



OFFICE OF
**DIVERSITY
EQUITY &
INCLUSION**

FEDERAL RESERVE BANK OF RICHMOND

2022 Office of Minority and Women Inclusion Annual Report to Congress

On the implementation of Section 342 of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010



Federal Reserve Bank of Richmond

OUR MISSION

As a regional Reserve Bank, we serve the public by fostering the stability, integrity and efficiency of our nation’s monetary, financial and payments systems.

OUR CULTURE

We act as one team to serve the Federal Reserve System, our customers, our communities and each other to:

- Do the right thing
- Lead from where we are to make things better
- Embrace differences and opportunities to grow

OUR DIVERSITY, EQUITY & INCLUSION VISION

We excel at our public service mission by actively cultivating an inclusive culture and leveraging the skills and perspectives of our diverse workforce.

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This annual report, as stipulated by Section 342 of the Dodd-Frank Act, details specific work and progress made during the reporting period. Information pertaining to Regulated Entities is included in the Board of Governor’s Report as the primary regulator.

Overview and Introduction

THE RICHMOND FED

As one of 12 regional Reserve Banks across the country, the Federal Reserve Bank of Richmond represents the Fifth District, which is comprised of the Carolinas, Maryland, Virginia, Washington, D.C., and most of West Virginia. Our Bank works together with the other regional Reserve Banks and the Board of Governors to achieve our public service mission by promoting stable prices, employment and moderate interest rates through monetary policy; ensuring the nation's financial system is safe and sound; providing a secure and efficient way to transfer funds; and connecting with Fifth District community and business leaders to better understand local economic conditions and address issues facing Fifth District communities.

The Richmond Fed is headquartered in Richmond, Virginia, with branch offices in Baltimore, Maryland, and Charlotte, North Carolina. Our Bank includes two divisions — the Fifth District, also referred to as District, with responsibility for the primary functions of the Bank, and National IT, with responsibility for information technology for all Reserve Banks within the Federal Reserve System (the System). Bank employees are located across the U.S. and within offices of each of the 12 Federal Reserve Districts across the System.

OMWI OFFICE AND OVERSIGHT

The Office of Minority & Women Inclusion (OMWI), known at the Richmond Fed as the Office of Diversity, Equity & Inclusion (referred to here as the Office), works to support informed decision-making by promoting the diversity of our Bank's workforce at all levels in the organization; expanding opportunities for minority- and women-owned businesses to participate in procurement efforts; and enhancing financial education efforts — with a focus on majority-minority schools.

Senior Vice President and Chief Human Resources Officer Brielle Stanley serves as OMWI Director and head of our Bank's People, Culture and Wellness function. She reports to President Thomas Barkin on OMWI matters and to First Vice President and Chief Operating Officer Becky Bareford on other people and culture initiatives. Stanley also oversees the workforce diversity outreach efforts of the Richmond Fed. Beth Panilaitis served as the deputy OMWI director and Equal Employment Opportunity (EEO) officer during the reporting period. As deputy, Panilaitis reported to the OMWI Director and oversaw our Bank's workforce diversity, equity and inclusion (DEI) efforts, including supporting DEI business line needs, advancing a culture of inclusion and embedding DEI into business practices. Panilaitis assumed a new role within the Bank in February 2023 and it's anticipated that the search process for her replacement will conclude in March.

In addition to the deputy OMWI Director, for the reporting period the Office was comprised of one full-time DEI business advisor, one full-time DEI program coordinator and an early career analyst from our Bank's Discover rotational program. The Office also partnered with individuals across the People, Culture and Wellness function and throughout business lines to carry out our Bank's DEI mission.

Executive Summary

The Federal Reserve Bank of Richmond (our Bank or the Richmond Fed) is committed to building and maintaining a strong workforce to deliver on our public service mission, while strengthening the economy and our communities. Diversity, Equity and Inclusion (DEI) is an integral part of who we are and how we operate. From our strategic plan to our mission and goals, DEI is incorporated into every part of our organization, including our culture, our people, our community, our supplier engagement and financial education.

Fostering a diverse, equitable and inclusive culture is imperative to the continued success of the Richmond Fed. Accordingly, we embed DEI into our strategic planning, one area of which focuses on making our Bank a top place for top talent. The plan includes three primary objectives created to inspire a high-performing workforce through the selection, retention and development of diverse and talented employees. The three objectives are: Increase Bank Diversity, Equity and Inclusion; Deliver a Superior Workplace Experience; and Strengthen the Ability to Develop Self and Others.

In the area of Supplier Diversity, our Bank has a high-priority objective to lead the System's Procurement Strategy. This includes expanding our engagement with diverse suppliers in order to increase our Bank's diverse spend, our total number of diverse suppliers and our community impact. For Financial Education, we continue to focus on two key objectives: help students make informed decisions about post-secondary education and careers, and help students understand how the Federal Reserve System connects to the economic and financial decisions they make every day.

During the reporting period, we transitioned from a primarily remote work posture to a hybrid work model, leveraged technology and innovation to keep our employees connected and engaged, and used a multipronged approach to DEI that incorporates an internal and external strategy to help achieve our high priority objectives. We strengthened our internal talent pipeline through experience-based development, skill uplift, talent mobility and growth opportunities. We also maintained a broad external pipeline with a focused sourcing strategy and more concentrated efforts on our external networks and partnerships with universities and professional organizations. Not only are we working to attract and recruit diverse candidates, we also are

working to retain our talented employees by offering challenging business assignments, promoting an inclusive culture, and providing opportunities to develop, grow and connect with each other. Our diligence continues to produce tangible outcomes, such as growing diversity representation across the organization, a notable increase in minority officers and women in technology roles, and strong employee satisfaction — as evidenced by our 2022 Pulse Survey results and several local and national workplace awards that included employee satisfaction as a factor.

As of December 31, 2022, the Richmond Fed had a workforce of 3,244 employees. Our work to build a pipeline of diverse talent has helped us advance our overall representation of minorities (41% or 1,319 employees) and women (38% or 1,228 employees) — two underrepresented groups we highlight throughout this report. At the executive level, women and minorities represent 46% and 29%, respectively, with 4% representation of minority women. The combined total leadership population at the officer and executive levels is comprised of 42% women and 29% minorities, with minority women representing 13%.

While there is still room for improvement, senior leaders are proud of the progress our Bank has made as we strive to better represent the communities we serve among our Bank's population. Additional information on workforce trends and minority and women representation can be found in Appendix 1.

Our commitment to DEI extends to all business operations, and our procurement function plays an important role in creating an ecosystem for diverse suppliers in our community to reach their full potential. Our Bank's 2022 Supplier Diversity Program action plan was centered around increasing our Bank's diverse spend, leveraging opportunities to build our diverse supplier pipeline and enhancing our engagement with diverse suppliers in local communities.

Through our end-to-end engagement approach for supplier diversity, we're able to engage stakeholders throughout the procurement lifecycle. This approach affords us the opportunity to enhance relationships with diverse suppliers and strengthen our pipeline of potential vendors to ultimately drive an increase in our Bank's diverse spend.



To increase our organizational understanding and commitment to our Bank's supplier diversity goals, in 2022 we engaged Supplier Diversity Champions, created strategic partnerships with business lines and implemented feedback into our education and communications plans.

Externally, we expanded and refined our supplier diversity community engagement approach by launching a pilot mentorship program to equip, prepare and support minority-owned businesses to enhance their readiness for new business. Despite operating in both a virtual and hybrid posture during the reporting period, through our community outreach efforts we have both maintained and established new partnerships that have enhanced our diverse supplier engagement and economic inclusion.

In Financial Education, we continued to focus on helping teachers and students to broaden their understanding of our nation's economy; increasing student and teacher awareness of post-secondary educational pathways; and diversifying the pipeline into economics and related career fields. Throughout 2022, we provided targeted resources and programs to students, educators and the broader community. As the COVID-19 pandemic evolved, we transitioned from all-virtual programming to a hybrid programming model to meet the financial education needs of both our traditional and new audiences.

Despite a fluid and challenging environment, our Bank remained agile and determined and we are proud of our accomplishments. Moving forward, we have a solid foundation to continue achieving our DEI goals and building a workforce equipped to fulfill our public service mission in the diverse communities we serve.

The following highlights our workforce diversity, supplier diversity and financial education accomplishments and challenges during the reporting period, as well as insights on how we will continue our forward momentum.

SUCSESSES

Workforce Diversity

Increasing Bank Diversity, Equity and Inclusion

- Our 568 external hires included 51% minorities and 43% women, surpassing our overall workforce representation of 41% minorities and 38% women.
- Our minority officer representation increased from 16% in 2018 to 29% in 2022, reflecting an upward, five-year trend for minority officer representation.

- We employed 85 summer interns in 2022, of whom 57% are minorities and 49% are women.
- Of the 63 analysts participating in Discover (our two-year, entry-level rotational program), 52% are women and 52% are minorities.
- Nearly 30 HBCU students and recent graduates attended our first annual HBCU College Day, 12 of whom participated in online interviews for our Bank's 2023 internship program and six of whom accepted internship offers.
- To underscore the importance of DEI and its link to our culture and strategic objectives, in 2022 we set and reinforced performance objectives for all people leaders that were centered around people and culture and operating with excellence.
- Our strategic use of social media continues to improve our reach to a broader audience of prospective talent. On LinkedIn, we reached nearly 24,000 followers, a 24% increase for 2022 alone and a 27% increase over the previous years' growth. LinkedIn continues to serve as our top overall source for job applications, with more than 7,500 applications received in 2022.

Delivering Superior Workplace Experience

- We combined our Family Care Leave and Parental Leave policies into one comprehensive policy to be more inclusive of the needs for our broader workforce while also increasing the amount of family care leave offered to full-time employees.
- We trained 53 employees (60% women; 44% minorities) from various backgrounds and business areas to champion our workplace culture efforts.
- We held regular virtual and hybrid Employee and Leader Connect meetings facilitated by senior leaders to promote transparency and information sharing. We also held seven virtual Let's Connect sessions — with regular attendance ranging from 400 to 600 employees — creating a safe space for employees to discuss timely and emotionally charged topics.
- In 2022, 19 Bank officers served as Employee Resource Network (ERN) sponsors (53% minorities; 53% women) and 66 non-officer level employees were engaged in day-to-day ERN leadership (53% women; 42% minorities).
- In addition to being recognized as a 2022/2023 Fortune Best Workplaces for Millennials, The Richmond Fed was ranked 34th on the 2022 Diversity MBA Magazine 50 Out Front Companies: Best Places to Work for Women & Diverse Managers list, as well as being recognized on its specialty lists: 2022 Top 10 Best in Class Company for Workplace Inclusion and Retention; and 2022 Top Five for Leadership Representation and Board Diversity Ethnicity Mix.

Strengthen Ability to Develop Self and Others

- A total of 303 employees (60% women; 45% minorities), or 9% of our workforce, participated in 133 experience-based development (EBD) opportunities.
- From our Bank, 39 employees (62% women; 36% minorities) took advantage of System Leadership Exchange opportunities with other Reserve Banks, National IT and the Board of Governors.
- Our pilot sponsorship program, focused on developing and deepening talent pipelines, saw 27 total participants and included significant participation from minorities and women — 73% and 50% respectively — with women of color representing 31% overall.
- Our succession pipeline depth in all three readiness categories (ready now, ready 1–3 years, ready 3+ years) for our Bank’s critical roles increased from 5% in 2018 to 39% in 2022.
 - In 2022, 236 employees (42% women; 32% minorities) across our Bank were identified as succession talent for critical roles in all readiness categories.
- A total of 95 Bank leaders (58% women; 46% minorities) participated in our Path to Leading Others (PATH) and Partners in Professional Development (PPD) leader development programs.

Supplier Diversity

Grow Organizational Commitment

- The Richmond Fed increased our diverse supplier base through awards with eight new diverse suppliers — with a total of \$1.7 million of our Bank’s total diverse spend awarded to them in 2022. In addition, through collaboration with the National Procurement Office (NPO), we awarded one new large diverse supplier contract for the Federal Reserve System.
- Under the leadership of our employee Supplier Diversity Champions, we created a framework for establishing supplier diversity objectives for single business lines and updated our strategic communications plans for internal and external stakeholders.
- We hosted a Bankwide drop-in call to increase understanding of supplier diversity and procurement and our related strategic plan goals; 95% of participants who responded to the post-event survey said the session helped them better understand our Bank’s supplier diversity goals.

