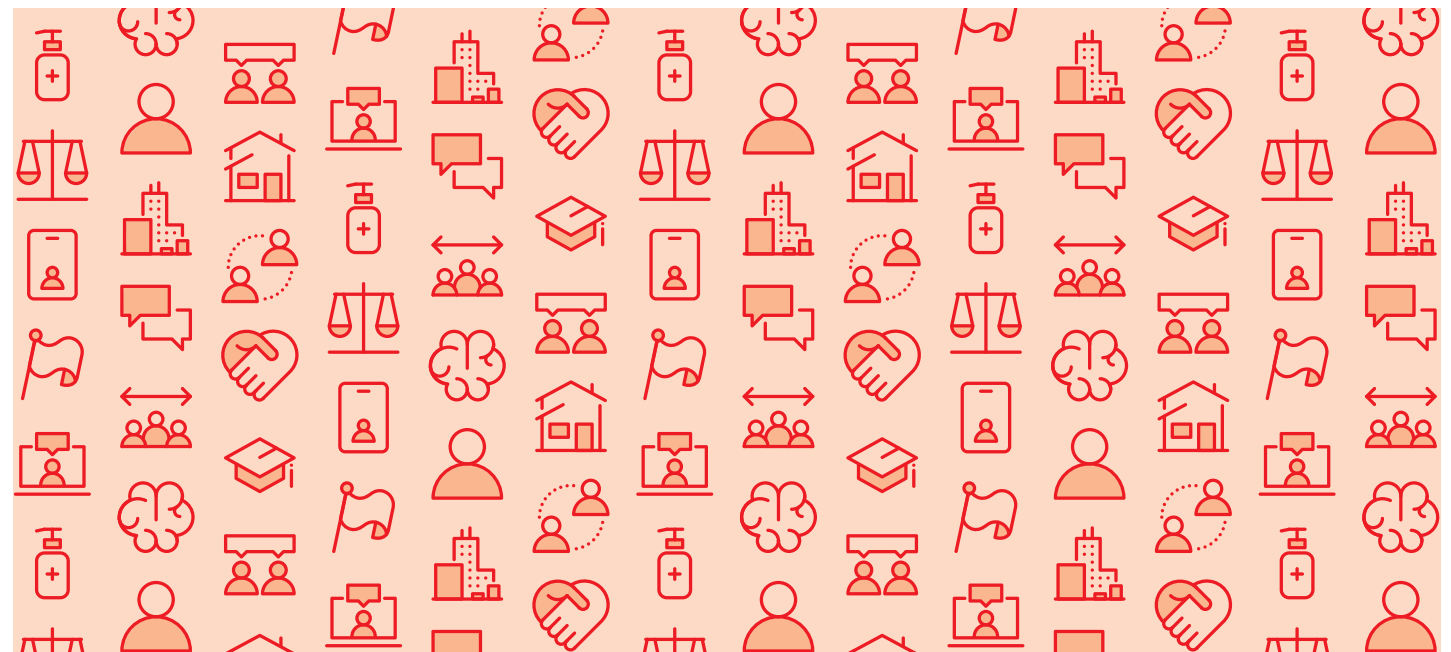


Connecting people and purpose

We do our best work when we do good together

At Red Hat, we believe that strength comes from tapping into the collective talent and innovation of diverse associates, developers, and open source communities worldwide.

Like open source software itself, Red Hat is only as strong as its individual parts and how they come together. We use company traditions, new initiatives, and Red Hatter feedback to continuously foster an environment where associates feel connected to our mission, supported in their own goals, and appreciated.





New Red Hatter experience

Connecting associates to our origins

A new beginning

Red Hat's story began in a college computer lab with a simple directive to find "the guy in the red hat" if students needed help. That "guy in the red hat" was our cofounder Marc Ewing, who created and released the aptly named "Red Hat Linux."

New Red Hatters are given their own red fedora. It's an embodiment of the trust and goodwill we've built with customers, partners, and the community as we've grown from upstart to mainstream. Today, when people need help building open source enterprise software, they can still look for the red hat to connect with one of thousands of helpful associates worldwide.

New hire orientation

Red Hat's new hire orientation process has shifted in recent times to a two-step onboarding path that guides new associates through life at Red Hat.

Introduced in 2021, Red Hat's new **self-paced, on-demand knowledge track** streamlines how new associates are taught essential information. Learning with the knowledge track begins on day one when new Red Hatters receive an email that they've been automatically enrolled and can access the course in Red Hat University. From Red Hat culture and benefits to ethics training and open decision-making, the knowledge track offers more than 20 modules to help Red Hatters navigate their new workplace.

A live, small-group virtual experience equips new associates with an understanding of our cultural anchors and approach to open source. It's also where they can get a primer on our corporate strategy and customer centricity. Associates have the option of attending experiences in five languages: English, Chinese, Japanese, Portuguese, and Spanish.



Bree Ryan and Jay Barber

The future of work

How Red Hat is embracing flexibility

Our Future of Work program is leading how we embrace more workplace flexibility, and lets Red Hatters work and connect anywhere at any time. It's about an evolution of our physical and digital resources that will set us up to be in the best place to make a difference together.

Red Hatters have always worked in flexible ways. Prior to the pandemic, more than 30% of Red Hatters worked remotely. In addition, the typical Red Hatter came to the office a few days a week, with flexible work schedules—identified as one of the top motivators to stay at Red Hat.

Work profiles create a common language

In 2021, we focused on how Red Hat can both scale and improve the flexible work environments that were common for many Red Hatters before 2020 to the many more who want to embrace more flexibility post-pandemic.

The introduction of work profiles provides consistent resources, policies, and practices for flexible work across the company. Managers were asked to discuss the types of work profiles with each associate and have thoughtful discussions about which profile would set them up for success in their work. The majority of Red Hatters selected the Office-flex option to split their working time between the office and their home.



53%
Office-flex

Split time between home, Red Hat offices' collaboration spaces and individual workstations, and visiting customer sites.



42%
Remote

Work primarily from their home or location other than a Red Hat office.



5%
Office-assigned

Red Hatters whose work necessitates an assigned space at a Red Hat office.



Neighborhoods move Red Hat offices into the future

For many, adapting to the pandemic meant rethinking how they arranged and used their homes. The same was true for Red Hat and our workplaces. Our offices are not just buildings we do work in—they are where associates can connect to Red Hat's culture, collaborate, and engage more fully with our community.

We looked at how Red Hat changed since the start of 2020—such as growth, associate relocations, and team reorganizations—to prepare our facilities for what Red Hatters

want in their workplace post-pandemic. The changes give Red Hatters a more flexible workplace to meet the needs of both focused and collaborative work.

