



2023
Inclusion & Diversity Annual Report







# **Inclusion & Diversity Council**

#### Overview

In September 2020, VSE established the VSE Inclusion & Diversity (I&D) Council. This Council, made up of leaders from across all business units, developed a framework and action plan for diversity and inclusion initiatives throughout the organization.

#### **Awareness**

To recognize, embrace and encourage our differences and what makes us unique.

## "Speak Up" Culture

Open and candid communication, feedback and dialogue around experiences, concerns and/or discriminating behaviors.

## **Accountability**

Ensuring an open reporting process and consequences for actions that violate VSE policies and/or our cultural values.



The Council conducted a survey of the VSE community to identify immediate focus areas and actions necessary to make a significant impact across the organization. Employees shared insights on what matters most to them. As a result, the I&D Council:

- Created an Inclusion & Diversity Council Mission: "To improve our organization to one that promotes and celebrates a culture of belonging where 'Together, as Ourselves, we are More."
- Established an I&D Spotlight in the monthly VSE Connection newsletter to promote awareness.
- Hosted enterprise-wide I&D Roundtables to encourage open dialogue and feedback.
- Created a VSE Inclusion Policy to enforce accountability.
- Sponsored multiple Employee Resource Groups (ERGs) including Women in the Workforce, Latinos Unidos, PRIDE and Veterans.
- Created a VSE I&D website to further increase awareness.
- Enhanced our "Speak Up" culture with open and candid communication, feedback and dialogue around experiences, concerns and/or discriminating behaviors.
- Drove accountability by ensuring an open reporting process and consequences for actions that violate VSE policies and/or our cultural values.
- Increased Diversity & Inclusion awareness by rolling out I&D training to VSE leaders, with plans for broader implementation across all levels.

This report details the accomplishments and outlines future directions for the VSE Inclusion & Diversity Council.





#### **Council Members**

Each year, the Council conducts a review of its members to ensure that, as we grow and evolve, our members continue to reflect and align with our company culture.

#### **I&D** Website

The <u>Inclusion & Diversity Council website</u> is the resource for all VSE employees to learn more about the Council, our roundtables, calendar of events, established Employee Resource Groups and guidelines, and other important information and documents pertaining to VSE I&D.



John Cuomo



Krista Stafford



Michele Delacruz



**Brad Eckroth** 



Ken Ackerman\*



Rebecca Ketchum



Felix Quijano\*



Kellye Sheehan\*



Brian Haggenmiller



Dana Katalinas\*



**Ashley Lowe** 



Michael Prkic

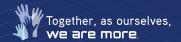


Vanessa Flores

\* I&D Council members departed February 2024 with the divestiture of the FDS Segment







## **Inclusion & Diversity**

## **Annual Survey**

## **Report Overview**

Over the past three years, the I&D Council has surveyed the VSE workforce to gather employee perspectives on inclusion and diversity. The survey consists of eight rated questions and two open-ended questions. These rated questions present statements for participants to rate their agreement level on a scale ranging from "Strongly Agree" to "Strongly Disagree." Our aim is to boost engagement and agreement with these statements and showcase year-over-year progress. To the right are the questions and ratings from the past three years.

## Year-Over-Year Results Summary

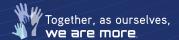
The results are as follows:

- 2021 to 2022: Positive trends with an increase in agreement year-over-year
- 2022 to 2023: Negative trend with a decrease in agreement year-over-year
- The number of respondents is similar for both periods

The results highlight areas where we need to focus our efforts on our journey to foster an inclusive environment across all levels of the organization. In response, we have developed specific actions to address these key areas in 2024.

Survey Questions	Survey Responses		
Our vey adds iions	2021	2022	2023
My division hires people from diverse backgrounds.	75%	76%	70%
There are individuals within leadership, with similar backgrounds, that I feel comfortable speaking to about professional development.	72%	77%	69%
If I saw something wrong at work regarding how one or more of my coworkers was being treated related to diversity, I would feel comfortable reporting it without fear of retribution or retaliation.	75%	76%	71%
When myself or others SPEAK UP at work, our opinion/ perspective is valued by leadership.	62%	65%	58%
I feel that my compensation is fair, relative to similar roles within my organization.	42%	45%	43%
All people have equitable opportunities to succeed in this organization, no matter their race, ethnicity, gender, sexual orientation, religion, or cultural affiliations.	68%	76%	68%
I see strong leadership support of the company's value of diversity, inclusion, and equality.	61%	71%	64%
I believe the company will take appropriate action in response to incidents of discrimination.	78%	77%	67%