Expanding Community Engagement & Outreach

- We participated in 13 external outreach and matchmaker events (up from four in 2021) to help strengthen our diverse supplier pipeline.
- Throughout the reporting period we engaged in 256 matchmaking or technical assistance conversations with diverse suppliers; 15 of these suppliers were included in sourcing events.
- The Richmond Fed hosted a hybrid matchmaking event with 30 diverse Facility Management vendors, five of which were identified for potential inclusion in upcoming sourcing events.
- We welcomed over 140 participants who attended the Mid-Atlantic and Southeast Regional Supplier Diversity Summit, which was hosted in partnership with the Richmond, Atlanta and Philadelphia Reserve Banks.
- We convened the Richmond Management Roundtable (MRT) Supplier Diversity Community of Practice, providing a forum to collaborate with 12 other Richmond-based organizations focused on growing a more inclusive ecosystem for local minority-owned businesses.
 - Feedback shows 91% of MRT participants found value in the Community of Practice and 58% received at least one diverse-owned business referral.

Equipping and Supporting Diverse Suppliers

- Our Bank launched a pilot mentorship program with three minority-owned businesses to help improve their ability to competitively respond to proposal requests. Combined, the three mentees showed a 22% growth in their readiness and capacity to scale their business after completing the program.

Financial Education

- Our online course for high-school students, “Invest in What’s Next: Life After High School,” enrolled 7,749 students in 2022, including 3,366 from OMWI-designated high schools.
- In partnership with the North Carolina Council on Economic Education, 204 teachers, including 49 from OMWI-designated high schools, received instruction on how to integrate our “Invest in What’s Next: Life After High School” course as an instructional tool into class curriculum.
- In February 2022, as part of the Richmond Fed’s District Dialogue series, over 200 registered guests attended our Bank’s discussion on Human Capital Decisions and the Future of Work.

- Approximately 120 attendees from colleges and universities around the country explored a range of career paths available in the economics field at our fourth annual Diverse Economics (DivEc) Conference: One Field, Many Paths.
- In 2022, 283 economics students participated in our “Richmond Fed on Campus” program, discussing topics with Richmond Fed economists that included the Black-White wealth gap and the state of our economy.

CHALLENGES

Workforce Diversity

- In this competitive and dynamic labor market with changing demographics, we saw an uptick in turnover in certain hot jobs, thus retention and competitiveness in the labor market remain focal points.
- As we continue to navigate our hybrid work model, we face challenges in promoting an inclusive environment as our workforce and leaders are learning and adapting to new ways of working together.

Supplier Diversity

- We are working to address diverse spend concentration among a limited number of large diverse suppliers by focusing on increasing the pool of diverse suppliers in our sourcing events.
- We are working on building our diverse supplier pipeline to meet the business needs of our internal customers.
- We will continue to monitor the impacts of the COVID-19 pandemic as it relates to supply chain delays, potential labor shortages and rising prices that could impact project schedules.
- Hybrid supplier diversity events (with both in-person and virtual attendees) continue to be a challenge for our Bank as they tend to be less effective than those programs presented solely in-person or solely virtual.

Financial Education

- The ongoing impacts of the COVID-19 pandemic have hampered teachers’ ability to participate in professional development training opportunities.
- During periods of economic volatility, program participants can derail our educational program agenda with questions related to current events. To maintain the effectiveness of our planned curriculum, we work diligently to reframe these discussions and reinforce who we are and what we do.

- Hybrid program offerings (with both in-person and virtual attendees) continue to be a challenge for our Bank because they are less effective than those programs presented solely in-person or solely virtual, including training programming for teachers.

NEXT STEPS

Workforce Diversity

Increase Bank Diversity, Equity and Inclusion

- Focus on building our pipeline of women in technology and minorities in leadership by identifying best practices that resulted in hiring successes across the District and National IT.
- Build awareness for more equitable decision making in our talent processes and foster a more inclusive environment by cascading “Putting Equity in Motion” training through our Bank and setting a goal of 70% participation by our Bank’s people leaders in 2023.

Deliver Superior Workplace Experience

- Create consistencies in our application of Feed Forward — a form of feedback that encourages ongoing, solutions-oriented conversations — across our Bank to support employee development and improve business outcomes.
- Align and establish policies, processes and practices to support meaningful engagement in a hybrid environment, including setting expectations for in-person engagement to increase collaboration, foster mentorship and development, and ultimately drive stronger business outcomes.

Strengthen Ability to Develop Self and Others

- Mature our leaders’ ability to coach and develop talent across our Bank by developing and implementing a multi-year roadmap to assess and upskill our leadership talent.
- Increase leader accountability for driving Bank talent and culture priorities by incorporating desired leader competencies and behaviors into existing performance processes for 2023, including leader performance objectives and evaluation and succession planning activities.

We will also work to advance talent initiatives within the IT community by co-leading TalentNext, a critical initiative that is focused on developing, retaining and attracting a diverse technical workforce through System-level programs.

Supplier Diversity

- Evolve our data-driven approach to better identify high-potential areas for diverse supplier utilization, then coordinate matchmaking opportunities with targeted business areas.
- Further develop our multiyear, end-to-end supplier engagement strategy, including identifying the next iteration of our diverse supplier mentorship program.
- Increase executives' external engagement and leverage their influence to convene and connect with the community while identifying alignment with our supplier diversity goals.
- Work with the Federal Reserve System and external organizations to leverage insights and best practices.

Financial Education

- Explore new ways of connecting teachers and students to our "Invest in What's Next" program by helping to customize implementation for the unique challenges both teachers and students face in school systems throughout our District.
- Foster greater understanding and awareness of the Federal Reserve's role in the economy, leveraging the current economic climate as an opportunity to refocus our efforts and increase public trust in the Federal Reserve.
- Build and renew relationships with educators throughout the District through in-person programming, while embracing opportunities that lend themselves to a virtual format.

BOARD DIVERSITY

The Richmond Fed's Boards of Directors are comprised of 21 directors: eight in Richmond, Virginia; seven in Baltimore, Maryland; and six in Charlotte, North Carolina. As of January 1, 2023, we have one vacancy in Richmond and one vacancy in Charlotte. Directors include those appointed or elected in 2022 to terms that began on January 1, 2023, as well as directors who are currently serving existing terms. All Richmond Fed directors are expected to participate in the formulation of monetary policy and act as a link between the System and the public.

In terms of diversity, our boards have representation of women and minorities of 43% and 30%, respectively. The head office board is currently 56% female; the board chair is a non-minority female, and the deputy chair is a minority female. The boards' geographic diversity encompasses all states in the Fifth District, as well as Washington, D.C.

Our board members represent significant diversity across industries, which allows our senior leaders to have a better understanding of our differing communities and local economies. Industry diversity in 2023 for the Fifth District includes representatives from banking (26%), commerce/industry (17%), services (26%), consumer/community (17%), and agriculture (4%).¹ The services sector is comprised of industries such as education, information technology, nonprofit/business groups, and communications and public relations.

Additionally, our 2023 directors include the president of a historically Black college or university (HBCU) and a leading national children and youth foundation.

Diversity is a priority across our organization, including on our boards of directors. Recruiting directors is an ongoing process, and we consider many factors when assessing potential candidates. Individuals with diversity of background, career experience, industry representation, race, ethnicity, gender and geography bring a variety of perspectives that benefit the boards' and ultimately our Bank's work, provide valuable insights and are representative of the communities we serve in our District. Detailed metrics for our boards of directors can be found in Appendix 3.

¹Please note that totals may not add up to 100% due to rounding and vacancies.



Workforce Diversity, Equity & Inclusion

We are committed to building and maintaining a strong workforce to deliver on our public service mission of strengthening the economy and our communities. Our philosophy and commitment to diversity, equity and inclusion strengthens our workplace culture, informs our strategic objectives, bolsters our outcomes and successes, and drives us to overcome challenges, as outlined on the following pages.

As of December 31, 2022, the Richmond Fed had a workforce of 3,244 employees. Our work to build a pipeline of diverse talent has helped us achieve overall representation of minorities (41% or 1,319 employees) and women (38% or 1,228 employees); two underrepresented groups we highlight throughout this report. Minority female representation has risen from 16% to 17% since 2021. Currently, Black/African American employees represent 19% of our total workforce; Asian employees represent 14%; and Hispanic/Latino employees represent 5%. Early career employees now represent 26% of our total workforce. While we have made good progress in promoting a diverse workforce, this success is just the beginning of our aspirational vision to better represent our overall community.

At the executive level, women and minorities represent 46% and 29% of Bank leaders, respectively, with 4% representation of minority women. The total leadership population at the officer level is comprised of 42% women and 29% minorities, with minority women representing 13% of this group. Since 2021, minority officer representation increased by three percentage points in the Fifth District and by five percentage points in National IT. This increase is reflective of an upward multi-year trend of minority officer representation, which increased from 21% in 2020 and 25% in 2021, to 29% in 2022.

SUCCESSES

Increasing Bank Diversity, Equity and Inclusion

Hiring and Sourcing Highlights

In 2022, the number of positions filled at the Richmond Fed increased by 101% over the prior year, due primarily to an increased demand for talent in the information technology field. Despite the substantial increase in demand, we remained steadfast in creating diverse applicant pipelines that increase opportunities to hire diverse candidates. In 2022, 43% of our 568 external hires are women and 51% are minorities. Furthermore, of our 350 internal hires in 2022, 43% are women and 38% are minorities.

During 2022, we continued to focus on the diversity of our entry-level talent pipeline. Of our external hires, 51% were hired into entry-level (associate- and intermediate-level) roles, of whom 54% are minorities and 46% are women. We also continued our efforts to increase the number of qualified interns who are converted into full-time roles upon graduation, including through Discover — our two-year, entry-level rotational program. Discover provides recent graduates the opportunity to gain knowledge, skills and experience through a rotation in several departments, culminating in the opportunity for a full-time position at the Richmond Fed. In 2022, of the 63 analysts participating in the program, 52% are women and 52% are minorities. Of the 112 Discover Analysts hired since 2020, 53% have been women and 51% have been minorities.

For the first time since the COVID-19 pandemic in early 2020, the Richmond Fed's 2022 summer internship program welcomed 85 summer interns — of whom 57% are minorities and 49% are women — to our Richmond, Virginia headquarters for an in-person internship experience. Our internship program continues to provide a diverse pool of candidates for our Discover program. In total, 57% of Discover Analysts hired for our 2023 cohort were members of our 2022 summer internship program.

In 2022, we also enhanced our existing practices to improve our sourcing, recruitment and selection of candidates. These practices included continuing our use of diverse and inclusive recruiting principles; utilizing technology to screen our postings for potentially biased language; conducting proactive sourcing; assembling diverse panels for interviews; reinforcing leader accountability and expectations; and practicing self-monitoring during the evaluation process to challenge assumptions and help mitigate hidden bias. We also partnered with an external sourcing agency to expand our talent pipelines and increase opportunities to connect with diverse candidates.

In addition, we continue to recruit from diverse colleges, universities and professional organizations, and leverage existing employee networks to broaden and diversify our candidate pools. We continue to assess the staffing and sourcing needs of our organization and talent acquisition team to ensure we are meeting business needs and maintaining a focus on diversity and inclusion through the recruiting process.

Building Relationships and Partnerships

To support our continued focus on diversity in our early career pipelines, we expanded our relationships with two technical training and development programs for non-traditional talent and underserved communities. Through these relationships, we converted 13 contractors to full-time employees and hired two interns apart from our internship program in 2022. We also expanded our relationship with the CyberCorps® Scholarship for Service (SFS) program — a unique program designed to recruit and train the next generation of information technology professionals — by hosting an interview day for graduating SFS students and partnered with an IT talent sourcing vendor on a Recruitment Process Outsource (RPO) program. In 2022, we onboarded 10 SFS graduates into full-time roles and staffed four difficult-to-fill roles through this RPO program. These partnerships allow us to intentionally source and build pipelines for information technology and cybersecurity talent from a diverse and qualified talent pool.

In our campus recruiting, we made additional efforts to further develop our relationship with historically Black colleges or universities (HBCUs). Utilizing our internal Career Champions program, in which employees liaise with colleges and universities in our District, we met with our HBCU Career Champion leads throughout the year to develop new ways to engage and recruit HBCU talent. In 2022, we employed eight interns from HBCUs, which is consistent with our previous reporting period. We surpassed our 2021 HBCU representation for our Discover program, with five of our 2022 Discover Analysts having graduated from a HBCU. In October we launched our first annual HBCU College Day. Nearly 30 HBCU students and recent graduates attended the virtual event to learn about our summer internship and Discover programs — 12 of whom participated in online interviews for 2023 internship opportunities during the event. The event also featured Bank employees who spoke about how their experience as HBCU students contributed to their success at the Richmond Fed. As a result, six HBCU students accepted internship offers with our Bank.

Acting as ambassadors for the Richmond Fed, our own employees have networks and connections that can serve as a rich source of diverse talent. We tap into these networks in a variety of ways, such as collaborating with ERNs, encouraging and incentivizing employees to refer candidates through our Employee Referral Program, leveraging employee Career Champions, and expanding and deepening relationships with external professional

organizations to share job opportunities and source for officer-level roles.

