



State of Inclusion at Okta

Annual Report | December 2020

O U R C O M M I T M E N T

At Okta we nurture a culture of inclusion and belonging, and strive to build a truly diverse workforce to fuel innovation and collective growth.



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FOREWORD

Welcome to our first Okta State of Inclusion report. We are taking the time to share this data because Diversity, Inclusion, and Belonging (DIB) matters deeply to us.

Over the past few years, we have been growing our DIB efforts and developing initiatives to support diversity both within our workforce, and in our larger communities. At Okta, our executive leadership, Board of Directors, employees, Employee Resource Groups (ERGs), Inclusion Council, and DIB department are all working together to bring about change we believe in.

We are committed to DIB because it's not just the right thing to do, but because it's the smart thing to do for our employees, our community, and our business. We know the journey is long and will take substantial effort, but Okta is committed to this journey at all levels. This report shows where we currently stand, and what strides we will take going forward.

– Todd McKinnon, CEO and Co-Founder

KEY TAKEAWAYS

Why release this report?

Okta cares deeply about DIB issues. Employee diversity data is just one part of the equation for us: we prioritize building a sense of inclusion at Okta, and making a positive impact on our community. This report communicates our DIB commitment and our larger DIB strategy, documents where our inclusion efforts in our workforce, workplace and marketplace stand today, and enables us to measure our progress year over year.

Why now?

Over the past 2 years, we have been building up DIB initiatives across our organization. We are moving from intention to action in our inclusion journey. We feel the company is large enough now that we are ready to share our progress and have a public conversation about where we stand and where we can improve.

What's next?

We still need to do additional work to improve the balance of our teams at every level in terms of gender, race and ethnicity. We continue to refine our goals for improvement. We intend to source new talent more broadly and hire for culture add. We will establish better metrics by which to track our demographics. We have put many new programs into place, and we are committed to developing more initiatives as needed to nurture an inclusive culture.



OUR PHILOSOPHY

People First

Why is **Diversity, Inclusion, and Belonging (DIB)** important to us? We know that a diverse landscape of employees, partners, and customers with a broad range of perspectives makes Okta stronger. Inclusion ensures that we have fair and equitable processes and structures that enable everyone to be their authentic self at work. Within Okta, our DIB efforts are inclusive and driven across business units and geographies. Our goal is to nurture a sense of belonging, giving everyone the confidence and security to actively participate – **because ultimately, our differences are what makes us stronger.**

Our inclusion efforts – spearheaded by our DIB team, Employee Resource Groups (ERGs), and Inclusion Council, in partnership with various teams – are designed to focus on education, implementation and collective growth. Over the past three years, Okta has prioritized educating employees about DIB issues. We have increasingly diversified our Board of Directors: out of ten members, we now have three

women, and two Black directors. We brought in Paradigm to field a State of Inclusion assessment to understand our existing strengths and weaknesses. The results inspired us to launch a dedicated DIB department at Okta. More recently, our company-wide strategies have been updated to include a focus on racial justice and equity. Our Okta for Good social impact arm mobilizes the company to support our community as well.

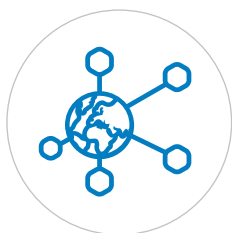
In the spring of 2020, Okta made a \$3 million, three-year philanthropy commitment to racial justice and economic opportunity. Okta founders made \$2 million of personal donations, and Okta for Good committed an additional \$1 million.

Strategic Approach

We are committed to ensuring that DIB is integrated into everything we do. Our DIB program focuses on three strategic pillars, encompassing who we are, how we work, and how we impact the world around us.

Workforce

Recruiting diverse talent to build balanced teams



Workplace

Supporting and empowering employees to be authentic and grow



Marketplace

Ensuring our products are inclusive and reflective of our diverse customers and employees



Building Balanced Teams

Our DIB journey starts with building our workforce. We believe in recruiting diverse talent to create balanced teams. We attract and value diverse talent that reflects our community of partners, customers, and employees.