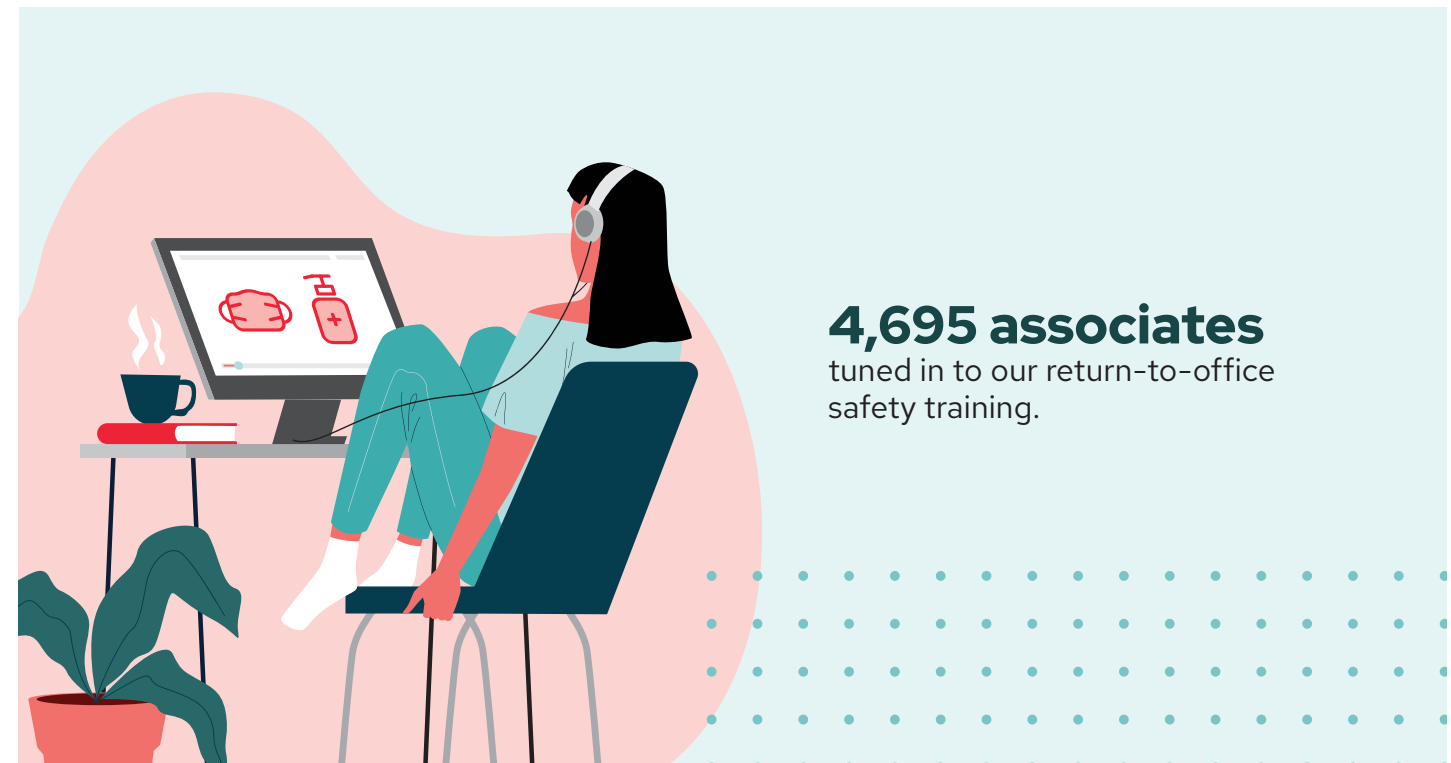
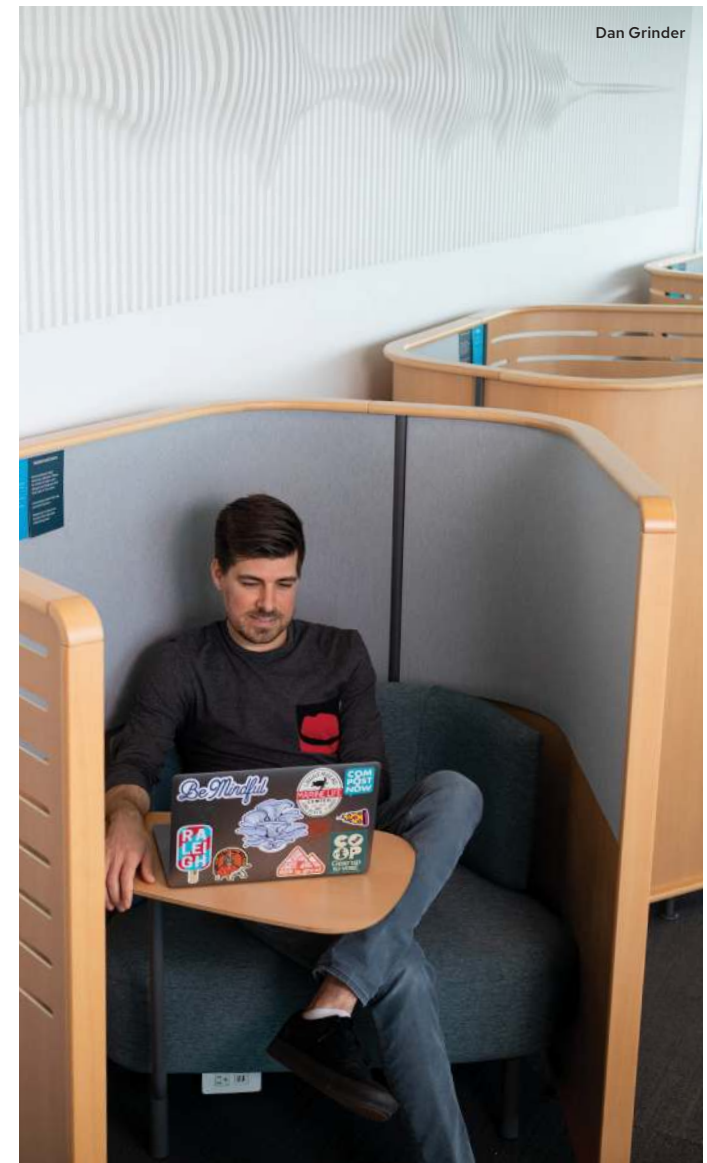
Neighborhoods give teams a designated space in our offices. Reflective of Red Hat's organizational structure and teams, neighborhoods provide a shared space for building a sense of community, meetings, or collaboration between colleagues.

Red Hat Reserve

Launched in 2021, Red Hat Reserve gives associates a virtual way to book workstations at Red Hat offices anywhere in the world. Users can view workstation features such as height adjustability, monitor quantity, and connection details to determine the best space for their work.

A mix of assigned and flex workstations throughout our offices provide options for associates based on the work profile they selected. Assigned desks are dedicated spaces with a personalized setup for associates who choose to be assigned to the office. Flex workstations are designed for those who come to the office less frequently and offer a variety of equipment to meet common needs.

Other spaces give Red Hatters access to rooms designed for private phone calls, team collaborations, storage, and other activities.



4,695 associates
tuned in to our return-to-office
safety training.

Diversity, equity, and inclusion

Addressing and closing gaps

Red Hat’s culture is built on the open source principles of transparency, collaboration, and inclusion—where the best ideas can come from anywhere and anyone. When realized, it empowers people from diverse backgrounds, perspectives, and experiences to come together and to share ideas, challenge the status quo, and innovate. Red Hat’s aspiration is that everyone experience this culture with equal opportunity and access, and that all voices be not only heard but celebrated.

Our 2021 diversity, equity, and inclusion (DEI) strategy was based on four strategic pillars designed to improve associate engagement, well-being, and career development, as well as increase representation of the most marginalized communities worldwide.

DEI is everyone’s responsibility at Red Hat. To achieve a truly inclusive culture takes intentional action every day by associates worldwide. Red Hatters expect leaders at all levels to help achieve our DEI goals and strive for inclusive, diverse teams.

Red Hat
Diverse Abilities

Red Hat
Military Veterans

Red Hat
Asian Network

Red Hat
Neurodiversity

Red Hat
Women’s
Leadership

Red Hat
B.U.I.L.D.

Red Hat
Native and
Indigenous

Red Hat
Pride

Red Hat
Unidos

Our four strategic pillars are:



Elevating and advocating for global associates from marginalized communities



Improving psychological safety and inclusive team dynamics around the world



Achieving a shared baseline of DEI understanding through intentional enablement

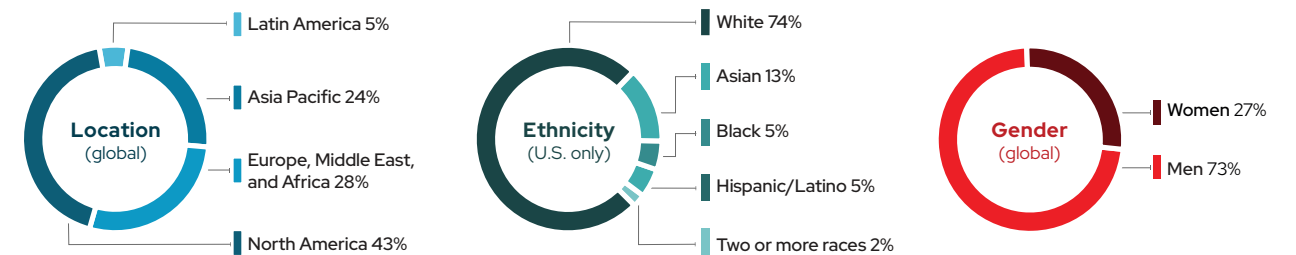


Activating inclusive hiring and development practices to increase representation at all levels