External Outreach

We've continued expanding our use of social media channels to reach a broader audience of prospective talent. With each post, we tell more about our story, demonstrate our diverse and inclusive culture, share employee experiences, and build awareness about who we are and what we do — all to help the public and potential applicants better understand our Bank and the Federal Reserve System. In 2022, we grew and enhanced our social media presence across four major platforms: Twitter, LinkedIn, Facebook and Instagram. While Twitter is our largest audience with over 47,000 followers, LinkedIn is a linchpin in our employee engagement and talent recruitment social strategy. On LinkedIn, we reached nearly 24,000 followers during the year, a 24% increase for 2022 alone and a 27% increase over the previous years' growth. LinkedIn continues to serve as our top overall source for job applications, with more than 7,500 applications received in 2022. It is also our top external source, and one of our top overall sources, for accepted offers.

Our top-performing content online is about our people and Bank culture. In 2022, we continued to create opportunities to shift our social media presence into the hands of employees, allowing them to tell their stories and experiences in their own words. For Juneteenth, members of our Valuing the Inclusion of Talented African Americans and Latinos (VITAL) ERN² recorded short videos to highlight the significance of the day and share how they honor the holiday. Similarly, we celebrated Pride Month by creating a digital human pride banner featuring pictures of employees from across the organization, and quotes from members of our Pride, Respect, Inclusion, Safe, and Mutual support (PRISM) ERN — a network that supports LGBTQ+ employees by promoting a work environment that is inclusive and respectful. Additionally, through the hashtag #MyRichmondFed, we encourage employees to share their personal experiences about our Bank's culture, benefits, talent mobility and more through their own social media. Using this hashtag allows us to locate their posts and amplify their voices through the Richmond Fed's social media channels.

² See Appendix 4 for Diversity and Inclusion Champions



At the start of 2022, our Bank initiated an external strategy to enrich our Bank's recruitment, reputation and culture, and to further distinguish the Richmond Fed as a top place for top talent through external awards. As a result, we've received numerous awards, recognition and certifications at the global, national and local levels, including:

- Ranked the #3 central bank globally on the Official Monetary and Financial Institutions Forum (OMFIF) Gender Balance Index
- Nationally certified as a 2022/2023 Great Place to Work® for the third year in a row with 87% of employee respondents stating our Bank is a great place to work — 30 points higher than the average U.S. company
- 2022/2023 Fortune Best Workplaces for Millennials
- 2022/2023 Fortune Best Workplaces in Financial Services & Insurance
- Best Place to Work for LGBTQ Equality for the sixth consecutive year, receiving a perfect 100 on the Human Rights Campaign Corporate Equality Index Survey for 2022
- Ranked 34th on the 2022 Diversity MBA Magazine 50 Out Front Companies: Best Places to Work for Women & Diverse Managers list, as well as being recognized on its specialty lists:
 - 2022 Top 10 Best in Class company for Workplace Inclusion and Retention
 - 2022 Top Five for Leadership Representation and Board Diversity Ethnicity Mix
- The Council for Exceptional Children's International Division on Career Development and Transition Employer of the Year Award for 2020-2021 for our commitment to advancing employment opportunities for students with disabilities
- Shortlisted as a finalist in the 2022 Women in IT awards for Employer of the Year for organizations with more than 250 employees
- One of three nominees for our regional 2022 United Way Corporate Partner of the Year
- American Heart Association 2021 Silver Level Workplace Health Achievement Index
- Active RVA Certified for 2022, demonstrating our commitment to employee health and wellness

Leadership Accountability

The success of our DEI efforts is directly tied to the commitment, engagement and accountability of every employee in our organization, exemplified first and foremost by our executive leadership. President Tom

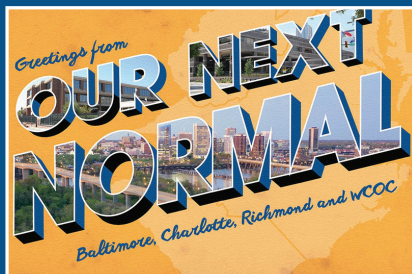
Barkin, First Vice President and Chief Operating Officer Becky Bareford, and System Chief Information Officer (and National IT Leader) Ghada Ijam each focus on embracing DEI and holding leaders accountable. They continue to meet with each senior leader, both individually and as an executive team, to discuss workforce diversity metrics, high performing talent and leadership pipelines to unlock ways to move the needle and address key challenges. During the reporting period, we made significant enhancements to our workforce dashboard for leaders. This powerful tool allows leaders to interact with and drill deeper into our workforce data than ever before. Leaders are now able to extract summary metrics and see historical trends related to our Bank's diversity, talent mobility, recruiting sources and the like, allowing them to identify areas of growth and opportunity. Armed with this information, our senior leaders are more informed when establishing short-and long-term goals and strategies to make our workforce more representative of the communities we serve and to enhance talent development and retention.

To underscore the importance of DEI and its link to our culture and strategic plan, we continued assigning all people leaders two shared performance objectives focused on People and Culture as well as Operating with Excellence. During the reporting period, the People and Culture objective — which charged leaders to inspire a high-performing, diverse and inclusive workforce as well as promote an environment of continuous improvement and appropriate risk taking — was aligned with the System's Conference of Presidents' (COP) and Conference of First Vice Presidents' (CFVP) shared priorities for driving progress on diversity and inclusion efforts across the System.

Collectively, our Bank's leaders continued to participate in DEI efforts during the reporting period, including serving on the Executive Diversity and Inclusion Council (EDIC) and Diversity & iNclusion Alliance (DNA)³, sponsoring our Employee Resource Networks (ERNs), facilitating DEI employee discussion sessions, and playing a central role in recruiting diverse talent. Additionally, as part of our Bankwide One Team incentive plan for all employees, leaders and employees alike are measured on achievements in talent and culture as outlined in our Bank's strategic objectives.

To further support leaders in their DEI journey and reinforce leader accountability, we centralized our DEI tools and resources on our Bank's intranet site. Not only does this make it easier for both leaders and employees to access

Promoting Hybrid Model Practices for Inclusion, Relationship Building, Collaboration, Innovation and Fun



After nearly two years of most employees working remote due to the COVID-19 pandemic, we shifted focus in 2022 to transitioning our workforce to a hybrid work model — “Our Next Normal” — while prioritizing the health and safety of all our employees and recognizing our Critical Operations team members who remained onsite throughout the pandemic. Throughout 2021, we prepared for the safe return of employees to our Bank buildings, starting with small pilot groups of employees who opted to return onsite part-time for added flexibility and collaboration.

To hold ourselves accountable, we added our transition to a hybrid work model as a key outcome of the Fifth District’s Strategic Plan high priority objective for Delivering a Superior Workplace Experience. A cross-functional sprint team dedicated to facilitating a smooth, inclusive and engaging transition was created. The team leveraged employee feedback, lessons learned during our pilot program, and best practices according to various subject matter experts to safely welcome our employees back to an inclusive, collaborative and fun environment.

We launched a phased approach for returning to our buildings beginning late February through April 2022. Our phased return consisted of four sequenced waves of employees — many of whom were hired during the pandemic — allowing time for each wave to acclimate to working an average of two to three days per week on site. We saw a steady increase of building occupancy across our three primary office locations throughout the year.

Our Next Normal Sprint Team coordinated a number of successful initiatives to ease the transition and help set employees up for success under the hybrid model, including: new technology training; developing and socializing our “Redefining Our Work” framework, outlining key behaviors and mindsets for hybrid work; launching an employee survey for feedback on returning to the office; working with leaders and our employee groups championing culture to implement sensing opportunities where employees could share experiences and express any concerns or suggestions; coordinating a raffle, Connect with Colleague events, and summer picnics at each Richmond Fed branch to garner excitement and engagement from employees as they returned onsite; and hosting a call and producing a series of feature articles on Richmond Fed’s intranet site to encourage good hybrid habits of flexibility, connectivity, productivity and inclusion. We worked to deliver a positive, inclusive environment for those critical operation employees who are onsite five days a week as well.

Our transition to a hybrid work model was seen as largely successful by employees based on survey results and employee sensing, which suggests our employees have adjusted to the hybrid model and enjoyed reconnecting with their colleagues. Additionally, employees shared that our Bank’s regular updates and communications adequately prepared them for their return, and flexibility remains an important consideration in our work model.

our DEI resources, but we can also gain better insights into how they’re used. We also updated our common goals for people leaders with measurable actions toward DEI success. We continued to promote our “Keys to Equity: A Bias Mitigation Toolkit” as a critical resource for helping leaders reduce bias in the workplace and hiring process as well as contribute to a superior workplace experience and culture. Towards the end of the reporting period, we developed a

DEI practices and principles refresher training course for leaders. Leveraging our Bank’s DEI resources, the refresher training, which will be rolled out in 2023, will provide leaders with guidance on how to model and advance DEI in the workplace, advance their mentorship capabilities and emotional intelligence, and help strengthen their collective ability to cultivate talent and provide meaningful coaching and talent assessment. While intended for leaders,

the training will be made available to all employees, empowering them to lead from where they are.

Deliver Superior Workplace Experience

In 2022, we leveraged several programs, initiatives and networks to deliver a superior workplace experience for our employees, especially in a new hybrid posture. We worked collectively to promote hybrid model practices that foster inclusion, relationship building, collaboration, innovation and fun. We reviewed our benefits and policies to stay competitive with the market. Our employee culture groups (described in greater detail later in this section) served as valuable resources for building a stronger culture and equipped employees with the tools and knowledge to contribute to an inclusive workplace. Additionally, we kept our employees connected and engaged within the organization through our onboarding strategies, employee discussion forums, our nine active ERNs and by launching a new Professional Networks Program.

Updating Our Benefits and Policies

We continually review and revise our benefits and policies as we identify ways to further support or enhance DEI. By ensuring our benefits and policies are equitable and inclusive, we are better equipped to attract new employees in a competitive market and create a positive experience for our increasingly diverse workforce. During the reporting period, we updated our compensation equity program to focus on a competitive target range for salaries, rather than a single point. This change increases our flexibility and further enhances our pay-for-performance strategy, which is a strong retention tool for high performers. Additionally, changes were made to several of our Bank's leave and holiday policies with DEI in mind. We combined our Family Care Leave and Parental Leave into one comprehensive policy to be more inclusive of a diverse workforce and increased the amount of family care leave offered to full-time employees. Other changes included enhancing our Bereavement Leave policy, changing how we look at year-end PTO cash out and carryover to encourage employees to use their time off, and formally adding Juneteenth National Independence Day as a Bank holiday.

Employee-Led Culture Groups

Strengthening our positive and inclusive workplace culture remained a priority for us during 2022 and continues to be a retention strategy and key differentiator in a competitive labor market. Our culture emphasizes working together as one team to deliver on our mission of supporting a healthy economy. It is embedded in everything we do, and every

employee is expected to contribute. We emphasize how each individual advances the culture and success of our Bank through behaviors and peer-to-peer interactions.

During the reporting period, we trained 53 total employees (60% women; 44% minorities) from both the District and National IT — including employees from various backgrounds, business lines and functional areas — to serve as members of our employee-led culture groups and champion our DEI efforts. As the eyes and ears of the organization, our culture groups offer ideas and drive initiatives that enhance our culture and overall employee engagement across the organization. These groups also provide a safe, judgement-free space for all employees to offer feedback, ask questions and express concerns.

In 2022 our employee culture groups explored and implemented several initiatives to enhance our Bank's culture, such as seeking alternative lines of thinking (referred to as "S.A.L.T." throughout our Bank); promoting opportunities for employee recognition; conducting sensing in the hybrid work model; and encouraging constructive dialogue through a "Feed Forward" mindset. Feed Forward uses feedback as a development tool, with a focus on looking forward and using input shared for future opportunities — whether it's changing our behavior or continuing positive behaviors.

Connecting Through Conversations

To promote transparency and information sharing, senior leaders regularly hosted and/or facilitated hybrid all-Employee and all-Leader Connect meetings throughout the reporting period. Ongoing discussions included topics around Our Next Normal hybrid work model, strategic plan initiatives, COVID-19 and operational updates, economic overviews, and general discussions to help employees remain connected and engaged with our Bank and senior leaders.

We believe open and honest dialogue leads to the best outcomes and reinforces our Bank's diverse, equitable and inclusive culture. Accordingly, we foster and provide opportunities in which employees can openly and safely come together and learn from one another. Invitations to our regular Let's Connect discussion sessions are sent to all employees and are designed to cultivate an open environment by building relationships and trust, creating awareness of varying experiences and perspectives, and supporting employees inside and outside the workplace. Facilitated by senior leaders and ODEI team members, employees are encouraged to have candid discussions

during the sessions on topics they care about that are related to our culture and workplace environment, as well as their own personal experiences. With attendance regularly ranging from 400 to 600 employees, these sessions promote a safe and inclusive environment for employees and are viewed as a leading DEI best practice. During the reporting period, we hosted seven virtual Let's Connect sessions in our hybrid work environment, which 14 senior leaders moderated or co-moderated. These sessions prioritize creating a safe space for employees

as we discussed timely and emotionally charged topics, including creating a sense of belonging, taking care of ourselves and each other, and the importance of connection and community during trying times.