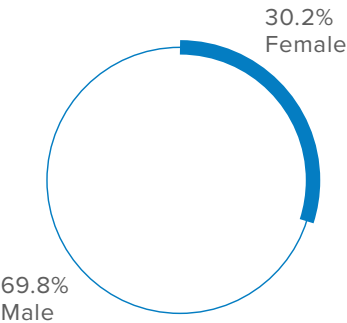
Current Demographics

Here is a look at our workforce and leadership. Our gender data includes global Okta employees. For race and ethnicity, we only include US-based employees due to regional differences in definitions. All data includes people who were Okta employees between September 1, 2019, and August 31, 2020.

Gender

Global Employees

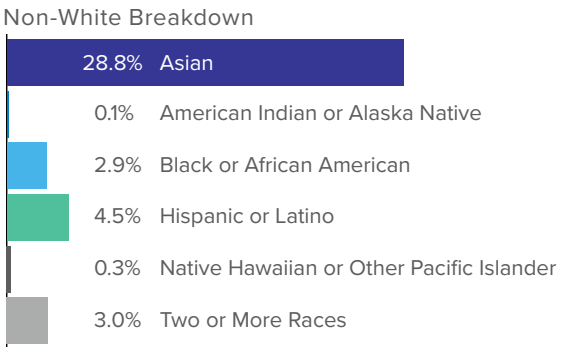
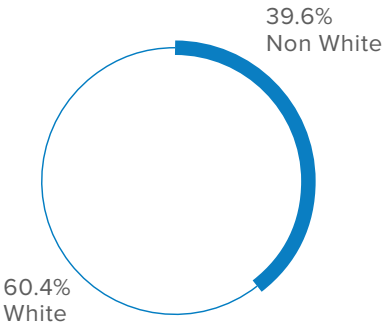
COMPANY OVERALL



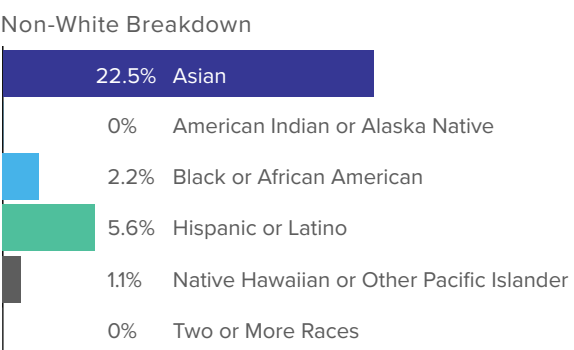
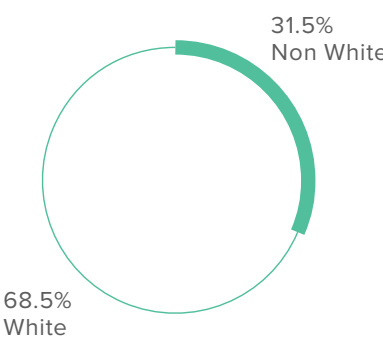
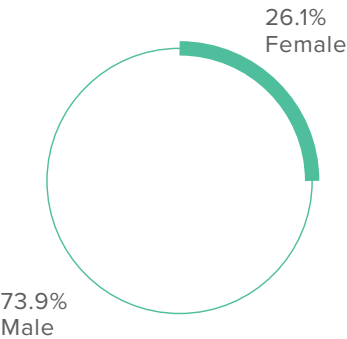
Race and Ethnicity

All US-Based Employees

COMPANY OVERALL



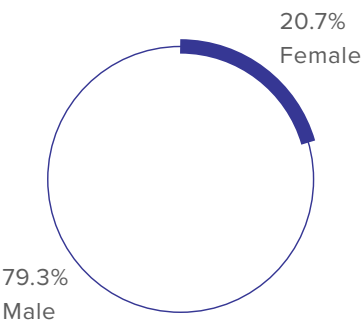
LEADERSHIP (VP LEVEL AND ABOVE)