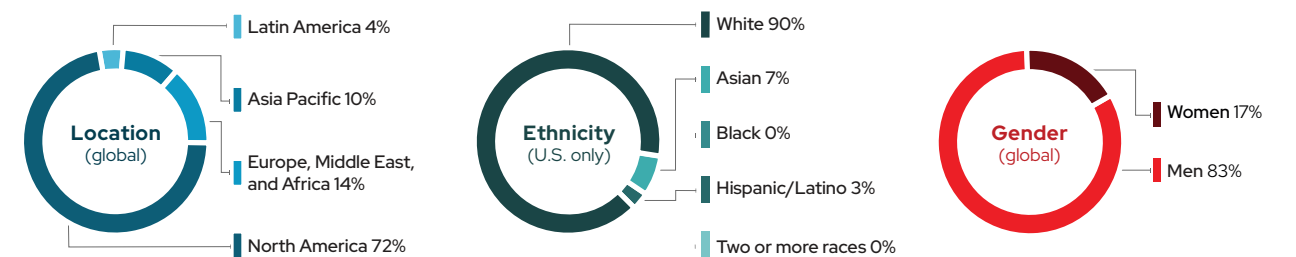
Representation

Red Hat 2021 global demographics

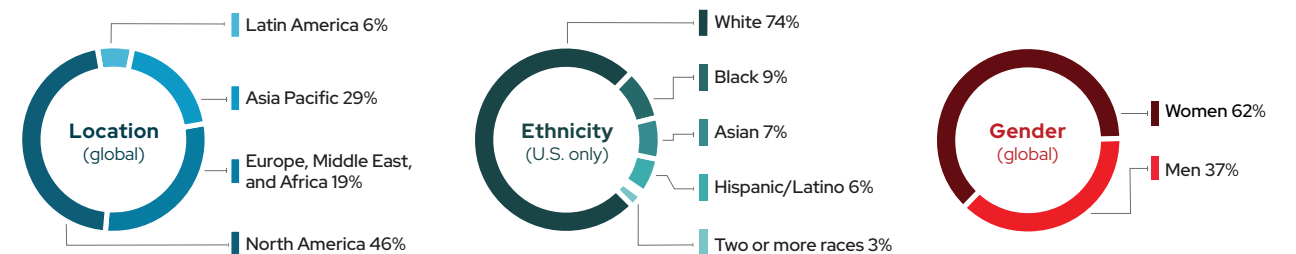
Red Hat overall



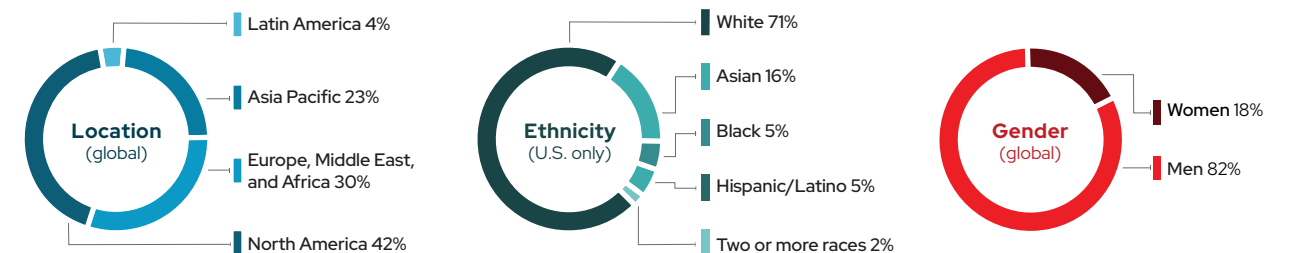
Leadership



Non-technical



Technical



Data is from December 2021. Data for gender represents the global Red Hat population. Data for ethnicity represents only the U.S. Red Hat population, and terms reflect the U.S. government’s reporting requirements. Percentages may not add up to 100% due to rounding.

Leadership data includes those at or above the vice president level. Non-technical and Technical data excludes those at or above the vice president level. Other includes American Indian, Alaskan Native, Native Hawaiian, and Pacific Islander.

Pay equity

Red Hat achieved a milestone in 2021 by closing the 1.8% global gender-pay equity gap. The company committed US\$4.3 million in salary adjustments, outside our formal salary cycle, to address any unexplained differences that were identified from our pay-gap analysis.

This does not mean our work is complete. Pay equity is not a goal that is achieved once, but a standard that is consistently maintained. We remain dedicated to the programs that allowed us to close the gap, including continuously evaluating our pay practices, conducting ongoing analysis, and making investments as necessary.

In addition to closing the gap, Red Hat developed and delivered a virtual manager workshop titled *Understanding pay equity and the manager's role in making equitable pay decisions*. Topics included defining pay equity, explaining the different metrics used to assess pay equity, describing how managers can support pay equity, and having open, informed conversation with team members to inspire confidence in Red Hat's pay practices and pay equity results.

Inclusion catalyst experience

With a total of five cohorts, 97 of Red Hat's senior leaders have engaged in our Inclusion Catalyst Experience. This experience is designed to help senior leaders examine and build the mindsets that foster inclusive behaviors and positive change.

The 10-month learning journey starts with an intensive workshop that is intended to help participants activate the practices that help themselves and others create a welcoming, safe, and inclusive environment. Participants also get individualized insight into their own mindsets and skill levels by working through the Intercultural Development Inventory—a cross-cultural instrument that measures the way an individual or group experiences cultural differences and similarities.



We are Red Hat Week

Red fedoras make great party hats







We celebrate success as it comes. But once a year, we put a week aside to truly revel in all the things that make us Red Hat.

Aligned with the anniversary of Red Hat Linux's first release on October 31, 1994—popularly known as the Halloween release—We Are Red Hat Week (WARHW) highlights our brand, our culture, and our people.

The tradition took on new importance during the pandemic, as a way to maintain and celebrate our culture even when we couldn't physically be together.

In 2021, we adapted WARHW to a virtual format, while managing to retain key elements from past years that connect associates to "the Red Hat way" and each other. The evolution of the program, and positive reception from associates, speaks to Red Hatters' ability to acclimate to rapidly changing environments and meet modern challenges.

We marked the occasion in 2021 with:

-  Five days of live virtual events
-  10 on-demand activities
-  Nearly 1,400 Recognition Grams sent among Red Hatters
-  More than 120 Red Hatters committed approximately 17,500 lines of code to three open source projects
-  Almost 210 associates recorded audio of health information to support the health of rural women in developing countries
-  More than 110 Red Hatters created a knowledge bank of science, technology, engineering, and math (STEM) questions to interest girls in STEM careers

Each day's events centered around service, well-being, talent and culture, or diversity, equity, and inclusion. Hackathons, an intercontinental open mic, guest speakers, arcade competitions, and opportunities for peer recognition let Red Hatters participate on their own terms.



Jenn McGinnis

Benefits

Recognizing changing dynamics and needs

To ensure the success of every Red Hatter, we offer flexible workstyles in support of Red Hatters working where, and when, they're at their best. These include: career growth and development opportunities, remote options, health and well-being initiatives, meaningful rewards, and associate recognition programs.

From the beginning of the pandemic, one of Red Hat's top priorities has been to support associate health and well-being, including providing associates with additional options in support of their financial stability and flexibility. To achieve the work-life balance associates needed to be successful during a time of uncertainty and change, we introduced several new

benefits to help them work in different ways, and support the different personal and professional responsibilities they have to integrate throughout the day.

Recharge days

Quarterly recharge days were added for all associates to rest and reset. The specific date was chosen each quarter by an associate vote from among available options, which were always Fridays or Mondays, creating three-day weekends. Scheduling recharge days at the same time for the entire company allowed associates the freedom to have a collective day off without having to worry about emails piling up on return.

Time off

In 2021, lockdowns and travel restrictions were barriers to associates taking advantage of their paid time off. As a result, Red Hatters globally were given additional flexibility to use their time-off allocations, including extending the window of U.S. associates by an additional month.

Additionally, our global bereavement leave was extended to two weeks per event.

Caregiver support

During the pandemic, we were reminded of the innumerable ways Red Hatters contribute not just at work, but in their homes and to their families as well. We maintained a corporate membership to an online network of providers, so Red Hatters in 15 countries could more easily find care services, including babysitters, senior and special needs caregivers, housekeepers, personal assistants, transportation, pet sitters and groomers, errand runners, and tutors.

Home office allowance

As vaccines rolled out and countries continued reopening, most associates were still working remotely. Red Hatters could use an allowance to buy ergonomic furniture, computer hardware, and other additions for their home office to help them work more safely and productively.

Well-being within reach

Respecting and caring for the mental and physical well-being of associates is always important, but especially in times of unease. In 2021, Red Hat introduced new benefits focused on mental, physical, financial, and social well-being, including virtual tools that encourage healthy lifestyle habits, self-reflection activities, and exercises to combat anxiety, depression, and stress. We also hosted monthly well-being sessions for associates.



Troy McNish

Learning, Careers, and Teams

Professional development finds a new home

Every Red Hatter's career takes a different shape, which is why Red Hat strives to equip each associate with the tools they need to navigate their professional journey and meet personal goals.

The creation of a Learning, Careers, and Teams (LCT) organization in 2021 centralized our professional development tools. LCT is now home to Red Hat University and two new programs—Career Center and Team Central.

What this new organization does

Learning, Careers, and Teams

Support Red Hat business strategy and goals and the attraction, engagement, performance, and retention of Red Hatters.



Build knowledge, skills, and capabilities to improve the performance of associates, managers, and leaders.



Provide tangible career development opportunities and clarify the associate's role in their career development and what they can expect from Red Hat.