New Program for Employee-Led Groups Engaged in Professional Interests and Skills

During the reporting period, our Bank introduced a new internal professional network program to support, develop and engage employees around shared professional interests. These voluntary, employee-led groups are formed around professional areas or skills and support employees who want to increase their professional capabilities through the advancement of job competencies, training and educational opportunities. Our first four networks are the Professional Administration Network; Women in Technology; Data Analytics User Group; and Leading in Product and Project Management.



The **Professional Administration Network (PAN)** is a community of Fifth District and National IT administrative professionals who aim to educate and empower each other through shared experiences, resources and best practices. With more than 60 administrative professionals, PAN is actively supporting the career development and advancement of its members. Members often serve as subject matter experts and lead meetings or present on a variety of topics, including their respective areas of expertise, such as emerging technology applications. Aiding in their members' professional and personal development, the network meets often to fill in knowledge gaps for each other and build strong relationships within the group.

The **Women in Technology (WIT)** community is focused on System and external outreach, development and advancement of talent, and the engagement of all women either currently in or interested in technology-related roles across the Federal Reserve System. Open to all employees, WIT champions an inclusive environment and fosters a broad network. The group's goals include increasing the number of women in IT roles, advancing their careers and developing a strong ecosystem for succession planning. To achieve these goals, the team is building a pipeline of diverse talent, equipping women with the knowledge and skills for technology focused careers, partnering with external organizations and creating mentorship opportunities. WIT is making great strides toward its goals through collaboration, information sharing and promoting the System as a great place for women to grow their careers. Our goal is to make this a competitive advantage for our Bank, given our large IT footprint and population.

The **Data Analytics User Group** supports data enthusiasts within our Bank and Federal Reserve System by sharing common experiences, lessons learned, best practices and helpful tips through local events, virtual presentations and networking opportunities to further our organizational awareness and understanding of data analytics.

Leading in Product and Project Management (LiPPM) brings together professionals from across the System to understand the strengths and needs of project and product management across all business areas, helps to solve shared challenges and provides applicable resources and other best practices.



Employee Resource Networks

ERNs continued to serve as important sources of inclusion and support for Bank employees throughout the reporting period, adapting and expanding offerings based on employee and organizational interests and needs. After moving to a hybrid work posture, our ERNs successfully shifted their outreach approach and continued to advance their respective objectives. Throughout 2022, our ERNs led initiatives that included offering an internship program for students with disabilities; adding options for self-identification in Workday for military-affiliated and LGBTQ+ employees; and hosting events to reach employees both in the office and virtually, like cultural and educational forums, virtual networking events and in-person informal lunch meetings. As evidenced by strong participation and event attendance — averaging more than 200 attendees — our ERNs served as important connection points for many of our employees.

Additionally, participating in ERNs provided members with valuable on-the-job development and leadership opportunities, including strategy development, budget management and improved communication. Our ERN program continued to engage employees — including women and minorities — with cross-functional growth opportunities supported and sponsored by Bank officers. In 2022, 19 officers served as ERN sponsors (53% minorities; 53% women) and 66 non-officer level employees were engaged in day-to-day ERN leadership (53% women; 42% minorities).

ERNs are guided by the Diversity & iNclusion Alliance (DNA), a group dedicated to advancing a culture of diversity and inclusion at our Bank. In 2022, the group was involved in promoting inclusive behaviors and how to be an ally in our hybrid work environment as well as supporting employee engagement through ERNs. To increase employee understanding of the resources available to them, the DNA hosted a hybrid roundtable discussion with Human Resources (HR) representatives from our Bank's employee relations, talent acquisition and National IT business partner functions. Panelists debunked some HR myths, shared examples on when and how to engage HR, and gave a better understanding of how we can all partner together to build on our Bank's DEI culture. In 2022, DNA membership was comprised of 88% minorities and 63% women. See descriptions of our DEI champions in Appendix 4.

Engagement Survey

During the reporting period, we conducted two District-wide Pulse Surveys to help measure our success in delivering a superior workplace experience and identify opportunities for improvement. With a nearly 70% participation rate, the March 2022 survey results showed our Bank continues to demonstrate behaviors that advance our culture.

Based on survey responses, our employees continue to believe our Bank inspires their best work, with a 92% favorability rating from our individual contributor employees. We believe contributing factors to this rating include our focus on maintaining a superior work environment, presenting opportunities for our employees to be innovative and providing appropriate resources to help our employees achieve business objectives.

In addition, employee favorability scores on work-life balance increased to 90%, or by 3 points, for individual contributors and remained at 94% favorability for our leaders from our September 2021 Pulse Survey. We attribute this rating to our focus on transparency and respecting our employees' ability to complete projects and deliverables and make good decisions.

Most employees continue to feel they are treated fairly, regardless of differences, with an 88% favorability rating from individual contributors (an increase of 4 points since September 2021) and a 94% favorability rating from our leaders. We attribute this rating to our focus on encouraging employee engagement in inclusion programming, being inclusive and open to diverse perspectives, recruiting diverse employees and working to eliminate bias.

Compared to our previous surveys, we also saw consistent favorability ratings from our individual contributors on questions regarding direct manager development coaching (85%) and direct manager feedback on performance (90%), which can be attributed to our focus on career development and our Feed Forward mindset.

In September 2022, Fifth District employees participated in a second Pulse Survey, which had results consistent with the March 2022 survey.

National IT also conducted a Pulse Survey in September 2022. With a nearly 77% participation rate, survey results indicate improvements in senior leadership's top three focus areas: creating an environment of openness and trust

within National IT (66%, up by 3 percentage points from 2021 Pulse Survey); teams working well together across the organization (60%, up by 2 percentage points from same 2021 survey); and employees feeling inspired to do their best work (76%, no change from the 2021 survey). Additionally, National IT employees agree direct managers provide them with the support they need, with an 86% favorability rating on this new survey question. Based on the results, the importance of manager support to retaining National IT team members and ensuring they feel valued for their contributions is a key takeaway.

Both the Fifth District and National IT will host employee Engagement Surveys in 2023 and look forward to assessing our progress in advancing a superior workplace experience.

Strengthen Ability to Develop Self and Others

Throughout the reporting period, our Bank continued to prioritize the growth and development of employees through formal programs, experiential learning and targeted leadership development. Our goal is to equip employees to lead from where they are and provide additional opportunities for leaders to improve how they lead and inspire teams, develop others, and give and receive feedback. In our hybrid work environment, we maintained forward momentum with our talent management areas of focus, which are placing significant emphasis on workforce planning, identifying versatile talent deeper within the organization, and leveraging opportunities to increase talent mobility across the Fifth District, National IT and the System.

Creating Opportunities: Development and Training

Talent mobility and career development remain prominent focus areas within our overarching goal to be a top place for top talent. Fostering employee mobility provides broader experiences and exposure within and across functional areas, prepares employees to move faster within the organization, allows for talent identification for succession planning and creates deeper talent pipelines. For example, our experience-based development (EBD) program allows employees to work in different areas of our Bank, broadening their organizational understanding while developing their skillset and ultimately expanding their career possibilities across our Bank and the System.

The EBD program expanded its experiential learning opportunities during the reporting period and saw increased enthusiasm as 303 employees (60% women; 45% minorities) participated in 133 mobility opportunities. Our EBD program has been mutually beneficial for both

our Bank and our employees. Our Bank has seen positive gains from an agile, cross-trained workforce that better meets business needs, while employees have been able to pursue desired developmental opportunities that help prepare them for future roles. In addition, 39 employees (62% women; 36% minorities) took advantage of System Leadership Exchange opportunities with other Reserve Banks, National IT and the Board of Governors, while 32 employees participated in System Leadership Initiative conferences (63% minorities; 50% women).

As a continuation of our strong momentum from 2021, we increased the number of targeted, experience-based and ongoing development opportunities, achieving nearly 17% talent mobility participation by the end of 2022, above our annual goal of 15%. As our EBD program continues, we'll monitor the impact of these opportunities to determine if they are leading to longer-term career growth and mobility prospects for employees across the organization.

In 2022, the Path to Leading Others (PATH) program and our Partners in Professional Development (PPD) program were offered in virtual formats with 95 total participants. There were 47 PATH participants (49% minorities; 47% women) and 48 PPD participants (69% women; 44% minorities). The virtual format continues to provide a similar experience to previous in-person programs, including interactive sessions, collaborative learning, accountability partners and peer coaching. Updated program content continues to support our shift to a virtual/hybrid workplace, with an emphasis on recognizing employee connections, team cohesiveness, growth mindsets, engagement, and diversity and inclusion

Talent Management: Workforce Planning

During the reporting period, our HR business partners worked with business line leadership to implement an updated talent management strategy and succession planning process. A cross-functional team of business leaders, including those in HR and Corporate Planning, developed enhanced talent management and succession practices as part of our District's strategic plan. Our new talent management and succession goals focus on three primary areas while keeping DEI at the forefront of our efforts: Our People (Diversity), Our Culture (Inclusion) and Our Practices (Equity).

To ensure we find the right people with the right skills and competencies to execute against our Bank's current and future operational, financial and strategic goals, our refined talent management strategy emphasizes improving talent



development and succession processes spanning all phases of the employee lifecycle, creating efficiencies in our practices, and increasing our leaders' ability to identify and develop talent within their teams.

During the reporting period, we also enhanced our learning tools to include a toolkit aimed at mitigating bias in talent management processes and the overall employee lifecycle. "Keys to Equity: A Bias Mitigation Toolkit" is aligned with stages of our hiring and talent management processes and is intended to guide conversations and increase leaders' accountability for equitable outcomes. We established a practice of identifying equity champions to challenge leaders during talent discussions and address potential unconscious bias. We also improved our talent management practices by screening job descriptions and postings for bias, and training hiring managers and panelists to be aware of unconscious bias in interviews.

In our efforts to represent the communities we serve, we have a continued focus on increasing underrepresented groups, including women and minorities, in our talent pipelines and in officer representation.

Talent Management: Succession Planning

Our succession management goal is to support the business needs of our Bank by building and readying a diverse pipeline of versatile employees to fill current and future leadership and critical roles. As part of this process, we review demographics and diversity details of our workforce and pursue opportunities to provide development and visibility, particularly for high-potential talent. In 2022, we maintained our focus on assessing talent within the organization and identifying opportunities for employees across the organization to enhance their knowledge and experience.

Our critical roles with pipeline depth in all three readiness categories (ready now, ready 1 – 3 years, ready 3+ years) increased from 5% in 2018 to 39% in 2022. The continuous improvement of our talent and succession management practices has resulted in significant increases in the percentage of critical roles with "ready now" successors. Critical roles with an immediate successor increased from 54% in 2018 to 79% in 2022. This increase represents a significant improvement in the operational resilience of the organization. Early career employees now account for 26% of our overall workforce, consequently shifting the generational diversity of our internal pipeline.

The chart below shares the total number of employees, along with percentages of women and minorities, who were identified as succession talent for critical roles in all readiness categories for the Fifth District and National IT.

District Critical Role Succession Talent	National IT Critical Role Succession Talent
106 Total	130 Total
59% Women	27% Women
37% Minority	28% Minority

During the reporting period, we concluded the pilot year of a new sponsorship program designed to diversify our pipeline for leadership positions across our Bank. The most senior leaders in the Fifth District and National IT serve as sponsors and work with participants on networking and career development opportunities. The sponsorship program was implemented in response to issues highlighted in past engagement surveys, feedback from employee listening sessions and our goal to promote a diverse workforce. With 27 participants, the pilot program included significant participation from minorities and women — 73% and 50% respectively — and women of color represented 31% of overall participation. As a result, we see stronger connections and sustained relationships between sponsors and participants. Building on the success of the pilot year, we will initiate a second year of the program, leveraging leaders deeper in the organization to sponsor a new cohort of emerging leaders.

Additionally, we implemented formal talent management and workforce/succession planning across our Bank. We intentionally utilized EBD opportunities to develop leaders, broaden perspectives and upskill our workforce in key strategic areas.

Essential to our talent management and succession processes are employee performance reviews and ratings, which can include assessments of employees' expertise, potential and levels of readiness for assuming greater responsibility. To ensure assessments are fair, accurate and free from bias to the extent possible, we utilize diversity data to monitor the distribution of performance ratings, talent assessment results, and the representation of women and minorities in succession plans and development programs. We also use the rich discussion from performance review calibration sessions as well as engage designated equity champions in performance and talent planning sessions to ensure outcomes are balanced and appropriate.

