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We have reached a critical stage in digital transformation where companies are succeeding and failing based on their ability to translate data into insights at record speed. However, today only 5 percent of businesses around the world are true digital businesses.

According to the 2018 Dell Digital Transformation Index, 91 percent of businesses cite data privacy and security concerns, lack of budget and resources, and lack of in-house skills and expertise as the top barriers to transformation. It is no surprise then, that the same index found the top IT investment areas for business in the next 1-3 years are cyber security, internet of things, multi-cloud, and artificial intelligence.

The work, innovation and investment to support that is happening now, and Dell Digital is leading the digital transformation for Dell and our customers. Throughout our transformation, we have consumed what we’ve created. We are streamlining our people, processes, and information, and we are trying new approaches that challenge traditional thinking and drive innovation with IT in the enterprise business. One way we are doing this is with our Office of the CIO model. Instead of having one CIO, we are four senior executives leading essential business areas while coming together to set and direct the organization’s vision and strategy. Collectively, we report to Howard Elias, president of Dell Services and Digital.

This new way of working has improved the quality of collaboration across the company. We are seeing deep, aligned integrations across teams improving the way we work, how we work alongside our business partners, and most importantly how we are improving the customer experience.

2018 has been a wildly transformative year for Dell Digital and our customers. To learn more about the strides we’ve made and where we are headed in 2019 and beyond, we invite you to keep reading.

Greg, Jen, Scott and Garry
Dell Digital by the Numbers

**Infrastructure**

- **22** Data centers
- **140PB+** Storage
- **86%** Virtualization
- **74K+** Virtual machines
- **70K+** Mobile phones WS1 MDM managed
- **10** Dell and
- **12** Original Design Manufacturer factories supported worldwide
- **172** ecosystems supported

**Customer experience**

- **19** Consecutive quarters of CSAT growth for commerce platform
- **893M** customer visits
- **24M** orders
- **84K** Shipments each day
- **3,300+** Dell Digital Way conversations
- **Online 26** languages in every country in the world
Our Digital Transformation

Dell Digital is driving Dell’s digital transformation with the resources, tools, and technology that power Dell’s customer-first platforms, operational excellence, and team member experiences. We are delivering these innovative and transformational digital systems with security and compliance for our customers and team members, and we do it in the Dell Digital Way – a direct, simplified approach to quickly design, develop, iterate and deliver new products.

While digital transformation is necessary to compete and lead in today’s marketplace, integrating digital technology into all areas of a business fundamentally changes how it operates and delivers value to customers. Digital transformation isn’t simply a technical job for IT to do, rather IT must rise to lead the organization through digital transformation across people, processes, and technology – and that’s what Dell Digital did extremely well in 2018 and will continue to do today and in the future.
People

In 2018, we continued to invest in the modern tools and technology that deliver One Dell, One Experience across our global workforce. This means having a unified experience across the technology and resources for team members to be their best and do their best work every day, anytime, from anywhere.

In doing so, we redesigned and relaunched our intranet site Inside Dell Technologies as a modern digital experience with unified navigation and improved search to be a valuable resource to our 100,000+ team members. We also deployed a solution giving team members access to their email and calendars without connecting through VPN (Virtual Private Network) to make it easier for them to collaborate and get work done.

We also expanded our videoconferencing options by launching a unified videoconference experience with modern cloud-based collaboration tools, and we streamlined password authentication using fingerprint and facial recognition technology to provide seamless verification and access to our team members. We also deepened our commitment to contemporary IT support – in person and online – and developed new modern digital means for communicating technology deployments and enhancements.

Another area we continue to make significant improvements in is our Day One employee experience. This year, nearly all new hires had the technology, pre-set credentials, and access to intranet, email, videoconferencing tools, calendars, and file sharing to collaborate with other team members on their first day of work.

Inspiring Team Members

The heart of Dell Digital is our innovative and inspiring team members – the GAME CHANGERS. We have teams of people across the globe who were rewarded for their innovations that improved customer experience, new hire experience, and business operations.

Making this possible are the teams of people within Dell Digital focused on driving a culture of innovation, diversity and inclusion. Throughout the year, the CIO People organization, our Dell Digital team focused on individual and leader development, hosted innovation rallies in the U.S., Bucharest, Ireland, Brazil, Bratislava, Cyberjaya, and India. They also scouted and nurtured computer engineer and computer science students through events like Interview U and the Code2College challenge.