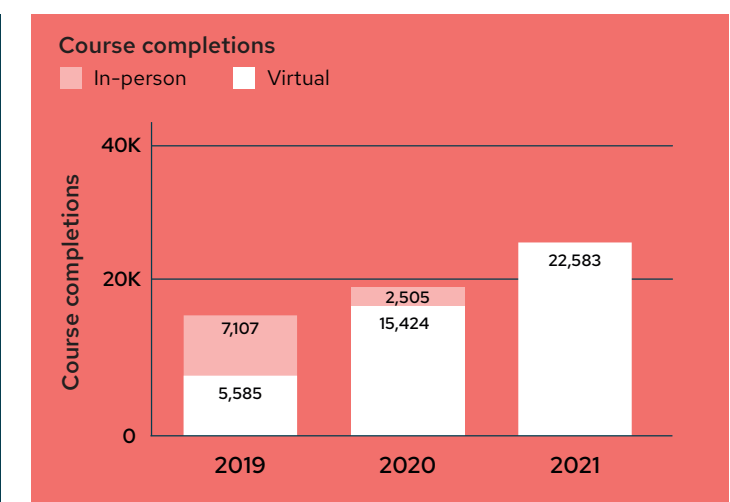
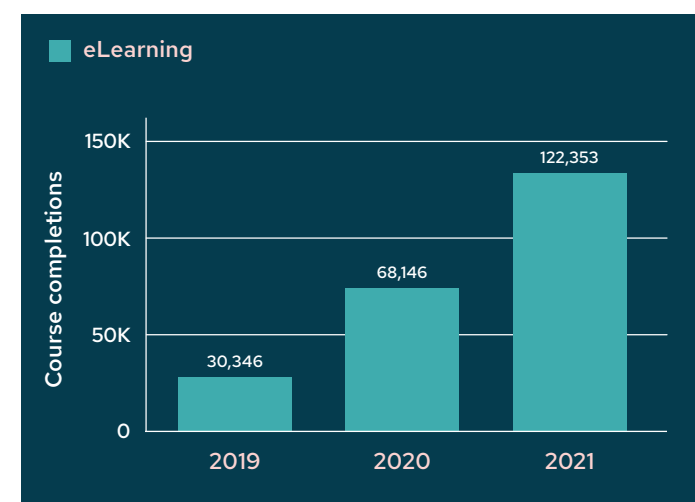
Support intact teams across Red Hat to identify their strengths and opportunities and improve performance.

 **Powered by technology and core services**



Red Hat University

Our learning resources are centralized in the Red Hat University (RHU) learning platform, where Red Hatters have access to over 500 RHU-designed courses, 1,900 courses from internal learning and enablement partners, and over 16,700 additional external courses.



eLearning increased (excluding LinkedIn Learning)

↑80% increase in completions from 2020

↑34% increase in unique users (11,686) from 2020

Virtual Instructor-Led Training (vILT) increased (Combining ILT and vILT completion data)

↑38% increase in unique learners (9,253) from 2020



Petra Sargent

Career Center

Career Center is where Red Hatters explore growth opportunities and plan long-term careers. It's also where associates can connect with colleagues outside their daily work and get exposure to other career development opportunities in Red Hat.

Internal gigs provide on-the-job-skill development by matching associates with opportunities including, but not limited to, temporary assignments via rotations, exchanges, stretch assignments, and special projects.

Mentorships provide a one-on-one relationship for associates to learn from more senior Red Hatters' expertise and experience. The voluntary, developmental partnerships accelerate junior Red Hatter growth through continual guidance and relationship-building.

Associates can also benefit from our Champions Mentoring program, which focuses on developing mentee expertise in technology and Red Hat products.

In 2021, we piloted a program that matched 50 associates with more-senior advocates at Red Hat. The senior Red Hatters, or sponsors, were encouraged to use their influence in and knowledge of the company to ensure underrepresented junior associates know about and can access the opportunities for career progression that they've earned.

In a hybrid workplace, senior Red Hatters can increase an associate's visibility and help them build relationships with key colleagues.

Technology Thought Leadership Accelerator

Leadership at Red Hat looks different from team to team. The Technology Thought Leadership Accelerator (TTLA) is a 15-month, cohort-based program designed to support the continued advancement of our technical, sales, and customer success associates. In 2021, the program scaled beyond its 2019 APAC pilot to include associates from LATAM, NA, and EMEA. Nominated by their managers, 2021 welcomed 76 participants to the program.

Through a blended learning approach, TTLA focuses on strengthening skills in presence, influence, strategic thinking, and problem solving.

88%

promotion rate
among the 17 participants from the TTLA APAC pilot, one year after graduating from the program.

76

participants
started phase I of TTLA in 2021.
• 26 in APAC
• 26 in the Americas
• 24 in EMEA

TTLA aims to develop the future Technology Thought Leaders, focusing on advanced business and professional skills.



Presence

Develop the confidence and competence to interact with senior Red Hat and C-level business executives.



Influence

Drive their own online presence and contribute to thought leadership inside and outside through blogs, whitepapers, and community contribution.



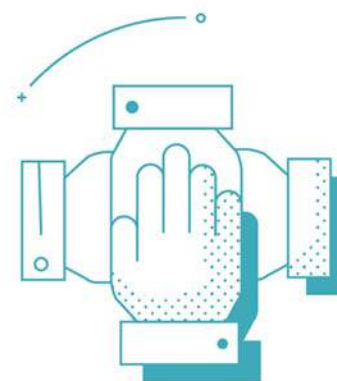
Strategic thinking

Shape the strategic mindset by applying frameworks and tools helping leverage technology-focused conversations to business and value-focused interactions.



Problem solving & customer focus

Develop a robust approach and tools to understand Red Hat business drivers as well as client financials and business context.



Team Central

When our teams work better, so does Red Hat. We designed Team Central to connect teams with coaches who help them function more effectively by designing team aspects, recognizing each others' talents, and building meaningful relationships.

Across Red Hat, and at all levels, teams can access coaches for:

- New leaders.
- Creating vision, mission, and strategy.
- Team coaching.

Manager support

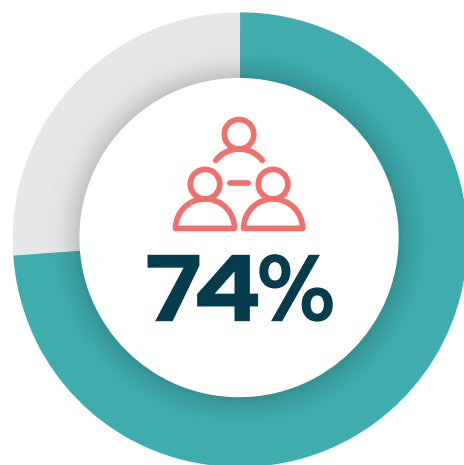
Managing people managers' experience

Red Hat's people managers are central to our success and provide a critical link between company strategy and associates. Improving their experience and leadership capacity is an investment in Red Hat's productivity and future.

One key project of the **Open Design Center (ODC)** is to optimize the people manager experience in order to encourage associate engagement, strengthen our open culture, and spur Red Hat's strategy and future growth. The center seeks to set up people managers for success by identifying opportunities for efficiency and effectiveness in their role while supporting their well-being.

As 2021 closed out, ODC hosted 10 focus groups with more than 80 managers. Representing different regions, functions, levels of management, and experience levels, the managers shared their perspective and feedback to generate data and potential opportunities for improvement.

Manager workshops are virtual events designed to help people managers succeed in their roles. Workshops focus on topics from compensation to making data-driven decisions, but all provide guidance on creating more open, inclusive, and effective teams.



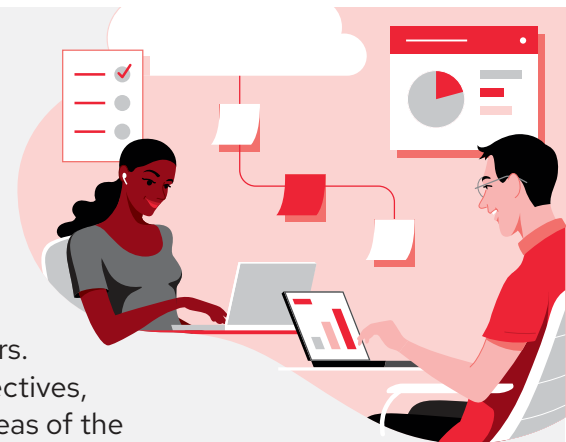
74% of Red Hat managers attended at least one workshop focused on creating more open, inclusive, and effective teams.



Open Manager Monthly

The manager's guide for unlocking team potential

Open Manager Monthly began in 2021, after Red Hat collected survey feedback from every region and function to shape the redesign of our global newsletter for managers. The new Open Manager Monthly includes manager perspectives, news, important dates, best practices, spotlights on key areas of the business, and learning resources. The editorial board brings together a diverse group of functional and regional leadership from every corner of the company. They are guided by their shared commitment to promoting Red Hat's enterprise business objectives, diversity, equity, and inclusion, and our open management practices.