CHALLENGES

Our aspiration is for our employee population to represent, at all levels, the diversity of the communities we serve. While we've seen meaningful and continued progress — making notable strides in our minority-officer representation and in our overall representation of women and minorities across our Bank — there is work still to be done. It's a high bar, but one we continue to strive toward.

Recruitment & Retention in Competitive Market

A primary challenge remains both sustaining and building upon our progress in a very competitive and dynamic labor market. Historically, our low turnover has impacted the pace of change, especially for women and minorities in our most senior leadership roles. In this competitive and dynamic labor market, we saw an uptick in turnover in certain hot jobs, thus retention and competitiveness in the labor market remain focal points.

Accordingly, we've sharpened our focus on our employee value proposition and being a top place for top talent in all aspects of the employment lifecycle. We implemented a targeted strategy that leverages diverse candidate sources and recruitment resources like HBCUs, professional associations and organizations with diverse memberships.

We also continued to review and update our talent management processes to identify and eliminate any possible impediments in recruiting diverse talent. We continued to refine our processes and remove barriers of entry or mobility for minority candidates and employees. Given the significant volume and competitive market, we added recruiting contractors, which allowed us to leverage the expertise of several recruiters for focused sourcing around hard-to-fill roles. Leveraging contractors also allows us to right-size our recruiting model to match the market dynamics. We also engaged our ERNs, Career Champions and employee teams who work with diverse businesses and organizations to gain diverse perspectives and make connections with diverse talent.

Due to the long-term nature of our journey to represent the communities we serve, a potential challenge we face is sustaining employee enthusiasm in our ongoing efforts. To combat this, we will continue to exercise transparency and bolster employee trust and confidence by reinforcing our commitment to the strategic value of DEI for our Bank and those we serve.

Hybrid Work Model

Another noted challenge is transitioning to and supporting our employees in a new hybrid work model after two years of working primarily in a remote posture. The COVID-19 pandemic placed a strain on our workforce and critical operations as we sought to maintain our commitment to employee health and safety in the workplace. As we continue to navigate the pandemic, the mental wellbeing of our workforce is as much a priority as it is a challenge.

While the transition to Our Next Normal hybrid work model was largely successful in 2022, we face challenges in promoting an inclusive environment as our workforce and leaders adapt to new ways of working together. There are ongoing opportunities for us to refine and build on our hybrid work model in the future.

As we continue to work within our hybrid model in 2023, we will focus on ensuring there's intentionality in our in-person interactions with colleagues that demonstrates the value of coming together. We will define our expectations for in-person engagement and create opportunities to increase collaboration, foster mentorship and development, and drive stronger business outcomes.

NEXT STEPS

The Richmond Fed will build on the progress made toward being a top place for top talent, aligning with the Federal Reserve System's DEI efforts, the Fifth District and System IT Strategic Plans and our Culture Statement. This intentional approach will help us continue to focus on three priorities: increasing Bank diversity, equity and inclusion; delivering a superior workplace experience; and strengthening our ability to develop ourselves and others. These priorities will enable us to inspire and retain a high-performing, diverse and inclusive workforce.

Increase Bank Diversity, Equity and Inclusion

In our efforts to represent the communities we serve, we will advance our upward trend in workforce diversity, equity and inclusion in all aspects of the employment lifecycle, as well as retain our highly engaged workforce. To achieve these goals, we will focus on building our pipeline of women in technology and minorities in leadership. We will identify common best practices that resulted in hiring successes across the District and National IT, and apply and scale successful sourcing practices in HR and with our leaders. Additionally, we will build awareness for more equitable decision making in our talent management



processes by cascading “Putting Equity in Motion” training through our Bank and setting a goal of 70% participation of our Bank’s people leaders in 2023.

Deliver Superior Workplace Experience

We will advance our culture with leadership and practices that foster an inclusive work environment and optimize our current hybrid work posture with a focus on meaningful engagement. Our employee culture groups will partner to develop and implement initiatives to create a culture of belonging across the District and National IT. Key areas of culture work in 2023 will include expanding agility practices in National IT and being more consistent in using Feed Forward — a form of feedback that encourages ongoing, solutions-oriented conversations — across our Bank. We will share learnings across organizations and business lines, aligning and enhancing our policies and processes to support meaningful engagement in a hybrid environment. Additionally, we will establish and communicate expectations for in-person engagement to increase collaboration, foster mentorship and development, and ultimately drive stronger business outcomes.

Strengthen Ability to Develop Self and Others

We will work to mature our leaders’ ability to coach and develop talent across our Bank. To achieve this goal, we will develop and begin executing a multi-year roadmap to assess and upskill our leadership talent. We will also increase leader accountability for driving Bank talent and culture priorities by incorporating desired leader competencies and behaviors into existing performance processes for 2023, including leader performance objectives and evaluation and succession planning activities.

We will advance talent initiatives within the System IT community by co-leading TalentNext, a critical initiative that is focused on attracting, developing and retaining a diverse technical workforce through System-level programs. We will also position National IT and the Fifth District as a “first mover” for coordinated programming for System talent development initiatives.

Advancing these organizational priorities will enable the Richmond Fed to inspire a high-performing and diverse workforce and be a top place for top talent. Success metrics, a shared commitment and an inclusive culture are key assets in our intentional approach to this transformative work.



Minority- and Women-Owned Businesses

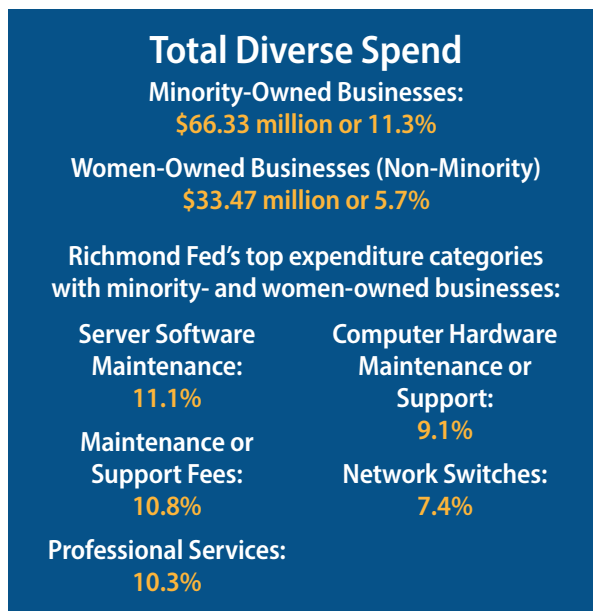
INCLUSION & ENGAGEMENT WITH DIVERSE SUPPLIERS

Our Bank's 2022 Supplier Diversity Program action plan was centered around increasing diverse spend, increasing the diverse supplier pipeline and increasing community engagement. Our commitment to diversity and inclusion extends to all business operations, including our procurement function, which plays an important role in creating an ecosystem for diverse suppliers in our community to reach their full potential.

Just as we want our Bank's workforce to reflect the communities we serve, our Supplier Diversity Program strives for a similar outcome. By broadening our supplier base with diverse suppliers, our Bank benefits from a wide variety of perspectives, ideas and innovations and helps drive competition on price and service quality. It also demonstrates our commitment to equity for minority and women business owners and ensures our supplier base better represents the communities we serve. Our commitment to supplier diversity informs our strategic objectives, bolsters our outcomes and successes, and drives us to overcome challenges, as outlined on the following pages.

INCREASING DIVERSE SPEND

Our Bank's total spend with diverse suppliers was \$99.8 million in 2022, a decrease from \$111.1 million in 2021. Expenditures with all suppliers during this period totaled \$588.04 million, bringing diverse spend to 17% of total Bank expenditures compared to 20% in 2021. The diverse spend is broken out as follows:



A large portion of our Bank's spend is focused on the purchase of technology products for National IT. Demand for technology products necessary to support the National IT Strategic Plan fluctuates year-over-year. As a result, the level of diverse spend in 2022 was lower than 2021. More specifically, the decrease from 2021 was driven by a prepayment that occurred in 2021 and will not occur again until 2024. As we acknowledge this fluctuation, we focused on other key drivers to grow our diverse spend. As such, we:

- Maintained a steady level of spend with current diverse suppliers, including contingent labor and food service providers, while concurrently identifying new diverse suppliers in high potential spend areas.
- Set an aspiration of adding eight new diverse suppliers over the course of the year. By Q3 of 2022 \$1.7 million of the District's total diverse spend was with eight new diverse suppliers who were awarded contracts in 2022.
- Collaborated with the National Procurement Office (NPO) to award a new diverse supplier a contract for janitorial services for Fifth District facilities, adding one additional large diverse supplier to our roster.
- Expanded use of diverse suppliers within Facilities Management. Specifically, contracts awarded for Facilities Management accounted for \$7.9 million of our total diverse spend. Six of the District's net new diverse suppliers support our facilities and operations.
- Adopted a data-driven approach to identify potential opportunities for diverse suppliers in key procurement categories such as facilities, technology and professional services.
- Improved our diverse spend forecasting by including risk-assessment measures to provide more accurate progress reporting for monitoring supplier diversity.

Measuring Inclusion, Access and Opportunity

In addition to diverse spend, our Bank tracks diverse supplier inclusion, response and award rates for competitive bids. We established targets for inclusion in procurement opportunities. The inclusion rate is calculated by dividing the total number of competitive bids that included at least one diverse supplier in the reporting period by the total number of competitive bids. The response rate is calculated by dividing the total number of diverse suppliers who responded by the total number of diverse suppliers included. The award is the total number of contracts awarded to diverse suppliers. In 2022:

- Inclusion rate was 70%; remaining 30% of the competitive bids were in markets where no diverse alternatives could be identified

- Response rate was 78%
- Award rate was 23% — 9 competitively bid contracts were awarded to diverse suppliers

To increase diverse supplier access to opportunities, we hosted two diverse supplier events, including a Supplier Diversity Exchange event in June 2022, with potential suppliers for our facilities and operations areas. Five event attendees were identified as high-potential suppliers matching our current needs. We hosted the second Mid-Atlantic and Southeast Regional Supplier Diversity Summit with Atlanta and Philadelphia Reserve Banks in November 2022 with 140 suppliers in attendance. The collaboration between three Reserve Banks has expanded access to diverse suppliers beyond our region while contributing to System best practices. Feedback from the suppliers in attendance has been positive.

“The focus and size of the event was great. It was a wonderful chance to meet a lot of the Federal Reserve Bank of Richmond team involved in all aspects from procurement to the actual project work, and at all levels of seniority. It also was nice to have the roundtables and meet other attendees.”

– Supplier Diversity Exchange Participant

SUCSESSES

Growing Organizational Commitment

To increase understanding and ownership of our supplier diversity objectives, we established an internal community of Supplier Diversity Champions within each of our business lines. Supplier Diversity Champions are tasked with communicating and educating their respective business line on the value of our Supplier Diversity Program and how business lines can support the program. Establishing a large, internal community focused on supplier diversity has helped to create more awareness and expand our impact with our external community outreach. During the reporting period we applied continuous learning to our internal engagement model and strengthened our commitment to supplier diversity through the following efforts:

- Under the leadership of the Supplier Diversity Champions:
 - Established a framework for business line supplier diversity objectives
 - Reviewed vendor feedback guidelines and began updating our playbook
 - Updated our internal supplier diversity education plan

- Identified Bankwide supplier diversity aspirations to drive metrics and support overall System diverse spend
- Hosted a Bankwide drop-in call to increase understanding of supplier diversity and procurement; 95% of participants who responded to the post-event survey said the session helped them better understand our Bank’s aspirational supplier diversity objectives

Expanding Community Engagement & Outreach

We also expanded how we engage with our Fifth District communities about supplier diversity. As COVID-19 restrictions began lifting at the start of 2022, we increased our participation in the number of supplier diversity community outreach events, utilizing both in-person and virtual options to reach a broader audience. As part of our outreach we:

- Participated in 13 external outreach and matchmaker events (up from four in 2021) to help strengthen our diverse supplier pipeline. These events allowed us to work closely and build relationships with a variety of organizations, including the Metropolitan Business League; Women’s Business Enterprise Council Greater DMV (District of Columbia, Maryland, Virginia); Richmond LGBTQ Chamber of Commerce; Georgia Minority Supplier Development Council; Greater Washington Partnership; National Minority Supplier Development Council; Financial Services Roundtable for Supplier Diversity; and Carolina Virginia Minority Supplier Development Council.
- Engaged in 256 matchmaking or technical assistance conversations with diverse suppliers; 15 of these suppliers were included in sourcing events.
- Hosted a hybrid matchmaking event with 30 diverse Facility Management vendors, five of which were identified as high-potential suppliers. From this event, we’ve already awarded one new diverse supplier a contract and anticipate awarding at least one more by Q1 2023.
- Convened the Richmond Management Roundtable (MRT) Supplier Diversity Community of Practice. Under the leadership of our Bank President Tom Barkin, the MRT Community of Practice provided a forum to collaborate with 12 other Richmond-based organizations focused on growing a more inclusive ecosystem for local minority-owned businesses.
- Feedback shows 91% of MRT participants found value in the Community of Practice and 58% received at least one diverse-owned business referral.