Gender

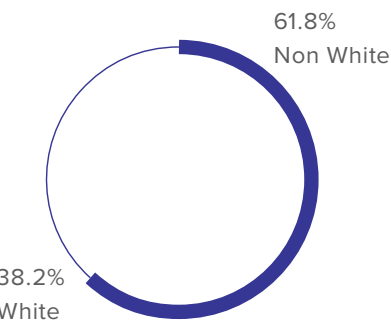
Global Employees

TECH WORKERS



Race and Ethnicity

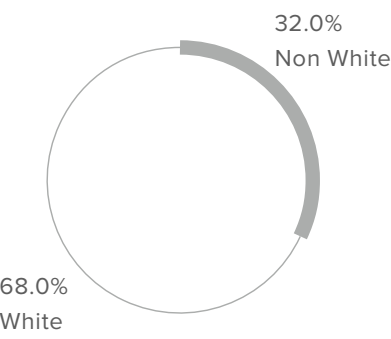
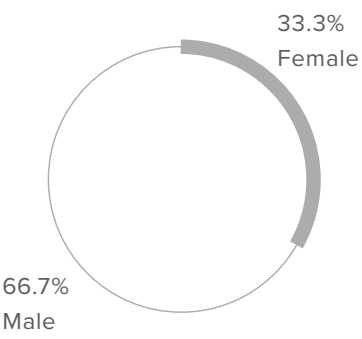
All US-Based Employees



Non-White Breakdown

54.8%	Asian
0%	American Indian or Alaska Native
1.2%	Black or African American
3.7%	Hispanic or Latino
0.2%	Native Hawaiian or Other Pacific Islander
2.0%	Two or More Races

NON-TECH WORKERS



Non-White Breakdown

19.9%	Asian
0.1%	American Indian or Alaska Native
3.4%	Black or African American
4.8%	Hispanic or Latino
0.3%	Native Hawaiian or Other Pacific Islander
3.4%	Two or More Races



Recruiting Practice and Philosophy

Our recruiting and hiring processes are carefully designed to hire balanced teams with a wide range of skills and experiences. We hire based on merit, and by expanding our scope and forging new connections, we are able to hire more diverse, qualified talent.

Talent Pipeline

We attract talent through many different channels. Diversity sourcing partners, affinity networks, and college recruiting have proven to be effective ways to recruit highly skilled candidates with diverse backgrounds.

Working with diversity sourcing programs and partnerships allows us to both source top talent from underrepresented groups for current open roles, and further strengthens our ability to build and nurture diverse talent communities for future roles.

These relationships connect us with talented candidates we might not find through our traditional recruiting platforms. For example, Jopwell is a diversity hiring startup that helps companies connect with and recruit underrepresented ethnic minority candidates for jobs and internships. Lesbians Who Tech is a community of LGBTQ women, non-binary, and trans individuals in and around tech. PowerToFly is a recruiting platform that connects companies to women in tech, sales, marketing and digital.



“ We know that diverse and balanced teams create more value, have better ideas, are smarter and more inventive, and build better products, leading to more customer success. We value diverse identities: Black, Indigenous and People of Color (BIPOC) belong at Okta. We are still early in our journey, but are committed to doing the work and making progress.

— Todd McKinnon,
CEO and Co-Founder



Affinity groups such as our ERGs — including Women@Okta, POC@Okta, and Pride@Okta — are another way Okta sources diverse talent. Our ERGs are an essential piece to recruiting, sharing their experiences and helping us build connections and trust within various communities. For example, the recruiting committee from our People of Color (POC) group partners with Okta’s recruiting and DIB teams. Together they attend and host recruiting events and conferences for People of Color with cross-cultural representation (including Asian, Latinx, Black, Hispanic, Indian, Native American), and incorporate a recruiting focus in all POC events that are external facing.