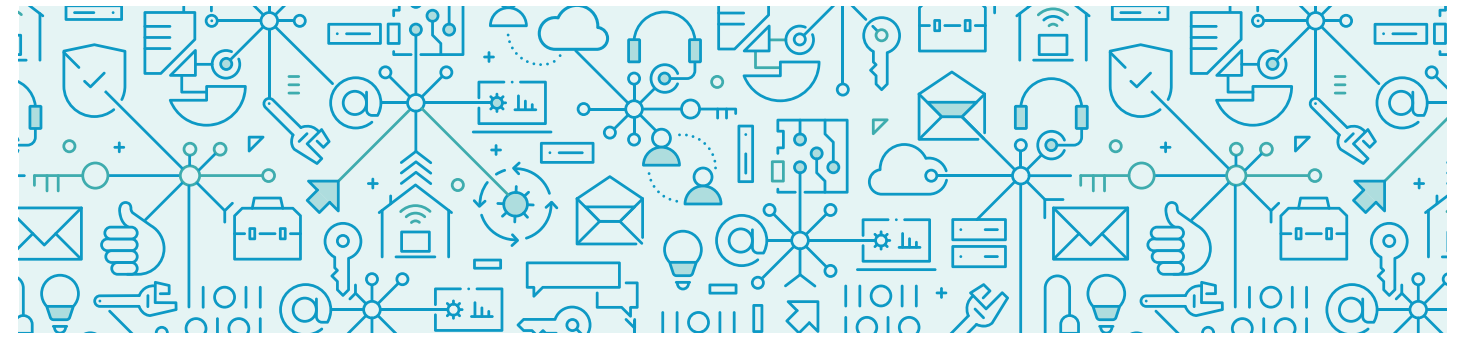


Briana Foxx and Amanda Huitt

Governance



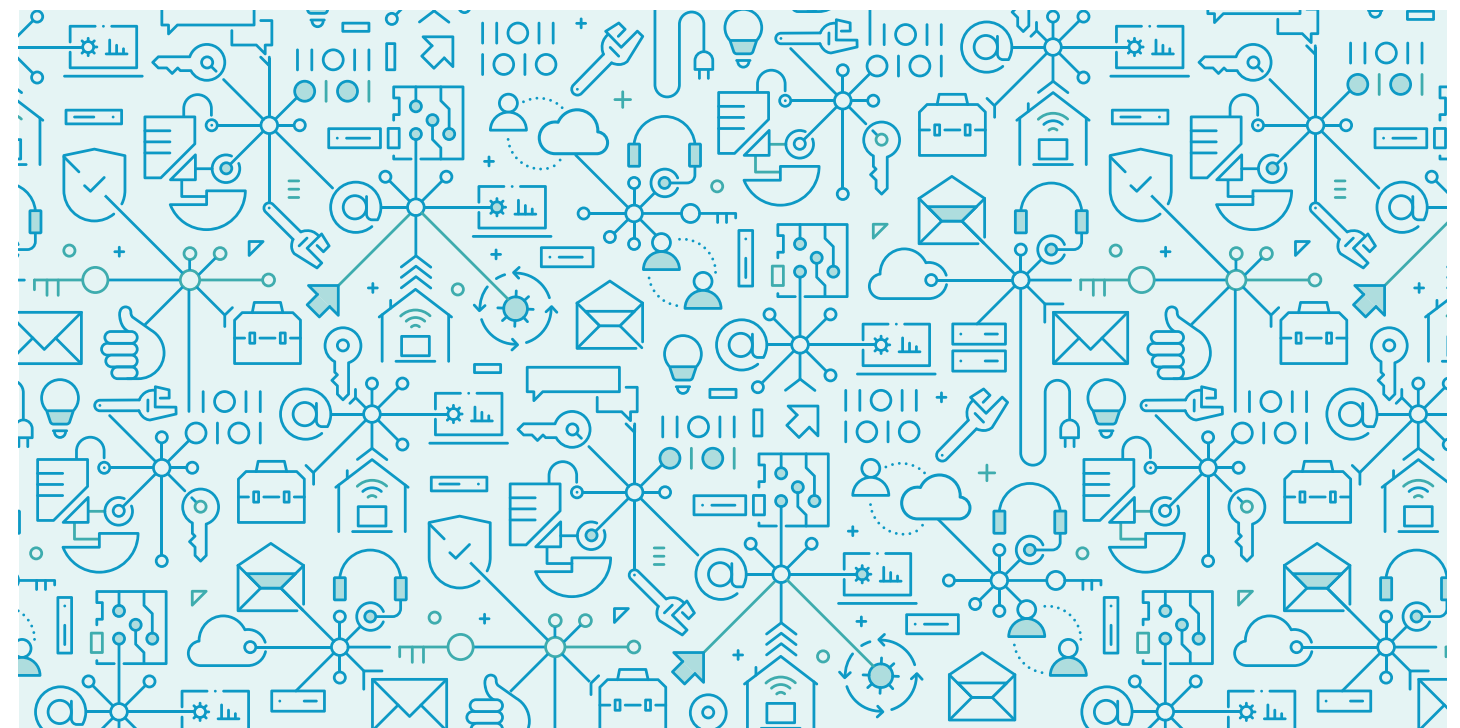
Jerry Holla



Doing what's right

We work to earn our communities' trust every day

Red Hat's culture is built on a strong foundation of ethics, transparency, and accountability to ensure we do business the right way. Our policies, processes, controls, and training are designed to foster an environment of trust both inside and outside of Red Hat in all communities in which we operate.



Ethics

Acting with integrity

Red Hat's Code of Business Conduct and Ethics (subsequently called "Code") is the cornerstone of our compliance program and provides associates with a clear understanding of our high standards for ethical conduct.

Red Hat requires all associates to comply with our Code, other company policies, and all laws, rules, and regulations applicable to Red Hat wherever it does business around the world. The Code encourages associates to report their ethical concerns without fear of retaliation, including via an ethics hotline that allows for anonymous reporting.

In 2021, Red Hat updated our Code to, among other things, clearly outline our stance on human rights and the corresponding expectations for our associates. As in years past, associates were required to certify that they understood and would follow the ethical principles and compliance rules outlined in the Code.

Red Hat also conducts internal employee training on ethics and compliance issues.

The central component of employee training is our Annual Compliance and Ethics Training, which is designed yearly to address current issues for our business and to refresh associates on their obligations under the Code. In 2021, we also updated the ethics portion of our New Hire Orientation program to provide tailored, practical guidance to our new associates about potential issues they could face in their day-to-day work.

Community is paramount in open organizations like ours.

We rely on our partners and suppliers to help us maintain the trust of our customers and our broader community. We clearly outline these expectations in our partner and supplier codes of conduct to ensure we work with companies who share our high standards of ethics and integrity.

Supply chain

Sourcing responsibly

As Red Hat grows, our external and downstream influence grows with us. We embrace this responsibility and are committed to doing business with environmentally and socially responsible suppliers.

Revising our supplier validation and onboarding process, in 2021, we strengthened our commitment by initiating a new questionnaire for suppliers focused on topics such as ethics, import and export compliance, human rights, and anti-corruption.

Respect for human rights is central to Red Hat's social responsibility commitments. As outlined in our modern slavery statements, we oppose human trafficking and all forms of modern slavery, and work to identify and minimize the risk of such illegal practices in our operations and supply chains.

Major suppliers are expected to establish and maintain a management system that addresses their social and environmental responsibilities. This includes voluntary environmental goals, establishing programs to improve environmental performance, and disclosing results of such programs and goals.

As part of our onboarding process, our suppliers pledge to pass on similar initiatives to their own suppliers that perform work that is material to the products and services procured by Red Hat.

Strategic sourcing with diverse suppliers is in the economic and competitive interest of Red Hat, our customers, and the communities where we operate. Our intent is to give all businesses an equal

opportunity to compete. Red Hat is committed to purchasing goods and services from diverse suppliers, including minority- and women-owned businesses; businesses owned by people with disabilities; businesses with lesbian, gay, bisexual, or transgender (LGBT) owners; historically underutilized business zones (HUBZone); small businesses; and U.S. historically Black colleges, universities, and minority institutions.



Privacy and security

Maintaining trust

Data privacy and security are increasingly vital to compete in a rapidly changing digital environment, and in maintaining the trust of our customers and the public. Throughout 2021, we continued to nurture our data privacy and security programs by expanding associate training and teams, taking advantage of new technologies, and refining processes to handle increasing amounts of information.

Our Global Privacy program is led by a cross-functional group of data privacy experts and partners within every Red Hat functional area to help ensure our privacy

framework is adopted and followed throughout the company. Our data privacy experts monitor the evolving data privacy landscape and adjust our global framework accordingly to help Red Hat meet its obligations and commitments to our customers, partners, associates, and anyone who interacts with us.