- As one attendee put it, “I have gained a community of subject matter experts in supplier diversity that I can lean on for diverse supplier referrals and use as a resource/ connection for a diverse supplier and best practices.”

Equipping and Supporting Diverse Suppliers

Our end-to-end engagement approach affords us the opportunity to connect with stakeholders throughout the procurement lifecycle. Through this approach we have identified ways to enhance relationships with diverse suppliers, strengthen our pipeline of potential vendors and ultimately drive an increase in our Bank’s diverse spend. In 2022 we:

- Hosted the Mid-Atlantic and Southeast Regional Supplier Diversity Summit in November with the Atlanta and Philadelphia Reserve Banks. Over 140 participants attended in person and virtually using our hybrid format. The event included procurement and community development panels with matchmaking sessions in the afternoon.
- Launched a pilot mentorship program with three minority-owned businesses to help improve their ability to competitively respond to proposal requests (RFPs) and their readiness to be awarded more and/or larger contracts (see box below).

CHALLENGES

Noted here are challenges as well as the actions we have taken in addressing concentration risk, building diverse supplier pipelines, and assessing diverse supplier engagement, project delays and pandemic impacts. Despite these ongoing challenges, we continue to create sustainable mitigation strategies to address these complex issues.

Addressing Spend Concentration Risk

Our Bank is continuing efforts to address diverse spend concentration among a limited number of large suppliers. Spend concentration has been an ongoing challenge in previous years; however, we’ve seen improvements in 2022. As mentioned earlier, in collaboration with the NPO, we awarded a new District diverse supplier for janitorial services. This award adds another large diverse supplier to our limited pool and helps address our concentration risk.

Supplier Diversity: Technical Assistance Through Mentorships



Pictured above are mentees from our pilot Diverse Supplier Mentorship Program along with their mentors, Richmond Fed’s First Vice President & COO Becky Bareford (second from left), Senior Vice President & CFO Karen Schettino (second from right), and Assistant Vice President of Financial Planning & Procurement Meredith Leffler (far right), as well as Supplier Diversity Business Advisor David LeFebvre (far left).

In 2022, the Richmond Fed piloted a Diverse Supplier Mentorship Program as part of Our Supplier Diversity Program’s technical assistance for diverse suppliers. In partnership with our advocacy partner, the Metropolitan Business League, we identified three pilot program diverse supplier participants. The pilot program launched in March and continued through November. Each of the three participants were matched with stakeholders within the Richmond Fed who served as their mentors. Over the course of individual mentoring touchpoints and three cohort sessions, all three mentees combined showed a 22% growth in their readiness and capacity to scale their business after completing the program.

We look forward to incorporating the feedback and recommendations we received during our pilot program and expanding our Diverse Supplier Mentorship Program in 2023. Per their recommendation, our alumni mentees will be included in future mentorship programs, thus allowing us to measure the program’s longer-term impacts.

Building the Diverse Supplier Pipeline

While addressing the issue of spend concentration risk, we also focused on ways to increase the total number of diverse suppliers doing business with our Bank. We also heard feedback from our mentorship program participants about their concerns with supplier pipeline. They expressed concerns about supplier diversity remaining a focus during times of economic uncertainty or budgetary constraints. Some actions we took in 2022 to build our pipeline in addition to responding to the feedback we received from our mentees include:

- Engaged with the Richmond Management Roundtable Supplier Diversity Community of Practice to support building a stronger pipeline and inclusive ecosystem. We will work with the Community of Practice to help ensure the commitment to supplier diversity is heard by diverse suppliers in our communities.
- Established aspirational supplier diversity benchmarks specific to business lines across our Bank, incorporating key takeaways from the business line supplier diversity goals pilot with Facilities Management.

Assessing Project Delays and Pandemic Impacts

We continue to monitor the impacts of supply chain delays, potential labor shortages and rising prices that could impact project schedules. Some of these impacts are related to the COVID-19 pandemic. We have factored these variables into a risk-assessed forecast to better anticipate impacts to our supplier diversity goals.

Diverse Supplier Engagement

In 2022, we expanded our Fed-sponsored supplier diversity events by offering both in-person and virtual options; however, there was a stark difference in the levels of engagement from our attendees between the two. We have identified improvement opportunities to increase engagement for our future hybrid events and are working with internal stakeholders from our Bank's Event Management and Corporate Communications departments to address concerns and enhance our external marketing.

NEXT STEPS

Our focus will be on expanding engagement with diverse suppliers to increase diverse spend, total number of diverse suppliers and overall community impact.

Increase Diverse Spend

- To better identify high-potential areas within the Bank for diverse supplier utilization, we will evolve our data-driven approach to coordinate matchmaking opportunities with targeted high-spend areas.
- We will expand business-line specific supplier diversity spend aspirations and performance objectives to additional business lines in our Bank.
- We will also leverage technology to expand reporting of additional diversity metrics.

Increase Number of Diverse Suppliers

- We will track and report metrics to help drive business line accountability and increase the number of net new diverse suppliers included in competitive bids and awarded contracts.
- To further develop our multiyear, end-to-end supplier engagement strategy, including identifying the next iteration of our Diverse Supplier Mentorship Program, we will engage our pilot mentorship participants and leverage their experience to help shape the program.
- To contribute to a larger, inclusive ecosystem for diverse suppliers in the region we will maintain our partnership with the Richmond Management Roundtable and ChamberRVA.

Expand Community Impact

- We will increase executives' external engagement and leverage their influence to convene and connect with diverse suppliers within the community.
- We will also implement a new tool to measure external engagement and connect with internal business needs.

To advance our Supplier Diversity Program we will also work with our National Procurement Organization to partner with the System Supplier Diversity Work Group, Reserve Bank procurement organizations, and OMWI to leverage new insights gained from enhanced metrics and to source customer demand pipeline discussions. We will also share outcomes and lessons learned from our Bank's initiatives across the System.



Financial Education

In 2022, we continued to advance our efforts in providing targeted economic and financial education resources and programs to students, teachers and the broader community. As the COVID-19 pandemic evolved, we transitioned from all-virtual programming to a hybrid programming model, while maintaining our focus on two primary objectives:

1. Helping students make informed decisions about post-secondary education and careers
2. Helping students understand how the Federal Reserve System connects to the economic and financial decisions they make every day

In addition to our primary objectives, we focused on building diversity in the economics profession and helping teachers and students to broaden their understanding of our nation's economy.

SUCCESSES

During the reporting period, we continued the work of meeting the financial education needs of both our traditional and new audiences. We sought to broaden student and teacher awareness of post-secondary educational pathways. We hosted a program called "Future of Work" that explored how education may prepare students for the workforce of the future. We made efforts to help diversify the pipeline of students into economics and related career fields. In addition, we offered programs designed to improve the general public's knowledge of the Federal Reserve System and its role in our economy.

Broadening Awareness of Post-Secondary Pathways

We continued our work to help address educational and economic disparities by providing students access to high-quality information about post-secondary education and career options. Our online course for high-school students, "Invest in What's Next: Life After High School," enrolled 7,749 students in 2022, including 3,366 from OMWI-designated high schools, which is an increase from last year.

We also made progress in our efforts to inform educators about the "Invest in What's Next: Life After High School" course — which addresses a number of the curriculum standards of North Carolina Department of Instruction's economics and personal finance class. In partnership with the North Carolina Council on Economic Education, 204 teachers — including 49 from OMWI-designated high schools — received instruction on how to integrate the course into class curriculum. These in-

person, virtual, and hybrid professional development sessions were held throughout the spring and summer of 2022. This partnership also allowed our Bank to grow connections with teachers and organizations throughout North Carolina.

The Future of Work

To bring broader attention to the workforce needs of the future, the Richmond Fed hosted a discussion on Human Capital Decisions and the Future of Work in February 2022. The program, presented as part of the Richmond Fed's District Dialogue series, had over 200 registered guests and featured three guest speakers who discussed the future of work, the impact of automation on future jobs, and how education can better prepare students for the workforce of tomorrow.

Diversifying the Pipeline into Economics Careers

Approximately 120 attendees from colleges and universities around the country explored a range of career paths available in the economics field at our fourth annual Diverse Economics (DivEc) Conference: One Field, Many Paths. For the first time since 2019, some students were able to attend in person, while others joined virtually. Participants also had the opportunity to network with early-career employees and other economics professionals from the Richmond Fed and learn about their economics career journeys.

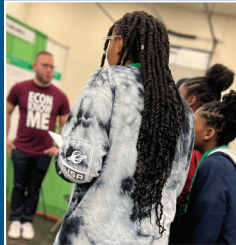
Miguel (Mickey) Quiñones, dean of the Robins School of Business at the University of Richmond, and Naomi Boyd, dean of VCU's Business School, detailed the relevance economics has to business and in our daily lives:

"The field of economics is critical for understanding some of the biggest challenges we have today. If you think about climate change, social inequality, economic mobility, national security . . . no matter what you're interested in, economics can be a conduit for you to make an impact."

— Miguel Quiñones

During a panel discussion at the conference moderated by Kartik Athreya, director of research for the Richmond Fed, students received insights from economics professionals about ways in which economics tools can be used. Panelists, including Jevay Grooms, assistant professor in the Department of Economics at Howard University; Shakun Mago, professor of Economics, and Joseph A. Jennings, chair in Business, both at the University of Richmond; and Faraz Usmani, applied microeconomist and researcher at Mathematica; represented a diverse set of backgrounds

Mission Tomorrow



Since its inception in 2016, the Richmond Fed has partnered with Mission Tomorrow for its interactive, community-driven career exploration event. A collaboration between area businesses and schools, Mission Tomorrow introduces roughly 14,000 eighth-grade students each year to a wide variety of potential careers, including those in high-demand industries and in business across the Richmond Region.

After two years of participating virtually, the Richmond Fed was thrilled to meet this year's students in person again at the Richmond International Raceway and share information about the Federal Reserve and talk about the variety of careers available at our Bank.

Students had the opportunity to have their name added to the "Econo Trivia Hall of Fame" by correctly answering a series of trivia questions about the Federal Reserve, career readiness skills and economics. Over the course of two days, more than 200 students who visited the Richmond Fed booth answered all five questions correctly.

and pathways into economics. Students also participated in breakout sessions, giving them exposure to economics-related career paths in the public sector, private sector and at the Federal Reserve, as well as insights into graduate school options to bolster their resumes.

Improving Knowledge of the Federal Reserve

During 2022, the Richmond Fed continued its efforts to reach out to the community to improve the general public's knowledge of the Fed Reserve. Bank officers gave numerous speeches and presentations to public audiences. The Research department published dozens of articles geared toward general audiences through its various publication formats, including *Econ Focus*, *Economic Brief*, *Regional Matters*, *Macro Minute* and *Speaking of the Economy*.

Our Payments 101 interactive, online training module is suitable for middle- and high-school students, college students and educators. The module is intended to provide a fun way for students and the general public to learn more about the vital role the Fed plays in the U.S. payments system. The course takes students back in time to learn about the first currencies used by humans (including shark teeth and wampum beads) and about how the Fed created a flexible nationwide currency system. The course also covers the types of payment systems we use today and addresses the question of what the future may hold for payments systems. The self-led module takes about 30 minutes to complete.

We continued hosting the "Richmond Fed on Campus" program, which brings Richmond Fed economists into college classrooms throughout the Fifth District to discuss topics of interest and relevance to undergraduate economics students as well as share their knowledge about the Fed, the economy and the benefits of studying economics. Students are also given tools to help them interpret the meanings of changes in important economic data such as indicators of inflation, employment and economic growth. In 2022, 283 economics students participated in the program virtually and in-person to discuss topics that included the Black-White wealth gap and the state of our economy.



CHALLENGES

The ongoing demands and impacts of the COVID-19 pandemic on teachers and schools made it difficult to connect with teachers via professional development opportunities throughout the reporting period. The issue is compounded by a shortage of substitute teachers, which makes it increasingly more difficult for teachers to attend training programs during their regular teaching workday. Likewise, offering training programs in the evenings is less than ideal for these teachers.

The current economic climate added to the challenges facing our educational programs. During periods of economic volatility (such as we have seen since the start of the COVID-19 pandemic) program participants often ask questions related to current events. Not surprisingly, the main topic of interest during 2022 was inflation. While such questions can sometimes lead to fruitful discussion, they can also lead our discussions in a different direction. To maintain the effectiveness of our planned curriculum, we work diligently to reframe these discussions and reinforce who we are and what we do.