We also find strong candidates through our recruiting at Historically Black Colleges and Universities (HBCUs) and colleges that support women in Computer Science. For example, in the past year, Okta's University Recruiting team attended multiple events including: Harvey Mudd Career Fair (the majority of Computer Science grads from Harvey Mudd are women), HBCU Career Fair with 50+ HBCUs, and the Howard University Career Fair.

Hiring Practice

We have invested in resources and tools to help surface and mitigate bias throughout our process, so as to help drive inclusive hiring practices across the organization.

These three tools are especially important to guiding our efforts:



Greenhouse Inclusion Hiring Nudge

These nudges and reminders help surface and minimize unconscious bias in our hiring process.



Hiring @ Okta

The recently-launched program trains hiring managers how to hire inclusively.



Inclusive Hiring Pledge

We ask our hiring managers to pledge to bring new talent into the ecosystem, and build a diverse workforce.

We strongly believe in the concept of culture add, rather than culture fit. Instead of limiting ourselves to candidates who match our current teams, our goal is to bring in new perspectives that can enrich our view of the world.

Nurturing an Inclusive Culture

We support and empower employees to be authentic and grow through open conversations and education. We're committed to ensuring that everyone can find appreciation for their unique voice, and feel connected.

Employee Support and Development

Part of cultivating a deeper sense of inclusion and belonging means supporting our current workforce in their professional and personal journeys. That means considering promotions and pay parity, offering comprehensive benefits, providing learning and development programs, and supporting everyone in dynamic work.

Pay Parity

We believe equal pay is an important part of the equation to advance our diverse and inclusive workplace. Accordingly, Okta conducts an annual equal pay assessment. Depending on the results of that analysis, we take any corrective steps as needed to ensure employees are paid equitably without regard to gender or ethnicity.

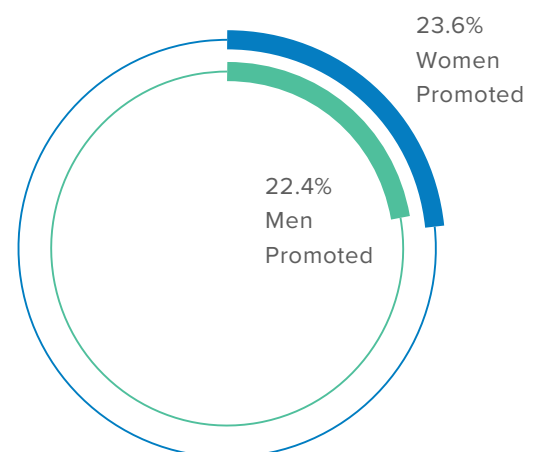
We benchmark our compensation practices against other technology companies in the respective market (e.g., San Francisco compensation is benchmarked against San Francisco software/technology companies in general). Compensation is benchmarked against cost of labor, not cost of living. We update our compensation guidelines annually.



Promotions

Okta promotes employees based on merit, using an assessment rubric. In this report, we see that the gender balance of promotions is fairly equal. Moving forward, we will report on promotions based on ethnicity as well.

COMPANY OVERALL



Note: Promotion count includes all individuals who were Okta employees between September 1, 2019, and August 31, 2020, and received a promotion during that time.





Benefits

Okta uses a Total Rewards program to connect eligible employees and their family members to a constantly evolving portfolio of plans, services, and support for meeting their changing needs equitably. These rewards generally include coverage such as professional development, flexible time off, gender-neutral paid parental leave, fertility support, and physical and mental wellness support. (Some benefits vary globally.) Detailed information about Okta's global benefits can be found at Okta's total rewards website at rewards.okta.com.

Learning and Development Programs

Okta offers full suites of training programs that help managers and employees grow at all levels of their careers and become strong leaders. We offer a host of manager training courses, and thousands of Udemy courses on every subject ranging from business, to tech, to design, and more. In addition, we provide around 80 DIB-centric courses in Udemy. Mandatory compliance training courses for new managers include Harassment Prevention Training.