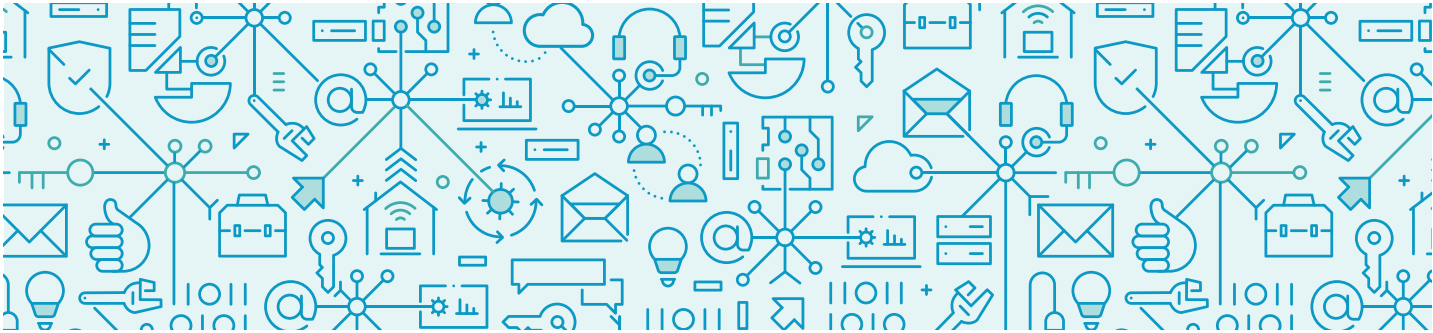
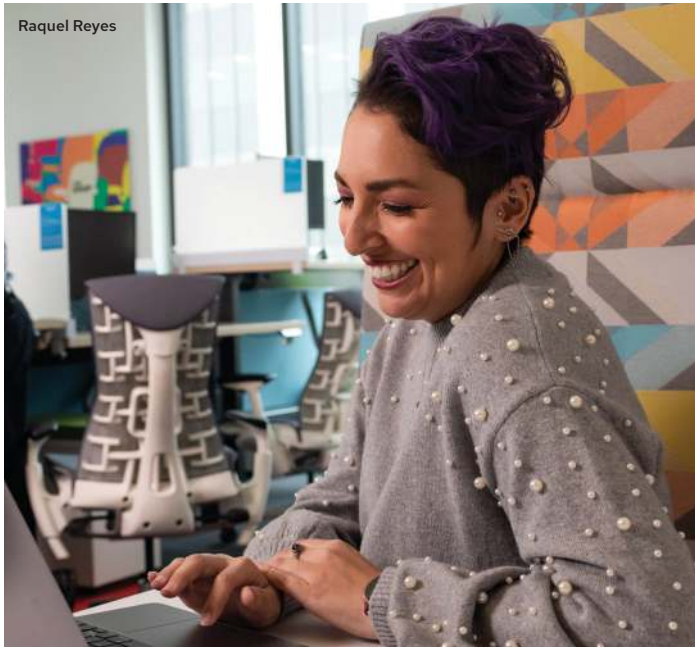
As part of their orientation, new hires are required to complete a data privacy and security training course. Red Hat associates keep current on data privacy and security through an annual course that is delivered with the Code of Business Conduct and Ethics recertification.



In 2021, Red Hat earned a GDPR Privacy Program Management Compliance Validation from independent third-party TRUSTe LLC, **for the third consecutive year.**



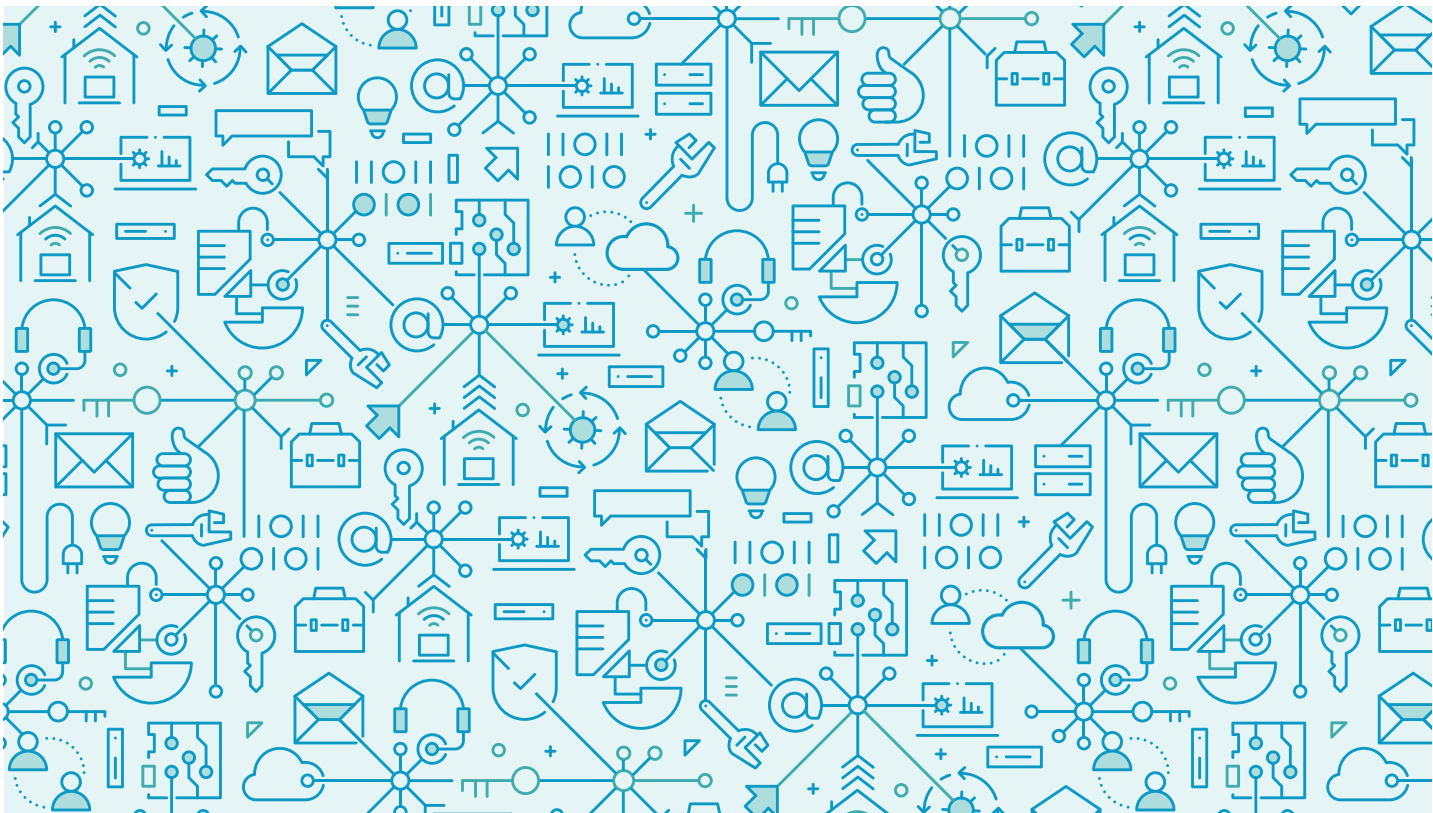
Education and training



Inspiring the next era of innovators

Working together for a brighter future

We believe that “open” unlocks the world’s potential. At Red Hat, we use our reach, expertise, and resources not only to create the software we need now, but also to build a foundation for future needs. Whether it’s students, young professionals, or seasoned associates, increasing access to educational tools and resources lets Red Hat awaken dormant talent and spur innovation.





Gina Likins and Lorelei C.

Co.Lab

Permission to play

Co.Lab, an education experience based on open source principles, gives students access to the vast world of technology. Co.Lab launched four hands-on kits and hosted 26 workshops with more than 630 students in 2021, before shifting to a self-serve model to empower individuals to run workshops on their own, make kits available to a wider audience, and accommodate virtual learning options. As part of our virtual workshop model, we sent students two Co.Lab kits for the workshops: one to build with our team, and one to use while teaching someone else. By giving Co.Lab students the resources they need to become instructors, they are, in turn, giving back to their own communities.



"I have seen the lack of female references the kids have. They are very surprised to learn that there are female scientists and engineers out there who have changed our lives."

Pilar Bravo Contreras

Principal Solutions Architect, Red Hat

Paired with our video series, Open Source Stories, the hands-on kits show how code is being used to build the future and revolutionize all industries. Each kit uses open source hardware components and simple circuits and teaches students how to build machines.

- **A light-sensing kit** allows students to experiment with simple circuits, explore how to track changes in light using a sensor, and learn how those changes can affect motor speed.
- **A conversation machine** invites learners to build an open source visual communication device, using LEDs and push buttons to create coded messages.
- **An interactive instrument** uses a 555 timer and conductive paint and ink to demonstrate conductivity, which students use to build a musical instrument.
- **A robotic hand kit** helps students build a hand-like device that can flex, grip, and release while teaching students about simple circuits and conductivity.

Charitable curriculum expands with Red Hat course

After years of collaboration with Why Not Cooperativa Sociale Onlus, an Italian nonprofit that helps people with disabilities find career opportunities, we extended our support to their newly created Ribes Academy.

Located in Bergamo, Italy, an area heavily affected by COVID-19, Ribes Academy offers free technology training to low-income workers and young people who are not working and are no longer in the education system. Academy trainees are

awarded certifications of competence to be used in their job search in return for practicing learned skills in the community and fostering intergenerational relationships.