# **Inclusion & Diversity**

## **Policy**

In 2021, the Council established the VSE Inclusion & Diversity Policy. This policy is a dynamic document; as we continue to evolve, we will explore additional ways to align it with our company culture. The policy, accessible on the VSE Intranet (SharePoint), outlines details on the following:

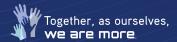
- Policy Overview
- Actions Fostering Inclusion
- Accountability
- Speaking Up
- Enforcement
- Categories of Violations

View the Policy Here









# **Diversity**

#### **Metrics**

#### **Overview**

Annually, the I&D Council examines diversity metrics for the organization. As of January 2024, the VSE Diversity Metrics are as follows. The Council will scrutinize these metrics to monitor progress, identify trends, and pinpoint areas for improvement within our organization. We're pleased to announce that in 2023, we hired or promoted 37 diverse leaders, including those elevated to higher leadership positions within the organization.

### Race/Ethnicity

#### All Employees

Race/Ethnicity	Total Employee Count	%
Non-White	828	40%
White	1232	59%
Decline to Answer	20	1%

#### People Leaders

Race/Ethnicity	Total Employee Count	%
Non-White	74	29%
White	174	70%
Decline to Answer	2	1%
Grand Total	250	100%

#### Senior Leaders

Race/Ethnicity	Total Employee Count	%
Non-White	18	26%
White	51	74%
Decline to Answer	-	-
		100%

#### Gender

#### All Employees

Gender	Total Employee Count	%
Female	634	30%
Male	1446	70%

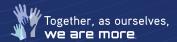
#### People Leaders

Gender	Total Employee Count	%
Female	71	28%
Male	179	72%

#### Senior Leaders

Gender	Total Employee Count	%
Female	17	25%
Male	52	75%





## Age

#### All Employees

Age	Total Employee Count	%
Under 40	205	39%
Over 40	314	61%

#### People Leaders

Age	Total Employee Count	%
Under 40	48	27%
Over 40	128	73%

#### Senior Leaders

Age	Total Employee Count	%
Under 40	11	17%
Over 40	55	83%

### Veteran

#### All Employees

Veteran Status	Total Employee Count	%
Veteran	284	14%
Non-Veteran	1796	86%

#### People Leaders

Veteran Status	Total Employee Count	%
Veteran	30	12%
Non-Veteran	220	88%
	519	100%

#### Senior Leaders

Veteran Status	Total Employee Count	%
Veteran	8	12%
Non-Veteran	61	88%

## Disabled

#### All Employees

Disability	Total Employee Count	%	
Disabled	212	10%	
Not-Disabled	1868	90%	

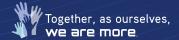
#### People Leaders

Disability	Total Employee Count	%		
Disabled	21	8%		
Not-Disabled	229	92%		

#### Senior Leaders

Disability	Total Employee Count	%		
Disabled	6	9%		
Not-Disabled	63	91%		





# **Board Diversity**

#### **Matrix**

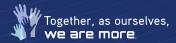
Since 2021, we've added three new board members, two of whom bring diverse perspectives.

Total Number of Board Directors: 10				
	Female	Male	Non-Binary	
Directors	2	8	0	
African American or Black	0	1	0	
Alaskan Native or Native American	0	0	0	
Asian	0	0	0	
Hispanic or Latino	0	0	0	
Native Hawaiian or Pacific Islander	0	0	0	
White	2	7	0	
Two or More Races or Ethnicities	0	0	0	

The VSE Board is dedicated to advancing diversity and inclusion by ensuring a significant representation of its members come from diverse communities. This commitment underscores our dedication to embracing diverse viewpoints and cultivating an inclusive decision-making environment that mirrors the diversity of our stakeholders and society as a whole.