Dynamic Work

In mid-2018, Okta created a blueprint for Dynamic Work with the goal of empowering employees to be their most productive and successful selves wherever they want to work. We imagined Dynamic Work to be an opportunity to diversify our workforce, making it possible to include workers who didn't live within a reasonable commuting distance of our offices.

In the spring of 2020, Dynamic Work was accelerated to meet the needs of our employees. Dynamic Work became the new way of working as we transitioned to working from anywhere, within weeks. Okta acted quickly to support employees with the necessary technology and infrastructure. Going forward, Okta's goal is to provide flexibility and choice to our employees for benefits, schedules, and employee experiences, agnostic to their location.

In order to foster connections between dynamic workers, we have adopted platforms that allow employees to connect with others with common interests, regardless of their geographic location. Some of our employee experience programs include OktaFit (encouraging holistic mind, body, and community health), Headspace (a mental health and professional development tool), Donut (a "virtual watercooler" app that fosters new connections), and more than 20 social clubs.



Community

Employee Resource Groups (ERGs)

ERGs are central and critical to building a sense of community at Okta. They do it in a number of ways: hosting events, offering professional development, organizing cultural celebrations, and leading philanthropy. Our ERGs are employee led and employee driven, each with the backing of an executive sponsor. The groups work closely with the DIB team to strengthen our sense of community and culture of belonging.



Women @ Okta

is a platform to educate, support, and ultimately improve gender diversity at Okta. We want to create an inclusive workplace that inspires and empowers all women to grow with Okta.



Pride @ Okta

is dedicated to providing support, resources, social, and networking opportunities for the LGBTQ community and allies in support of Okta's commitment to people.



People of Color @ Okta

is dedicated to promoting equity and inclusion through representation of all cultures, ethnicities and genders. We aim to disrupt the status quo by building a culturally and ethnically diverse community that celebrates our intersecting identities at Okta.

Our ERGs organize events focused on community building, professional development, philanthropy, and celebrating our unique cultures. Some of our most prominent projects and events this year include:

Women @ Okta

- Hosted career journey sessions with executive leadership
- Sponsored Girls Who Code's "Code at Home" program (\$10K commitment over the year)
- Hosted Women Impact Tech [San Francisco Summit](#)

Pride @ Okta

- Donated \$2000 from Pride Month Employee Giving Fund to Trevor Project and \$1500 to Youth Space in San Jose
- Hosted company-wide speaker series featuring the Stonewall Association of London, Wade Davis (a former NFL player), and others
- Donated \$5000 to Larkin Street and \$2000 to HRC DC

People of Color @ Okta

- Partnered with SF YMCA on Youth Robotics Build with 25+ participants
- Raised \$100K+ in POC Employee Giving Fund for racial justice (recipient organizations selected by POC)
- Hosted cultural celebrations including Black History Month, Hispanic Heritage Months, and Lunar New Year

Inclusion Council

We have created strong momentum around DIB issues at Okta in the past year, but we know that DIB can't exist in a silo. Each individual business unit understands its own hiring needs and challenges to creating an inclusive environment much better than the DIB function and affinity groups.

In 2020 we founded an Inclusion Council to create and nurture a mutually beneficial partnership, integrating DIB goals into all our business units. Our Inclusion Council consists of more than two dozen individuals from across our global offices, representing a diverse mix of race and ethnicity, gender, but also a mix of job roles, tenure, and management levels. This volunteer council aims to integrate our DIB values into every aspect of our business approach and culture, launching projects and events to build a sense of unity.



Okta for Good

Okta has made a commitment to [social and environmental responsibility](#) to maximize benefits to society, the environment, and all of our stakeholders. [Okta for Good](#) is our social impact arm, with a mission to strengthen the connections between people, technology and community. We believe that social impact is foundational to Okta's culture, business, and long-term success.