As hackathons, hackouts, coder challenges and patent rallies inspired innovation, Dell’s Legacy of Good continued to inspire giving. We are committed to driving human progress by putting our technology and expertise to work where it can do the most good for people and the planet. In 2018, Dell Digital team members and teams volunteered more than 85,000 hours at more than 28,000 events in communities around the world.
Process

Last year, we introduced you to the Dell Digital Way – a cultural shift whereby we began using a direct, simplified, and streamlined approach to work together across functions to design, develop, iterate, and deliver new products and services. We adopted practices like test-driven development, paired programming, developer experience, DevOps, behavior driven development, and continuous integration/continuous deployment (CI/CD) across key ecosystems. In the simplest terms, the Dell Digital Way is about how we do everything digital.

This year, we have transformed virtually every corner of our own IT function by staying focused, executing, and delivering business value and higher quality at a higher velocity. We are managing our digital portfolio and leveraging agile tools and processes to enable more efficient data-driven decision making and governance.

We made significant progress enhancing and simplifying the end-to-end order experience. We partnered with teams across Dell consumer, commercial and enterprise businesses as well as Dell Financial Services to prioritize and address areas that mattered most to our customers. This resulted in automating ways to prevent the purchase of end-of-life products and accelerating processing of offline orders by email and fax.

In 2018, we provided even more order fulfillment options and increased visibility into delivery commitments – allowing us to provide accurate delivery dates on orders, expand direct ship options, and drive consistency in freight choice and pricing through process, policy and tool enhancements. This empowered our sales teams to make better decisions and upfront commitments to customers.

We also made it easier for customers and channel partners worldwide to track order status with enhanced self-service capabilities, including the ability to search by purchase order and more selectable fields for creating customized reports. And we expanded the Dell Financial Services credit platform UDE (Universal Decision Engine) to support several EMEA and APJ countries.

Working with the Dell Services and Pricing teams, we built a first-ever variable pricing solution that automatically adjusts the pricing of support, warranty and extension services based on the customer product configuration selected. Integrated into all online and offline sales tools across Dell, the solution provides more accurate pricing model across the full range of Dell EMC product configurations.

To accelerate delivery, we pioneered an innovative development approach where the solution was deployed and tested extensively by a subset of beta customers in an actual production environment. This provided a much more accurate way of finding and fixing system pricing defects before a live product launch. Delivered in just nine months, the solution debuted successfully with the launch of VxRail from one of Dell’s strategically aligned businesses VMware.

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Culture
Technology

Dell Digital had the most profitable Black Friday and Cyber Monday in company history, which also saw us reach our highest customer satisfaction scores to-date. And we did all of this with 100 percent uptime and 24x7 coverage with 500+ team members – proof that the Dell Digital Way is working well.

In 2018, we also redesigned our manufacturing data center in Brazil, replacing 100 percent of core infrastructure, and applied artificial intelligence (AI) and machine learning (ML) across our platform. We enhanced Dell Precision Optimizer 5.0 – the world’s first AI-based performance optimizer software for workstations1 – with a machine learning algorithm for improved speed and productivity.

We applied AI to generate product recommendations for customers on Dell.com as well as pull dynamic Smart Selection for sales makers and Premier customers. We also used AI to improve efficiencies and streamline order and pricing processes, and we increased fraud protection on orders saving significant dollars that could potentially be lost.

We also developed a new portfolio of data science use cases for Dell Precision workstations to help our sales team and customers understand the relevance of our products for their data science needs.

Innovative Commerce Experiences

Dell Digital also made huge strides in transforming Dell.com consumer, gaming, small business, commercial and enterprise experiences. We are driving visits, increasing traffic, and improving customer and gamer satisfaction through innovation, and leveraging AI and ML for our online offerings.

In 2018 we launched the new Dell.com product configurator built on Pivotal Cloud Foundry. This makes it possible for teams to launch products whenever they want, driving rapid innovation and value at scale. We also launched a brand-new navigation experience delivered in the Dell Digital Way. Frame Per Second, also introduced in 2018, has been broadly welcomed by gamers.

Due to improvements in our search engine optimization strategy, we’ve seen a double-digit year-over-year increase in consumer and small business customer visits and revenue driven through natural search on sites like Google, Bing, Yahoo and Baidu. We also made technical and content improvements for deals, product, and support pages with more unique titles and descriptions. This allows customers to see search engine results that are more relevant to their needs to find answers and products quickly.