We also experienced challenges with hybrid programs. After two years of delivering programs virtually, we were eager to return to in-person programming. However, there was still a need to provide virtual options for those unable to attend in person, which led us to offer simultaneous online/in-person programs. Unfortunately, we quickly realized hybrid programs were less effective than those offered solely online or in-person.

Offering hybrid programs also proved challenging for programs designed for the professional development of teachers. We find that in-person programs are more effective than virtual or hybrid programs because the in-person programs mirror the way teachers typically engage with their students.

NEXT STEPS

We will explore new ways of connecting teachers and students to our Invest in What's Next program by helping to customize implementation for the unique challenges faced by teachers and students in school systems throughout our District. Our work will prioritize reaching underserved OMWI and rural school systems.

We will also be prioritizing our work to increase understanding of the role of the Federal Reserve in the economy. The current economic climate is an opportunity to refocus our efforts and increase public trust in the Federal Reserve.

We will tackle these priorities by opting for either in-person or virtual programs, when appropriate. Building and renewing relationships with educators throughout the District will require persistent effort to be where they are. Thus, we will carefully evaluate our engagement opportunities to determine the type of programming (in person or virtual) that will best meet educators' needs at that point in time.



Appendix



APPENDIX 1. OMWI STANDARD CORE METRICS REPORT

Category	Description	Measure	2018	2019	2020	2021	2022
	Senior Executives	Total #	23	19	21	18	24
		% Minorities	17%	11%	19%	22%	29%
		% Women	35%	42%	38%	50%	46%
	Mid-Level Managers	Total #	498	486	518	501	514
		% Minorities	23%	23%	25%	27%	30%
		% Women	37%	37%	36%	36%	38%
	Professionals	Total #	1,723	1,805	1,912	2,017	2,333
		% Minorities	34%	36%	37%	39%	41%
		% Women	38%	38%	38%	37%	38%
	Total External Hires	Total #	188	258	278	389	568
		% Minorities	44%	43%	42%	48%	51%
		% Women	40%	43%	36%	39%	43%
	Total Interns	Total #	51	75	59	77	87
		% Minorities	67%	43%	54%	56%	52%
		% Women	53%	51%	44%	47%	45%
Overall Bank Turnover Rate	%	8.8%	7.2%	4.4%	10.6%	6.8%	
	Total Reportable Spend	\$ (millions)	\$397.98	\$433.44	\$441.24	\$536.52	\$588.04
	Total Diverse Spend ¹	\$ (millions)	\$51.95	\$64.64	\$63.92	\$111.10	\$99.79
		%	13.1%	14.9%	14.5%	20.7%	17.0%
	Minority-owned ²	\$ (millions)	\$44.59	\$56.05	\$54.29	\$77.65	\$66.33
		%	11.2%	12.9%	12.3%	14.5%	11.3%
	Minority-owned (men)	\$ (millions)	\$31.91	\$38.61	\$41.47	\$64.83	\$49.02
		%	8.0%	8.9%	9.4%	12.1%	8.3%
	Minority-owned (women)	\$ (millions)	\$12.68	\$17.44	\$12.81	\$12.83	\$17.31
		%	3.2%	4.0%	2.9%	2.4%	2.9%
	Women-owned ²	\$ (millions)	\$20.04	\$26.03	\$22.44	\$46.28	\$50.77
		%	5.0%	6.0%	5.1%	8.6%	8.6%
	Women-owned (non-minority)	\$ (millions)	\$7.36	\$8.59	\$9.63	\$33.45	\$33.47
		%	1.8%	2.0%	2.2%	6.2%	5.7%
	Women-owned (minority)	\$ (millions)	\$12.68	\$17.44	\$12.81	\$12.83	\$17.30
		%	3.2%	4.0%	2.9%	2.4%	2.9%

¹Total Diverse Spend = Minority-owned (men) + Minority-owned (women) + Women-owned (non-minority).

²Women-minority numbers are included in both Minority-owned and Women-owned totals.

		2022
Financial Literacy ¹	Program Type - Teacher centric - Student centric - Hybrid	Hybrid
	Number of Students ²	2,754
	Number of Educators ³	203
	Number of Students Reached ⁴	15,225

¹ Measures report only those OMWI students and teachers who participate in or are reached through programs that have a financial literacy focus. OMWI targeted schools are considered to be inner-city, majority-minority and all-girls high schools.

² Students who attended in-person programs and enrolled in online programs.

³ Educators who attended in-person programs and enrolled in online professional development programs.

⁴ Students reached through educators using a common multiplier of 75.

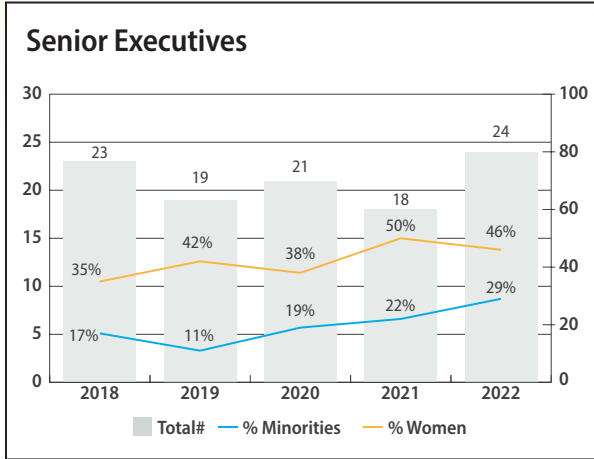
APPENDIX 2. EEO-1 DATA

Federal Reserve Bank of Richmond 2022 Employer Information Report EEO-1																						
Occupational Categories	Total Employees				Race/Ethnicity																	
					Hispanic or Latino			Non-Hispanic or Latino												Not Specified		
	All	Male	Female	NS				Male	Female	NS	White		Black or African American		Asian		Native Hawaiian or Other Pacific Islander		American Indian or Alaska Native		Two or More Races	
Male					Female	Male	Female				Male	Female	Male	Female	Male	Female	Male	Female	Male	Female	Male	Female
Executive/Sr. Level Officials																						
By total	24	13	11	-	-	-	-	7	10	2	-	3	1	-	-	-	-	1	-	-	-	-
By percent	100.00%	54.17%	45.83%	-	-	-	-	29.17%	41.67%	8.33%	-	12.50%	4.17%	-	-	-	-	4.17%	-	-	-	-
First/Mid-Level Officials																						
By total	514	321	193	-	14	5	-	232	126	34	41	33	19	1	-	4	-	2	2	1	-	-
By percent	100.00%	62.45%	37.55%	-	2.72%	0.97%	-	45.14%	24.51%	6.61%	7.98%	6.42%	3.70%	0.19%	-	0.78%	-	0.39%	0.39%	0.19%	-	-
Professionals																						
By total	2,333	1,442	887	4	84	41	1	877	477	190	220	255	124	1	-	10	3	20	15	5	7	3
By percent	100.00%	61.81%	38.02%	0.17%	3.60%	1.76%	0.04%	37.59%	20.45%	8.14%	9.43%	10.93%	5.32%	0.04%	-	0.43%	0.13%	0.86%	0.64%	0.21%	0.30%	0.13%
Technicians																						
By total	2	2	-	-	-	-	-	1	-	-	-	1	-	-	-	-	-	-	-	-	-	-
By percent	100.00%	100.00%	-	-	-	-	-	50.00%	-	-	-	50.00%	-	-	-	-	-	-	-	-	-	-
Sales Workers																						
By total	2	1	1	-	-	-	-	1	1	-	-	-	-	-	-	-	-	-	-	-	-	-
By percent	100.00%	50.00%	50.00%	-	-	-	-	50.00%	50.00%	-	-	-	-	-	-	-	-	-	-	-	-	-
Administrative Support Workers																						
By total	91	8	83	-	2	8	-	5	42	1	29	-	2	-	-	-	-	-	2	-	-	-
By percent	100.00%	8.79%	91.21%	-	2.20%	8.79%	-	5.49%	46.15%	1.10%	31.87%	-	2.20%	-	-	-	-	-	2.20%	-	-	-
Craft Workers																						
By total	59	58	1	-	1	-	-	35	1	19	-	1	-	-	-	2	-	-	-	-	-	-
By percent	100.00%	98.31%	1.69%	-	1.69%	-	-	59.32%	1.69%	32.20%	-	1.69%	-	-	-	3.39%	-	-	-	-	-	-
Operatives																						
By total	77	49	28	-	3	3	-	20	7	16	14	8	3	1	-	-	-	1	-	-	1	-
By percent	100.00%	63.64%	36.36%	-	3.90%	3.90%	-	25.97%	9.09%	20.78%	18.18%	10.39%	3.90%	1.30%	-	-	-	1.30%	-	-	1.30%	-
Laborers and Helpers																						
By total	6	5	1	-	1	-	-	2	1	2	-	-	-	-	-	-	-	-	-	-	-	-
By percent	100.00%	83.33%	16.67%	-	16.67%	-	-	33.33%	16.67%	33.33%	-	-	-	-	-	-	-	-	-	-	-	-
Service Workers																						
By total	136	113	23	-	7	-	-	56	7	44	15	3	-	-	1	-	-	3	-	-	-	-
By percent	100.00%	83.09%	16.91%	-	5.15%	-	-	41.18%	5.15%	32.35%	11.03%	2.21%	-	-	0.74%	-	-	2.21%	-	-	-	-
Total Workers																						
By total	3,244	2,012	1,228	4	112	57	1	1,236	672	308	319	304	149	3	1	16	3	27	19	6	8	3
By percent	100.00%	62.02%	37.85%	0.12%	3.45%	1.76%	0.03%	38.10%	20.72%	9.49%	9.83%	9.37%	4.59%	0.09%	0.03%	0.49%	0.09%	0.83%	0.59%	0.18%	0.25%	0.09%

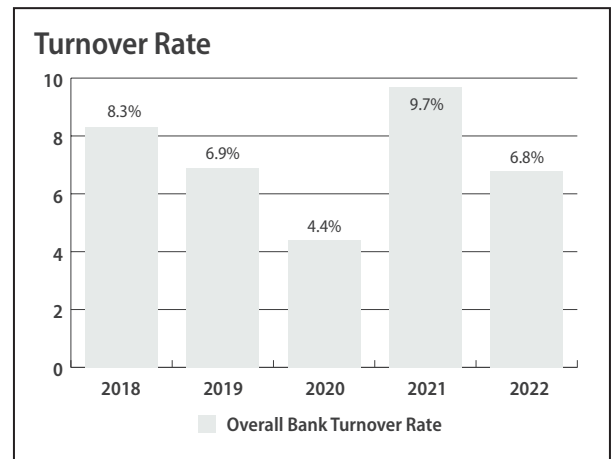
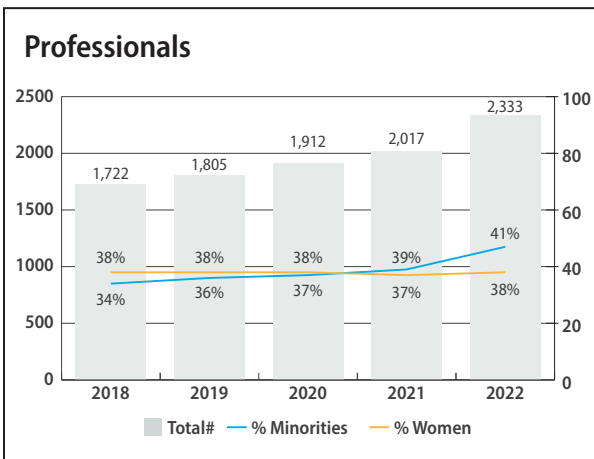
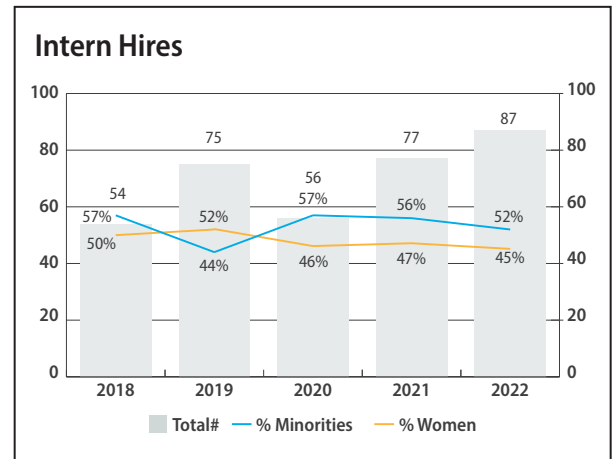
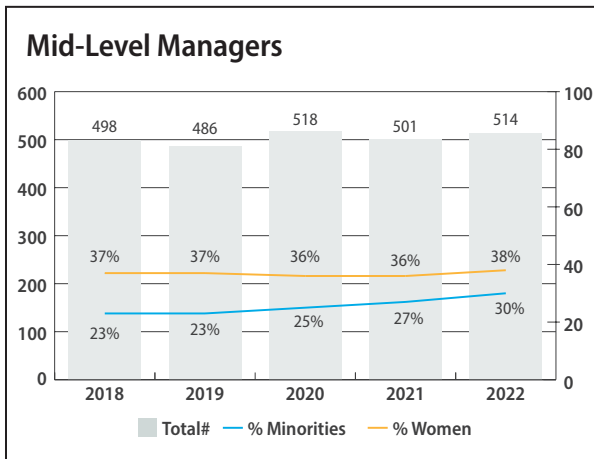
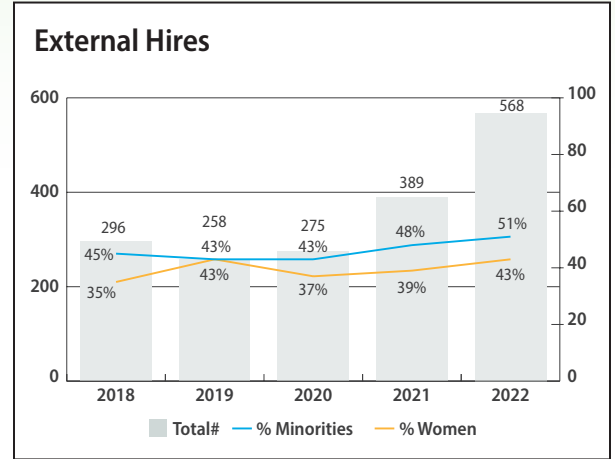
APPENDIX 2. EEO-1 DATA CONTINUED