Okta for Good mobilizes our most important resources – our people, our products, and our dollars – in the service of our communities. Since 2017, Okta for Good has hosted an annual Tech Pathways Week, a chance to expand economic opportunity by opening our doors and connecting underrepresented youth and job seekers to careers in technology. Through this initiative more than 750 employee volunteers have reached more than 1,000 community members. Our 2019 survey showed that 26% of community participants had never spent 1:1 time with a tech professional before, and 43% had never set foot inside a tech company's office before. Our efforts were worthwhile: 94% of community members reported a positive impact on their understanding of career opportunities in the tech sector, and 40% of our employees said the experience changed how they would think of hiring future candidates.

Through Okta for Good, we have hosted 65 interns over the past 7 years, bringing diverse talent through our doors year-round thanks to partnerships with organizations including Genesys Works, Year Up, Students Rising Above, SHIFT, JVS, and San Francisco's "Opportunities for All" program. Of the eligible interns (those that weren't still full-time students), more than 50% were hired into full-time roles.



Okta for Good, by the Numbers

Impact on the community:

\$931K

in cash giving in Okta FY20

\$2.2M

in donated technology in Okta FY20

Impact on employees:

88%

of employees engaged in giving or volunteering in Okta FY20

95%

of employees are proud of the way Okta gives back

7,500

all-time volunteer hours since Okta for Good began in 2016

Nurturing a Culture of Inclusion and Belonging

Personalized DIB Learning Platform

In order for Okta employees to continue learning about how our differences make us stronger and build a connected and inclusive community, our DIB team offers multiple opportunities.

Earlier this year we launched Crescendo, a personalized DIB learning tool. With Crescendo, we provide everyone with a way to receive self curated content to learn about DIB at their own pace.

We believe in creating spaces for open discussions and skill-based learning to empower inclusive actions across our teams. The DIB team hosts regular safe space discussion forums and facilitated workshops on a range of topics including psychological safety, inclusive leadership and Identity concerns and mental health.

In the summer of 2020, we launched a special mentoring program focused on mentees from under-represented communities at Okta. This 6 month pilot mentoring program allows mentees recruited by our ERGs to connect with leaders at Okta professional learning journey.



Building Inclusive Products

Okta goes to market and sells to diverse audiences around the globe. We work hard to ensure that the platform we've built, the products we create, and our interactions with customers respect and protect their unique identities. This requires conscious attention to the language and design concepts we leverage. It means paying attention to the speakers we put on stage. It also means looking up from our work to study the marketplace around us so we can identify and support founders and startup ecosystem partners whose ambitions we admire.

Intentional Inclusivity

Inclusive Language

We recognize that communication — both verbal and non-verbal — is a critical part of creating a sense of inclusion and belonging within teams and across our organization, with our community, and our customers. Historically, language has stereotyped or excluded certain groups based on their gender, ethnicity, sexual orientation, socio-economic status and many other identifiers. We recognize our responsibility to lead and implement changes that allow for more inclusive language. As part of our Inclusive Language Project, we're committed to removing charged or exclusionary words and phrases (e.g., blacklist/whitelist, master/slave) from our product, code, and messaging.

Product Design Accessibility

We commit to making our product inclusive. In the past couple of years, we've implemented important accessibility fixes to our most heavily-trafficked features, including keyboard navigation, screen reader enhancements, and stronger color contrast for clear text readability. We will continue to improve product accessibility because inclusive design improves the experience for everyone, not just those with limitations.



Building an Inclusive Podium

Corporate Events

Okta has long focused on featuring diverse speakers at their corporate events. For the Oktane17 customer conference, Okta increased their commitment and took the 50/50 pledge, committing to always having 50/50 gender diversity on the keynote stage. Since then, Okta has kept diversity of all kinds top of mind and has had 25% of Oktane mainstage speakers represented by diverse groups. Okta has also set a goal of representing diverse speakers at all corporate events.