The rollout of the MyDFS.com online customer portal made it possible for customers to manage their assets, accounts and payments through a modern desktop and mobile experience, and we migrated all Dell customers using Premier to a single, global, modern platform improving the online experience with greater stability and performance.

We continued to use our own products from Dell Technologies, as well. We developed an SD-WAN solution built on Dell EMC and VMware technologies that gave us an application centric approach to traffic forwarding with better policy-based routing. This made it easy for us to utilize any provider and any technology underlay while reducing rate, carrier transport, and lifecycle support costs.

1. Based on Dell internal analysis of competitive products as of March 2018
Partnering for Success

We deployed the Dell Digital Way when partnering with our businesses like marketing, finance, cybersecurity, sales, facilities and HR. In fact, our partners describe a new level of confidence and trust in working with Dell Digital, because of the faster, more iterative development process and working more closely with the business.

Partnering with Sales

Working with Dell’s sales teams, we accelerated the delivery of new capabilities and innovation to better address our customers’ needs. We launched a mobile app – the result of an unprecedented eight-week fast track development effort in which sales teams provided direct, real-time feedback to Dell Digital developers on preferred features which are released on a continuing basis. The app is built and hosted in Pivotal Cloud Foundry to speed development time and enable quick scale of data access.

Improving the order experience for Sales and Customers

Dell’s global Order Management and Support (OMS) team came to us because they needed a solution to improve the accuracy and cycle time of millions of orders that come in to Dell annually via fax and email. With a common aim of creating completely automated “frictionless” order processing, we leveraged machine learning and the latest in Optical Character Recognition (OCR), to develop Robotix, Dell’s first ever scalable OCR solution for digitizing offline purchase orders. Robotix improves the customer experience by processing orders faster, automating offline quality checks, and customizing order entry instructions.

Partnering with Services

By digitally transforming our fraud protection capabilities, Dell Digital is helping risk managers in Dell Services stay ahead of scammers and avoid potentially significant impacts associated with fraud loss. We worked with security, finance, and business representatives to deeply understand intelligence, processes and mapping of the systems involved. This led to an automated and real-time fraud risk detection solution that monitors millions of services transactions, identifies and analyzes anomalies, and issues alerts to allow security experts to take immediate action.

Partnering with our Customers

In line with our approach to working in the Dell Digital Way, we renamed our former IT Proven customer engagement program to Dell Digital Way. The program’s IT practitioner-led conversations continue to help accelerate thousands of customers’ digital transformation journeys with IT, workforce, security, and application transformation knowledge and experience in direct peer-to-peer engagements, Dell Technology World sessions, forums, blogs and many other ways.
Looking ahead, we are confident our transformation strategy will take all of Dell to the next level. We will continue our One Dell, One Experience journey – unifying and enhancing our communications and collaboration platforms and creating consistent experiences for all team members.

We will delight customers with innovative products, solutions and services that earn customer loyalty, lead our sector, and make it easy to do business with Dell Technologies. We remain focused on creating a world-class customer engagement experience, ensuring high availability with security and compliance as part of the fabric in all we do. We aim to enhance customer responsiveness and the order and services experiences and continue to lead by example with our own transformation journey.

What to expect in 2019

We will inspire team members with our commitment to achievement, balance, and connection, enabling our people to be their best and do their best work. We will enable team members to work in the Dell Digital Way, while embracing and building a legacy of good through community engagement, development and leadership programs.

Dell Digital successfully laid the critical groundwork of Dell’s digital transformation in 2018. In 2019 we are poised for accelerating our transformation and capitalizing on our winning strategy. We hope you’ll continue to join us on this journey as we Make IT Real.

Stronger with Security in 2018

Deployed Microsoft Office 365, which enabled the introduction of new and improved security features like Azure Information Protection and Outlook Anywhere.

Improved security in cloud, mobile, and virtual environments by setting privileged access management as the new security perimeter – enabling faster and more secure access to systems and applications.

Upgraded the legacy single sign-on platform used by Dell’s supply chain applications, resulting in a more secure and highly available authentication service. Includes new self-service identity registration capability for better user experience.

Ensured our infrastructure, applications, and processes were secure, stable, reliable, and efficient to support what ended up being a record-breaking holiday season.