## **Inclusion & Diversity**

#### Roundtable Series

A key goal for the Council is to sustain our roundtable initiative, which was launched in 2021, providing our organization with a platform that encourages passionate dialogue among participants and offers essential feedback to the Council. In 2023, the Council hosted roundtables centered around the following themes:

- Embracing Cultural Diversity
- Fostering Workplace Belonging
- Navigating Challenging Conversations
- Encouraging Diverse Abilities

For each roundtable, the Council disseminates high-level notes, actions, and key takeaways so the entire VSE community can benefit from our shared insights. Below are brief summaries of each session. Detailed points and takeaways for each roundtable are archived on the <a href="Inclusion & Diversity webpage">Inclusion & Diversity webpage</a>, accessible on the VSE SharePoint site at vsecorp.com/sharepoint.com. If you would like to suggest a future roundtable topic, please email: <a href="SpeakUp@VSECORP.com">SpeakUp@VSECORP.com</a>

#### **Embracing Cultural Diversity**

Over 200 employees participated in the lively virtual session and discussion. The main highlights revolved around:

- Defining Cultural Diversity
- Identifying instances of Cultural Diversity in the workplace
- Strategies to embrace Cultural Diversity and foster a sense of belonging

Access this roundtable recap here.

#### Fostering Workplace Belonging

Our discussion focused on Employee Resource Groups (ERGs) and their influence on our organization. During the session, we explored the history of ERGs, and representatives from various VSE groups, including Women in the Workforce, Latinos Unidos, and PRIDE, presented their initiatives. **Key takeaways:** Every employee has the power to make an impact or "make things happen." A single individual can influence many. If you have ideas to promote belonging, Speak Up.

Access this roundtable recap here.

#### **Navigating Challenging Conversations**

Our discussion focused on the importance of having challenging yet constructive conversations about inclusion and diversity, both in the workplace and with our loved ones. **Key takeaways:** These conversations can be challenging – approach them with an open mind, prepared to learn and listen. Assume positive intent and exemplify the behavior you'd like to see in the world.

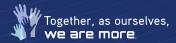
Access this roundtable recap here.

### **Encouraging Diverse Abilities**

Guest motivational speaker Yessenia Leyva guided our discussion on "Encouraging Diverse Abilities." This roundtable focused on defining disabilities and exploring the various types that exist. We delved into statistics regarding U.S. adults with functional disabilities, but more importantly, we discussed how to offer support to all individuals with disabilities and make the topic more mainstream. **Key takeaways**: See the person beyond their disability. Extend a friendly greeting and ask questions. As you learn more, strive to do better.

Access this full roundtable recap here.





## **Employee Resource Groups**

### Overview

#### Women in the Workforce

"Our mission is to support women to achieve their full potential; to encourage, enable and facilitate their active involvement in VSE.

We seek to achieve this by raising awareness, empowering women, promoting inclusion, changing perceptions, and impacting company policy to reflect equality, not only for women but for all employees."

Women in the Workforce was founded on the fundamental principle of empowering women to achieve their full potential. Our mission extends beyond individual empowerment to actively promoting broader ideals of inclusion, reshaping societal perceptions, and influencing company policies to foster equality. We strive to cultivate a workplace culture that transcends gender barriers, prioritizing the advancement and well-being of all employees. By challenging traditional norms, we aim to create an environment where every individual, regardless of gender, feels valued, supported, and has equal opportunities to succeed professionally.

In 2023, Women in the Workforce not only met but surpassed its goals, making a lasting impact throughout VSE. Our focused efforts led to a significant increase in membership, broadening our influence across the organization. By mid-year, we formed a taskforce committed to driving positive change, particularly in company policies. In our commitment to employee well-being, we successfully advocated for the creation of two wellness rooms on our campuses to address diverse needs such as nursing mothers, mental health breaks, and more. Additionally, we collaborated with the Total Rewards team to enhance VSE's Bonding Leave,

expand Bereavement Leave and introduce additional leave options for those caring for aging parents or providing compassionate care to loved ones.

As we reflect on these accomplishments, we are enthusiastic about the future and the continued impact we can make together. The progress made in 2023 lays the groundwork for ongoing advocacy, inclusion, and positive transformation within our organization and beyond.

Amanda Huelskamp, President 316-247-5442 Amanda.huelskamp@vsecorp.com

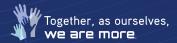


## **LATINOS UNIDOS** Latinos Unidos

"Our mission is to support, unit, and empower Latinos and allies through personal and professional development."

Latinos Unidos is an ERG established in March 2022, primarily consisting of members from the Hispanic/Latino community. We convene to discuss various topics, including work-life balance, mental health, and professional development. Our mission is to raise awareness and educate others about the experiences of being Latino(a) or Latinx by collaborating with VSE employees from diverse cultural backgrounds.