In recent years, Oktane organizers have brought additional diversity programs and speakers to the program. In 2017, Okta introduced an annual “Women in Tech” program, featuring customer,

partner, employee and guest speakers. The following year, Okta added a Diversity & Inclusion conversation wall, sponsored by Okta's People of Color employee resource group. In 2019, Okta added a Pride Happy Hour and began reserving a select number of complimentary passes to Oktane for members of underrepresented groups in technology as part of our [Oktane Inclusion Program](#).

In 2020, amidst the scramble to a virtual Oktane, Okta added a breakout session with guest speaker Audrey Blanche, Director of Equitable Design and Impact, from Culture Amp, discussing Cultivating Balance and Belonging on your Teams.

Oktane organizers are currently working with the DIB team to develop six new sessions for the 2021 event that focus on women, people of color, veterans, and those with disabilities.



JeffersonStarChip
@JeffersonStarChip

So pleased at [#Oktane19](#) conference today. I've attended 5 talks today, and every single one had a woman on stage. Most talks also had POC!

That doesn't happen by accident. GREAT JOB, [@okta](#). Noticed and appreciated.

4:10 PM · Apr 2, 2019 · Twitter for iPhone

7 Retweets 5 Quote Tweets 44 Likes



JeffersonStarChip @JeffersonStarChip · Apr 2, 2019

Replying to [@JeffersonStarChip](#)

UPDATE: With the closing keynote, that makes 6/6 sessions with women presenters. Perfect record for the day.



8



Okta is Committed

Okta's core values continue to inspire and guide our DIB efforts. Act with Integrity and Empower our People provides a strong foundation of our DIB strategy. The core value of "never stop innovating" has driven many new DIB programs, and continues to push us forward. And our number one value, "love our customers," requires us to have a diverse workforce who can understand our global customers' diverse set of needs. Finally, this State of Inclusion report dovetails especially well with the core value "be transparent."

Based on our recent DIB survey and highlighting the top concerns of our female identified employees and ethnic minorities, our areas of focus for the next 12 months are ensuring processes for equal opportunity, enhancing a

sense of inclusion, and acceptance and creating inclusion goals and accountability metrics. We are looking forward to implementing our competency-based promotions philosophy, internally tracking and reporting on inclusion scores across the company and different departments, and prioritizing inclusion efforts by the leadership in our quarterly Okta Alignment Reviews.

We are committed to taking strong actions to support diversity and equity within our organization, in our community, and around the world. We will continue our efforts to build a diverse workforce, support a diverse workplace, and reach out to our marketplace to encourage inclusion and belonging.

If you would like to join us in driving our mission, please consider a [career at Okta](#).



METHODOLOGY

We have worked carefully to standardize our data. Unless otherwise noted, this report presents and analyzes data based on individuals who were employees of Okta at any point between September 1, 2019, to August 31, 2020. This time period is referred to as "this year," and "in 2020." Similarly, when we refer to "last year," or "in 2019," we are referring to equivalent data from September 1, 2018, to August 31, 2019.

Tech Workers: Our tech workforce is defined by position and not department, and includes all technical occupations in engineering and technology. Technical positions require deep technical specialization and knowledge, as well as managers, directors, and executives who oversee technical employees and the development and delivery of technical products.

Underrepresented Minorities: We define underrepresented minorities as U.S.-based employees who self-identify as Black, Latinx, Hispanic, American Indian, Alaska Native, and Native Hawaiian/Pacific Islander.



Belonging Matters

ABOUT OKTA

Okta is the leading independent provider of identity for the enterprise. The Okta Identity Cloud enables organizations to securely connect the right people to the right technologies at the right time. With over 6,500 pre-built integrations to applications and infrastructure providers, Okta customers can easily and securely use the best technologies for their business. More than 8,950 organizations, including JetBlue, Nordstrom, Slack, Teach for America and Twilio, trust Okta to help protect the identities of their workforces and customers. For more information, go to okta.com.