Workforce Diversity

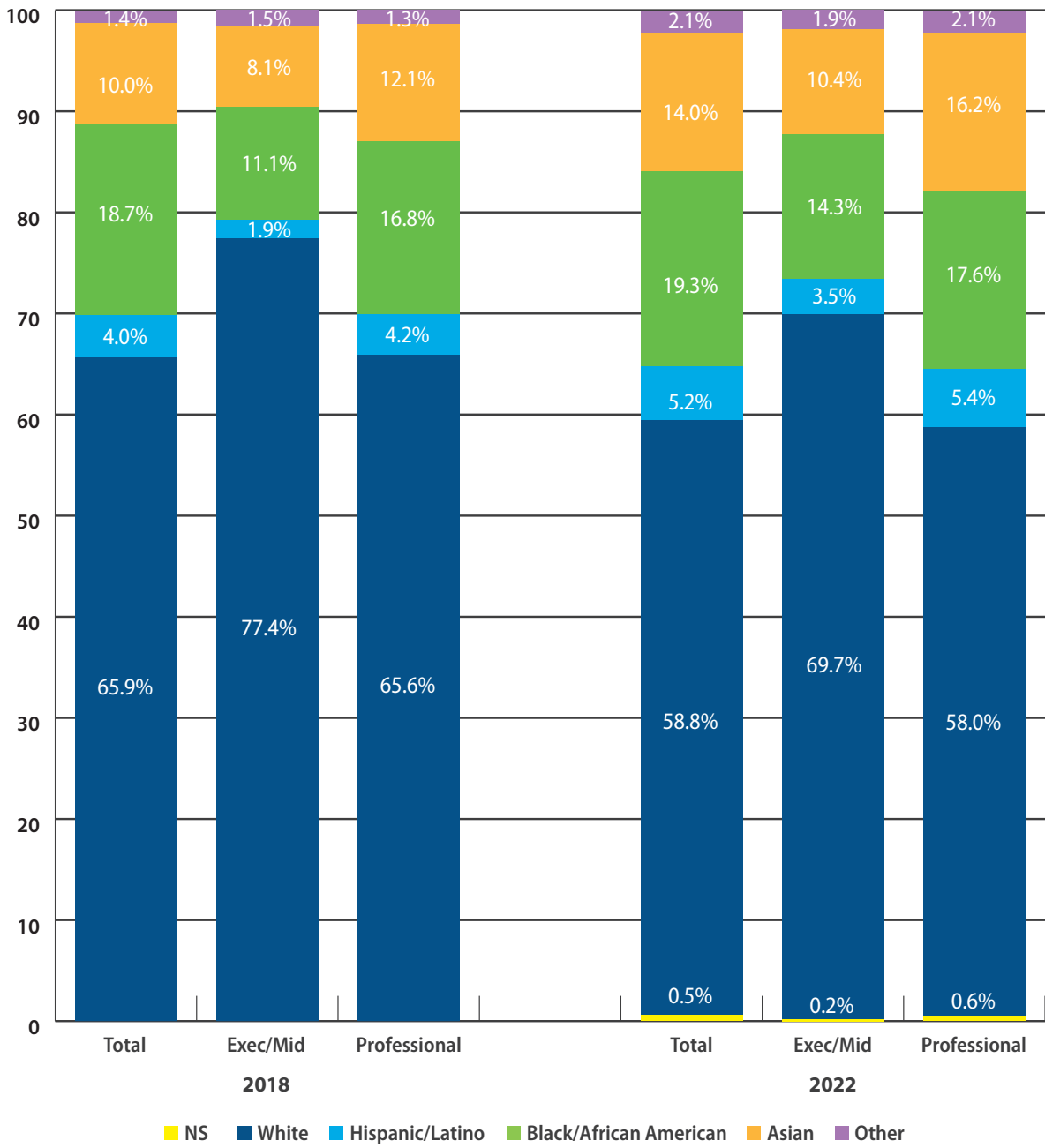
Representation at Top 3 EEO Categories



Hiring and Turnover



Ethnicity Representation Comparison 2018 & 2022



APPENDIX 3. BOARD OF DIRECTORS, DEMOGRAPHICS

Federal Reserve Bank of Richmond Bank and Branch Directors as of January 1, 2023																	
Director Categories	Current Directors			Race/Ethnicity													
				Hispanic or Latino		Non-Hispanic or Latino											
	All	Male	Female			Male	Female	White		Black or African American		Asian		Native Hawaiian or other Pacific Islander		American Indian or Alaska Native	
Male				Female	Male			Female	Male	Female	Male	Female	Male	Female	Male	Female	Male
Reserve Bank Directors																	
Class A (Total Positions 3)																	
By total	3	1	2	0	0	0	2	1	0	0	0	0	0	0	0	0	0
By percent	100%	33%	67%	0%	0%	0%	67%	33%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Class B (Total Positions 3)																	
By total	3	2	1	0	0	1	1	1	0	0	0	0	0	0	0	0	0
By percent	100%	67%	33%	0%	0%	33%	33%	33%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Class C (Total Positions 3)																	
By total	2	0	2	0	0	0	1	0	1	0	0	0	0	0	0	0	0
By percent	67%	0%	67%	0%	0%	0%	33%	0%	33%	0%	0%	0%	0%	0%	0%	0%	0%
Branch Directors																	
Branch Directors, appointed by Reserve Bank (Total Positions 8)																	
By total	7	3	4	0	0	3	3	0	1	0	0	0	0	0	0	0	0
By percent	88%	38%	50%	0%	0%	38%	38%	0%	13%	0%	0%	0%	0%	0%	0%	0%	0%
Branch Directors, appointed by Board of Governors (Total Positions 6)																	
By total	6	5	1	0	0	3	0	1	1	0	0	0	0	0	0	1	0
By percent	100%	83%	17%	0%	0%	50%	0%	17%	17%	0%	0%	0%	0%	0%	0%	17%	0%
Totals																	
All Reserve Bank Directors (Total Positions 9)																	
By total	8	3	5	0	0	1	4	2	1	0	0	0	0	0	0	0	0
By percent	89%	33%	56%	0%	0%	11%	44%	22%	11%	0%	0%	0%	0%	0%	0%	0%	0%
All Branch Directors (Total Positions 14)																	
By total	13	8	5	0	0	6	3	1	2	0	0	0	0	0	0	1	0
By percent	93%	57%	36%	0%	0%	43%	21%	7%	14%	0%	0%	0%	0%	0%	0%	7%	0%
All Reserve Bank and Branch Directors (Total Positions 23)																	
By total	21	11	10	0	0	7	7	3	3	0	0	0	0	0	0	1	0
By percent	91%	48%	43%	0%	0%	30%	30%	13%	13%	0%	0%	0%	0%	0%	0%	4%	0%

Note: Reserve Bank directors are elected or appointed to three-year, staggered terms (see <https://www.federalreserve.gov/aboutthefed/directors/about.htm> for more information). This report includes directors who were appointed or elected in 2022 to terms that began on January 1, 2023, as well as directors who are currently serving in existing terms. Information in this report reflects two vacant director positions. Directors are given the option to self-identify their gender and race/ethnicity.

APPENDIX 4. DIVERSITY AND INCLUSION CHAMPIONS

Executive Diversity & Inclusion Council (EDIC)

The EDIC is comprised of a cross-functional team of Bank senior executives — led by our Bank’s OMWI director — whose role is to serve as advocates and drivers of our DEI strategies. The EDIC serves as a key partner with the Office of Diversity, Equity & Inclusion and the Diversity & iNclusion Alliance to support and advance a diverse and inclusive culture.

Supplier Diversity Champions

Supplier Diversity Champions are employee advocates representing a cross section of our Bank’s business lines and who support the supplier diversity program throughout the year with the ultimate goal of increasing spend and engagement with diverse suppliers. Fifteen colleagues from the Fifth District and National IT served our Bank as Supplier Diversity Champions in 2022.

Diversity & iNclusion Alliance (DNA)

The DNA is guided by the EDIC and serves as a key partner — with the EDIC and the Office of Diversity, Equity & Inclusion — to support and advance a diverse workplace and inclusive culture. The DNA also provides oversight for our 9 employee resource networks. The DNA is comprised of a cross-functional and diverse group of 16 Bank employees.

Employee Resource Networks (ERNs)

Our ERN program is comprised of nine voluntary, employee-led groups formed around shared characteristics, affinities or professional interests for the purpose of supporting our DEI efforts and other strategic initiatives of the organization. ERNs are sanctioned by our Bank, guided by the DNA, and aligned with our DEI mission and support the strategic goals of our Bank. Our nine ERNs are:

ABLE (Ability Beyond the Label)

ABLE works to assist the Bank in achieving its strategic goal of maintaining a diverse work environment by raising awareness of the value differently abled individuals bring to the organization, where all employees can contribute at their maximum potential.

CAPITAL (Championing Asians and Pacific Islanders Through Advocacy and Leadership)

CAPITAL supports our Bank in maintaining a diverse and inclusive work environment where all employees can fulfill their maximum potential through the promotion of professional development, networking, cultural awareness, recruitment and retention, and knowledge sharing.

Evolving Professionals

Evolving Professionals supports our Bank’s culture and early career efforts by maintaining a community of District and National IT employees who actively engage in programming focused on personal and professional development, skill building, networking and more.

First to Serve

First to Serve is a resource for harnessing the talents, experiences and interests of those who have or are currently serving in the uniform services and those who support them in the Bank and in the community at large.

Generations United

Generations United is a multigenerational resource network that represents our entire workforce through all “Generations United.” They support the Bank’s objective of attracting, retaining and developing a world-class, diverse workforce by sponsoring activities that promote the interaction and engagement of today’s multigenerational workforce.

Global Connections

Global Connections supports our Bank’s diversity and inclusion efforts by providing a space for employees who grew up outside of the United States, as well as those who come from immigrant families and whose first language is not English, to feel engaged and included within our organization.

GROW (Generating Recognition of Women)

GROW promotes, recognizes and respects the value of women and encourages their professional and personal development.

PRISM (Pride, Respect, Inclusion, Safe and Mutual support — lesbian, gay, bisexual and transgender employees and allies)

PRISM supports the Bank’s organizational objectives by sponsoring activities that assist the Bank in maintaining an inclusive work environment where all employees can fulfill their maximum potential, and by promoting an environment that recognizes strengths, values and differences as well as respect and mutual support.

VITAL (Valuing the Inclusion of Talented African Americans and Latinos)

VITAL supports the Bank's organizational objectives by sponsoring activities that assist the Bank in maintaining an inclusive work environment where all employees can fulfill their maximum potential, and by promoting an environment that recognizes and values the contribution of diverse talent.





FIFTH FEDERAL RESERVE BANK DISTRICT OFFICES

Richmond
701 East Byrd Street
Richmond, VA 23219
(804) 697-8000

Baltimore
502 South Sharp Street
Baltimore, MD 21201
(410) 576-3300

Charlotte
530 East Trade Street
Charlotte, NC 28202
(704) 358-2100