In 2023, Latinos Unidos hosted the following events and discussion:

- Inclusion vs. Diversity Discussion
- Impostor Phenomenon Discussion & Workshop
- Tips to Maintain Work-life Balance Workshop
- Cafecito (small coffee) sessions with VSE executives and senior leaders
  - » John Cuomo, President & CEO, VSE Corporation
  - » Krista Stafford, Chief HR Officer, VSE Corporation
  - » Ben Thomas, President, VSE Aviation
  - » Pedro Gonzalez, Vice President & GM, VSE Aviation Distribution

In 2024, Latinos Unidos will focus on the following goals:

Inclusion vs. Diversity Discussion

- Increase membership by 20%
- Host two personal and professional workshops
- Host one company-wide event

Vanessa Flores, President 954-869-5936 vflores@vseaviation.com



### PRIDE GROUP Pride Group

"Our mission is to raise awareness of LGBTQ+ Community and Allies by creating a safe space to celebrate our members."

Formed in 2022, the PRIDE ERG has the following Vision:

"We aim to build a safe and supportive group for VSE employees to interact with, learn from, and understand each other. We talk openly and confidentially about real issues facing the LGBTQ+ community with the intention of bringing these learnings to the broader VSE organization to create a more inclusive culture – where all employees are welcome."

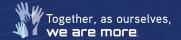
We focus on community, awareness and education, leadership communication and celebration of the community.

Our goals for 2024 are to broaden our company-wide impact by increasing awareness of PRIDE and all ERGs. Membership is crucial as it represents growth and understanding of the topics we address. We aim to expand our membership while maintaining the integrity and openness of our meetings.

Monique Felix, President Monique.Felix@vseaviation.com







## VSE VETERANS

#### **VSE Veterans**

"Our mission is to share ideas and topics related to Veterans such as benefits and resources and to inspire one another through leadership talks."

The Veterans Employee Resource Group (ERG) is the newest ERG at VSE. We held our first unofficial Veterans ERG on June 6, 2023, to honor the Veterans who served on D-Day. Our inaugural official Veterans ERG meeting took place on August 15, 2023. The Veterans ERG primarily consists of military Veterans and allies who have close ties to or support Veterans. We meet every second Tuesday of alternate months to discuss topics related to Veterans, such as VA benefits and resources, and to inspire each other through leadership talks.

Last year, we established our leadership team with three Veterans representing the U.S. Army, U.S. Air Force, and U.S. Navy serving as President, Vice President, and Secretary, respectively. They are supported by a dedicated sponsor and ally who holds Veterans close to her heart. To guide the direction and focus of the Veterans ERG, we initiated our meetings with a poll among ERG members to determine our azimuth. Additionally, we designed a Veterans ERG Challenge Coin to honor individuals who contribute to the Veteran community and guest speakers.

Valentin Fletes\*, President Valentin.Fletes@vsecorp.com



## \* Departed February 2024 with the divestiture of the FDS Segment

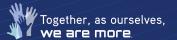
### More Employee Resource Groups coming in 2024!

We welcome and encourage ideas for creating additional ERGs! If you're interested in joining an existing group or starting a new ERG, please email SpeakUp@VSECorp.com.









## **I&D** Council's

#### 2024 Initiatives

In 2024, the I&D Council aims to enact positive change in both diversity metrics and employee survey results through the following initiatives:

- Expand engagement of VSE ERGs by reaching out to new employees and those joining VSE through acquisitions.
- Organize an I&D Summit for I&D Council members and ERG Leaders.
- Host a minimum of three (3) I&D Roundtables to promote open dialogue and gather feedback. Include at least one (1) session with a special guest speaker.
- Include "Inclusion & Diversity" as an option in the Quarterly NPS survey to identify opportunities for improvement.
- Extend the Eskalera I&D Training curriculum to individual contributors across the organization.
- Conduct a minimum of two I&D Breakouts (Circles) specifically for all People Leaders.
- Enhance the VSE Careers page to attract diverse candidates by incorporating I&D-focused videos.

The I&D Council is enthusiastic about the progress we aim to achieve this year for our organization and its culture. We always value feedback and welcome any suggestions you may have. Please reach out to us at <a href="mailto:SpeakUp@VSECorp.com">SpeakUp@VSECorp.com</a>.





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