Red Hat supported the Ribes Academy's 2021 launch by adding a Red Hat Linux Administration course to the curriculum while individual Red Hatters ran sessions on how to effectively search for a job, apply, and interview.



"Putting my HR experience and knowledge at the service of others gave me energy and enthusiasm. It was my personal way of giving back to the community, and it was a great experience."

Aurora Simonetti

Senior HR Manager, Red Hat



"It's so refreshing to be involved in a program with a very young and motivated crew like the one at Ribes. And, for a change, participate in something for the benefit of the less fortunate."

Giovanni Pirola

Senior Manager Consulting Services, Red Hat

Red Hat Academy

Bridging the gap between education and industry

Red Hat Academy partners with academic institutions around the world to provide the next generation of IT talent with access to a range of Red Hat's training courses and certification exams. From four-year universities to vocational schools, Red Hat Academy was offered at no cost to 2,447 accredited, nonprofit, and degree-granting institutions across 70 countries in 2021.

In 2021, more than 21,000 students learned fundamental skills in Red Hat Enterprise Linux and Red Hat OpenShift through the Red Hat Academy program.

Connecting students and experience

Open source relies on learning from the experience of others—and Red Hatters are no exception.

Adopt an Academy connected more than 100 academic organizations with Red Hatters who shared their expertise with instructors and students through lectures, mentorships, and workshops.

Our virtual platform lets us provide industry-led curriculum to institutions around the world and prepare students for an IT industry that has rapidly embraced remote work. We offer no-cost and discounted options for schools to access Red Hat labs within their own cloud environment.

Red Hat Collaboratory at Boston University

Collaboration between Red Hat and Boston University (BU) was not only renewed, but expanded in 2021.

Our expanded collaboration funds research and supports education for open source projects, communities, and hybrid cloud operations. Upon announcing our commitment to expand support for Red Hat Collaboratory at BU to a total of US\$20 million over five years, we also donated software subscriptions, valued at US\$551.9 million, toward research efforts.

Our partnership lays a foundation to speed breakthroughs in cloud-based technologies and related open source projects, by combining Red Hat’s vast knowledge in open source and hybrid cloud technologies with BU’s leadership, melding research and technology that can be applied to solve real industry challenges. In doing so, it also builds critical skills the world needs in the next wave of IT professionals.

With the subscription donation, university partners from the Massachusetts Green High Performance Computing Center (MGHPCC)—including BU, Northeastern University, Harvard University, the Massachusetts Institute of Technology, and the University of Massachusetts—have access to Red Hat’s open hybrid cloud technologies over a three-year period.

By sharing our technologies, MGHPCC members can deliver new cloud-based technologies more quickly and make existing service more efficient and accessible, which helps expand research across a wider set of fields of study, including computer science. It also helps grow a series of interrelated projects that form an open research cloud initiative, including the Mass Open Cloud, New England Research Cloud, Northeast Storage Exchange, Open Cloud Testbed, and Open Storage Network. As a collective, this initiative advances research in computing and artificial intelligence operations while creating a regional center of excellence in cloud research. This regional center in turn feeds into a stable, accessible space for open source communities to develop operational knowledge around cloud infrastructure.



“The cloud is transforming how research is conducted to address pressing societal challenges that require cross-disciplinary and cross-industry innovation. We are excited to renew and expand Boston University’s and Red Hat’s previous collaborations to drive research, education, and collaboration in open source technology and cloud systems.”

Dr. Robert A. Brown
President, Boston University

Developing early talent

Preparing the open source community’s next generation

Introducing students to Red Hat through internships

Available across regions and departments, Red Hat internships offer both technical and non-technical experiences. In addition to connecting interns with experienced Red Hatters, the 2021 program added structure

to help students get the most of their experience and time at Red Hat through onboarding, peer programs, learning paths, and other organized events and workshops.

Less-distant learning with Shaw University

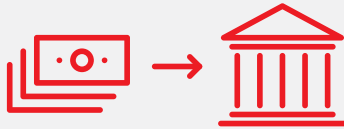
Shaw University is among the oldest historically Black colleges and universities (HBCUs) in the United States. It’s also about a 10-minute walk from our headquarters—Red Hat Tower—in Raleigh, North Carolina.

Beginning in 2020, Red Hat and Shaw University formed a strategic collaboration to bring multiple Red Hat groups together—

including our Product and Technology function, and our Blacks United In Leadership and Development (B.U.I.L.D.) community—to support and strengthen the university’s computer science program. It also helps identify and connect Shaw’s computer science students and graduates with opportunities for training, certification, internship, and employment.



5 Shaw University students were hired into our 2021 intern program.



In 2021, Red Hat donated US\$250,000 in support of Shaw University infrastructure upgrades.

Pioneering the agile semester in Ireland

Agile has been a part of software developer vernacular since 2001. For those new to technology, however, the frameworks, tools, and methodologies can appear foreign.

Working with the Waterford Institute of Technology (WIT) in Ireland, Red Hat helped develop an agile semester for WIT’s Higher Diploma of Software Engineering. The online course mirrors features of the agile software development pipeline—like iteration, sprint, retrospective, and release—and applies the 12 agile principles practically at the student level, as well as philosophically by the lecturing staff.

The course reinforces open and engaged habits that are requisite for the agile methodology, through collaborative communications platforms and advanced tooling that tracks lab progress and offers a longitudinal view of student engagement over a semester.

The coursework also gives considerable autonomy to students. They are encouraged to approach the rubric in an agile context in which the baseline assignment corresponds to a minimal viable product (MVP). Depending on the size and scope of the assignment, each subsequent level beyond MVP is thought of as an iteration/sprint, or a release consisting of multiple iterations, that students carry out using a classic backlog cycle.

Students can start new lessons or assignments at will, rather than through a set progression, which lets students pursue learning that’s meaningful to their career objectives. For instance, a student may have a special interest in the coursework on persistence, pursuing that domain until it’s complete, but have less interest in user experience (UX), deciding not to complete the full range of UX coursework.

This flexibility customizes students’ experiences and mimics a professional agile project, where people tend to be cross-functional, self-organizing, and highly motivated to create work environments that match their specific skills and abilities.

Graduates of the agile semester take away a fundamental understanding of agile and its purpose inducing continuous improvement and practical experience in its implementation. **Since its pilot, agile semester has been replicated across additional WIT computing courses and its model is being shared with other Irish and European institutions through publications and education-centric conferences.**

Tutor Stack, the agile semester’s advanced tooling for visualizing project progress across the development team, is also available for other institutions under an open source license. The collection of tools unbundles components from e-learning platforms, combines them with custom-built open source components, and reassembles the suite into a coherent, loosely coupled platform for online, agile education delivery. Features were also added that ensure educators and students have digestible summaries of student interaction patterns, progress, and community behavior.

“We have employed many graduates from this course since its inception as the course combines a solid computer science curriculum coupled with the latest thinking from the agile/scrum ecosystem. We have been delighted to work with the tuition team to help realize these groundbreaking innovations in the program.”

Dr. Leigh Griffin
Senior Engineering Manager, Red Hat

EMEA Graduate Program

Red Hat hired its fifth cohort into the EMEA Graduate Program. The 23 graduates—who represented France, Germany, Italy, Saudi Arabia, and the United Kingdom—first developed their soft and technical skills through 3 months of training before completing a 9-month rotation among Pre Sales, Services, and Customer Experience and Engagement. The graduates then moved to target functions and began fixed roles within departments.

Throughout the program, formalized relationships with experienced associates fostered a support system and channels for stewardship and collegiality. Day to day, buddies are graduates’ go-to for learning both formal and informal aspects of Red Hat culture. Mentors accompany graduates from training to shadowing to their long-term role, also known as their domain enablement

journey. They help mentees develop career goals, expand their network, identify resources related to their domain, as well as provide cross-functional perspectives. Additionally, department-specific rotational managers ensure there are shadowing opportunities within functions and provide support through one-on-one meetings and onboarding.

Held virtually for the second year, the program remains a valuable experience, building, engaging, and teaching a diverse talent pipeline for future strategic roles at Red Hat. The experience provides functional placements that involve graduates in real work that contributes to the placement team’s success. It also gives graduates proximity to experienced and engaged Red Hatters who offer shadowing and learning opportunities.



“What I appreciate the most about this program is the variety of perspectives and experiences we are given, from learning Red Hat technologies to getting insight into the soft skills, which are much needed today.”

Eleonora Peruch
Technical Graduate, Red Hat



“I particularly liked that we go through three different jobs and that they focus on personal development. I also learned to appreciate the freedom that is given to us. There are so many things about Red Hat, the culture, and the colleagues that are worth taking a closer look at.”

Fabian Popp
Technical Graduate, Red Hat



“The thing I’m liking the most while working at Red Hat is connecting with literally any other Red Hatter in the world. Every day, I talk to a bunch of people based in the U.S. or Brno, or I get to talk to the other graduates based in the U.K., Spain, Germany. It’s really different from any environment I’ve been in before.”

Carmelo Sarta
Technical Graduate, Red Hat

Red Hat has experienced significant growth, coupled with considerable change, in recent years. With this growth has come an opportunity to evolve our ways of working to better foster collaboration, connection, and inclusion.

The future of work at Red Hat is about embracing flexibility—helping Red Hatters work and connect anywhere, at any time with each other, our customers, our partners, and our communities. Together, we continue to create better technology—the open source way.

Endnotes

- 1. **An Open Approach to Vulnerability Management**
red.ht/vulnerability_management
- 2. **State of Enterprise Open Source**
<https://www.redhat.com/en/enterprise-open-source-report/2022>
- 3. **Diversity, equity, and inclusion**
<https://www.redhat.com/en/about/our-culture/diversity-equity-inclusion>

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Appendix

As part of our effort to transparently disclose information about our environmental footprint, the following environmental metrics were collected and calculated in accordance with the GHG Protocol and with reference to the Global Reporting Initiative(GRI) Standards.

Sustainability

Table 1: Total Scope 1, 2 & 3 Emissions (tCO2e)
(Relevant GRI Standards: 305-1, 305-2, 305-3, 305-4)

	2019	2020	2021
Scope 1	175	100	167
Scope 2 (location-based)	13,696	10,783	10,677
Scope 2 (market-based)	12,430	9,485	13,899
Scope 3	141,668	112,404	114,131
Total Scope 1, 2 (market-based) and 3	154,274	121,989	128,197
S 1&2 Intensity/FTE	0.8191	0.6228	0.7111
S1&2 Intensity/flr area	0.0059	0.0045	0.0065

2019 - 2021 total scope 1, 2 and operational scope 3 emissions, where scope 1 represents all direct emissions associated with Red Hat’s use of fossil fuels for operations, such as heating and transportation, Scope 2 represents emissions associated with Red Hat’s purchased electricity, and Scope 3 represents all other indirect emissions.

The emissions intensity values include Scope 1 and 2 emissions, and use full-time equivalent (FTE) and floor area (sqft) as the organization-specific metrics. 2019 FTE was reported on a different fiscal year pre-acquisition by IBM, from March 2019 through February 2020.

Table 2: Energy Consumption, 2021
(Relevant GRI Standards: 302-1)

Fuel Type	Consumption (kWh)	Consumption (kilojoules)
Diesel	14,204	51,134,976
Natural Gas	172,721	621,795,600
Electricity	30,397,123	109,429,642,800
Total	30,584,048	110,102,573,376

Table 3: Energy Intensity, 2021
(Relevant GRI Standards: 302-3)

	2019	2020	2021
Diesel Usage (kWh)	21,723	21,471	14,204
Natural Gas (kWh)	243,420	279,881	172,721
Electricity (kWh)	35,834,916	30,407,614	30,397,123
Total Energy Usage (kWh)	36,100,059	30,708,966	30,584,048
Energy Intensity/FTE (kWh/FTE)	2,346	1,806	1,546
Energy Intensity/floor area (kWh/sqft)	17.01	14.47	14.15

Table 4: Water Consumption, Raleigh
(Relevant GRI Standards: 303-5)

Site	2019	2020	2021	% change
Unit	21,723	21,471	14,204	-44%

Table 5: Waste Production, Raleigh
(Relevant GRI Standards: 306-3)

	2019			2020			2021		
Site	Landfill	Recycling	Compost	Landfill	Recycling	Compost	Landfill	Recycling	Compost
Raleigh	167.76	54.46	9.52	56.41	18.51	4.01	44.55	99.94	0.41

Table 6: Scope 3 Emissions Breakdown by Category 2019-2021

Category	Description	2019	2020	2021
1	Purchased goods & services	107,283	82,984	85,284
2	Capital goods	11,724	14,591	15,150
3	Transmission & distribution	1,915	1,631	1,667
4	Upstream transport & distribution	645	477	958
5	Waste generated in operations	310	105	177
6	Business Travel	7,988	3,270	630
7	Employee commuting	4,448	1,086	672
8	Upstream leased assets	7,326	8,238	9,633
13	Downstream leased assets	30	24	25
Total		141,668	112,404	114,131

Content index

Red Hat is committed to increased transparency and disclosure. As part of this commitment, we have compiled select disclosures with reference to the Global Reporting Initiative (GRI) Standards.

Statement of use	Red Hat has reported the information cited in this GRI content index for the period January 2021–December 2021 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

General disclosures

GRI Standard	Disclosure	Location (URL)
GRI 2: General disclosures 2021	2-1 Organizational details	Red Hat Inc. Wholly owned subsidiary of IBM Headquarters: Raleigh, NC https://www.redhat.com/en/about/office-locations
	2-2 Entities included in the organization’s sustainability reporting	CY2021 CSR Report, p. 08
	2-3 Reporting period, frequency and contact point	Reporting Period: January 2021 – December 2021 Published June 2022} Contact: Tom Savage, General Counsel
	2-6 Activities, value chain and other business relationships	Industry: Software Products: https://www.redhat.com/en/technologies/all-products?percmp=7013a000002ppOTAAY Services: https://www.redhat.com/en/services CY2021 CSR Report, p. 05
	2-7 Employees	CY2021 CSR Report, p. 34
	2-9 Governance structure and composition	https://www.redhat.com/en/about/company/leadership

General disclosures (continued)

GRI Standard	Disclosure	Location (URL)
GRI 2: General disclosures 2021	2-14 Role of the highest governance body in sustainability reporting	CY2021 CSR Report, p. 46
	2-22 Statement on sustainable development strategy	CY2021 CSR Report, p. 02
	2-23 Policy commitments	https://www.redhat.com/en/about/modern-slavery-act-transparency-statement
	2-26 Mechanisms for seeking advice and raising concerns	CY2021 CSR Report, p. 48
	2-28 Membership associations	CY2021 CSR Report, p. 15
	2-29 Approach to stakeholder engagement	CY2021 CSR Report, p. 08
	2-30 Collective bargaining agreements*	red.ht/hr_policies_folder

Economic topics

3-2 List of material topics: 201-3, 205-2

GRI Standard	Disclosure	Location (URL)
GRI 205: Anti-corruption 2016	205-2 Communication and training about anti-corruption policies and procedures	https://www.redhat.com/cms/managed-files/Red_Hat_Partners_Code_of_Conduct_(Final).pdf

Environmental topics

3-2 List of material topics: GRI 302-1, 302-3, 303-5, 305-1, 305-2, 305-4, 306-1, 306-3, 308-1

GRI Standard	Disclosure	Location (URL)
GRI 302: Energy 2016	302-1 Energy consumption within the organization	CY2021 CSR Report, p. 09
	302-3 Energy intensity	CY2021 CSR Report, p. 09
GRI 303: Water and Effluents 2018	303-5 Water consumption	CY2021 CSR Report, p. 61
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	CY2021 CSR Report, p. 08
	305-2 Energy indirect (Scope 2) GHG emissions	CY2021 CSR Report, p. 08
	305-4 GHG emissions intensity	CY2021 CSR Report, p. 60
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	CY2021 CSR Report, p. 61
	306-3 Waste generated	CY2021 CSR Report, p. 61
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	https://www.redhat.com/en/about/policies/procurement/procurement-responsibility

Social topics

3-2 List of material topics: 401-2, 401-3, 403-1, 403-2, 403-3, 403-6, 403-7, 404-1, 404-2, 405-1, 405-2, 407-1, 408-1, 409-1, 414-1

GRI Standard	Disclosure	Location (URL)
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees*	red.ht/hr_policies_folder
	401-3 Parental leave*	red.ht/us_parental_leave
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system*	red.ht/workplace_safety

GRI Standard	Disclosure	Location (URL)
GRI 403: Occupational Health and Safety 2018	403-2 Hazard identification, risk assessment, and incident investigation*	red.ht/workplace_safety
	403-3 Occupational health services*	red.ht/workplace_safety
	403-6 Promotion of worker health	CY2021 CSR Report, p. 39
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships*	red.ht/workplace_safety
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	CY2021 CSR Report, p. 41
	404-2 Programs for upgrading employee skills and transition assistance programs	CY2021 CSR Report, p. 50
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	CY2021 CSR Report, p. 35
	405-2 Ratio of basic salary and remuneration of women to men	CY2021 CSR Report, p. 36
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk*	red.ht/hr_policies_folder

GRI Standard	Disclosure	Location (URL)
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	https://www.redhat.com/en/about/modern-slavery-act-transparency-statement
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	https://www.redhat.com/en/about/modern-slavery-act-transparency-statement
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	https://www.redhat.com/en/about/policies/procurement/procurement-responsibility

**Certain linked web pages currently require a Red Hat username and password, however we have included these links in our content index so Red Hat associates may access this information.*