Letter From the CEO

TIAA is a dynamic organization with a strong commitment to inclusion, diversity, and equity across all aspects of our business. This includes maintaining diversity within our supplier community.

Since 1992, The Business Diversity Program (previously Supplier Diversity) has been intentional about including under-utilized businesses in the sourcing process. We fervently believe business diversity serves as a critical catalyst for economic impact in diverse communities. In line with our Be the Change platform, we launched an initiative to Do More to increase our spending with Black-, Hispanic- and Latino-owned businesses and improve opportunities and access for suppliers owned by people of color and LGBTQ-, veteran-, and disabled-owned businesses.

We are proud of our progress with Asian-owned, women-owned and small businesses but recognize we can certainly Do More with other underrepresented segments. Some of our key ongoing efforts include partnerships with Historically Black Colleges and Universities (HBCUs), as well as identifying diverse suppliers across all products and services throughout TIAA.

TIAA's Business Diversity program has received recognition throughout the industry including a Top 50 Company for Diversity (DiversifyInc), one of America's Top Corporations for Women Business Enterprises (WBENC), and a Best of the Best Corporation for Inclusion (NBIC). We continue to focus on supplier development through TIAA's Diverse Supplier Academy, a development program consisting of three pillars: mentorship, education, and scholarship. It seeks to connect our suppliers with key leaders across TIAA, educate them on the shifting landscape of our business, while providing opportunities to grow their companies.

In the spirit of continuous improvement, we are increasing our enterprise-wide commitment to environmental, social and economic initiatives. This requires that we broaden the scope of our Business Diversity program to include a more comprehensive approach to supply chain sustainability. These efforts will ensure TIAA's purchasing decisions make a positive contribution to society through upholding social standards, environmental stewardship and encouraging carbon footprint reduction.

We are fortunate to have the participation of leaders across all areas of the company on the Business Diversity Advisory Council, a cross-functional group of executive leaders tasked with steering and directing business diversity initiatives while advocating for inclusive supplier strategies at every level of the company.

TIAA remains committed to advancing strategies that move the needle in creating a diverse supply base that delivers the best solutions to our clients and the communities we serve.

–Thasunda Brown Duckett, President and CEO of TIAA
Business Diversity Vision and Mission

Program Genesis
Established in 1992, TIAA’s Business Diversity Program (formally Supplier Diversity) has been intentional about including under-utilized businesses in the sourcing process. TIAA remains committed to advancing strategies that move the needle in creating a diverse supply base that delivers the best solutions to our clients and the communities we serve.

Vision
To offer a best-in-class program that provides opportunity to diverse suppliers and their communities, while adding value to the organization. We aim to grow total spend with diverse-owned businesses on a global scale while advancing supply chain sustainability, supplier inclusion, and equity.

Mission
TIAA knows the value of inclusion, diversity, and equity. We purposefully strive to do business with others who reflect the communities and participants we serve.
The Six Pillars of Business Diversity

Through the 6 pillars of Business Diversity, we can DO MORE together.

**Advocacy**
Share and advocate for Business Diversity efforts inside and out at TIAA.

**Diverse Spend**
Increase the amount of spend with diverse suppliers, both Tier I and Tier II.

**Diverse Investments**
Endorse access to capital for diverse-owned businesses.

**Account Team Diversity**
Ensure diversity among those staffed to our matters across the TIAA enterprise.

**Development**
Enhance supplier development, through our mentorship program, webinar series, and scholarships to executive education programs.

**Supply Chain Sustainability**
Ensure environmental, social, and governance (ESG) practices and standards are represented in companies TIAA does business.
Awards and Recognition

Since the TIAA Business Diversity Program was launched in 1992, we have worked to achieve “best in class” distinction among our peers for Supplier Diversity. We are proud to have received recognition throughout the industry for our work in Supplier Diversity.
Advocating for Business Diversity Across the Board

We make Business Diversity a priority within our organization. But we also make a point to reiterate the benefits of Business Diversity throughout the industry and the community.

TIER II REPORTING
We expect our prime supplier to conduct and report business relationships with diverse-owned enterprises in their supplier base. Tier II allows suppliers to extend opportunities to diverse-owned businesses (minority, women, disabled, LGBT, veteran, and small businesses), furthering TIAA’s impact to diverse communities.

BUSINESS DIVERSITY ADVISORY COUNCIL
TIAA executive leadership, meets multiple times throughout the year to update, integrate, and advocate for business diversity at all levels of the organization.

DIVERSE SUPPLIER ACADEMY
A unique development program consisting of three pillars: mentorship, education, and scholarship.
Our internal council advocate for inclusive supplier strategies, update TIAA business leaders on the state of the Business Diversity Program and integrate business diversity in all applicable business practices at all levels of the organization.

Advises on the strategic direction, approves new initiatives, and reviews decisions on policy development related to the Business Diversity Program.

Drives awareness for increased utilization of diverse suppliers in respective areas.

Encourages consideration of diverse suppliers in buying decisions, RFPs, etc.
Diverse Supplier Academy

The TIAA Diverse Supplier Academy connects our suppliers with key leaders across the organization and educates them on the shifting landscape of our business, while providing opportunities to grow their companies.

Mentorship

Our mentoring program connects diverse-owned businesses with committed TIAA mentors. The mentors provide expert guidance and industry insights focused directly on mentees’ business goals to support the growth of their companies and help them expand their reach.

Education

We seek to develop diverse suppliers through an interactive webinar series and Q&A sessions with key business leaders. Upon completion of the series, the suppliers will have enhanced skills necessary to grow, develop, and manage their businesses more profitably.

Scholarship

TIAA provides diverse business owners, and underrepresented entrepreneurs with scholarships to attend the Tuck Diversity Business Programs at Dartmouth University in an effort to accelerate their growth.
Our Company Values and Behaviors

The TIAA Business Diversity Program is a direct reflection of our values and behaviors. “Our TIAA values will guide our every step and enable us to deliver on our mission and brand – it’s “how” we get there”.

We demonstrate our values to deliver on our strategy and bring our brand to life

Be client obsessed.  Champion our people.  Lead with integrity.  Own it.  Win as one.
Membership and Partnership

Business Diversity is managed within our Global Supplier Services group, which allows us to partner with certified diverse suppliers.

We actively participate in the following corporate memberships:

- National Minority Supplier Development Council (NMSDC)
- National Minority Supplier Development Council (NMSDC)
- Financial Services Roundtable for Supplier Diversity (FSRSD)
- Women’s Business Enterprise National Council (WBENC)
- Carolinas-Virginia Minority Supplier Development Council
- WEConnect International
- Carolinas-LGBT Chamber of Commerce
- Minority Supplier Diversity UK
- Sustainable Purchasing Leadership Council
- US Black Chambers
- US Pan Asian American Chamber of Commerce (USPAAC)
- Disability: IN
- Carolinas LGBT Chamber of Commerce
- Minority Supplier Diversity UK
- Sustainable Purchasing Leadership Council
- US Black Chambers
Our Impacts Across Small and Diverse Businesses
I would classify 3 areas TIAA has contributed to the success and/or advancement of our business:

1) **Establishing successful track record.** The opportunities/partnership/engagements TIAA afforded us, throughout our relationship, enabled our team & product to create win-win output thereby establishing for us a wonderful & successful track record.

2) **Recognizing our diversity as a strength.** TIAA’s pursuit & emphasis on diversity, specifically in dealing with its vendors, which we had to address, opened our eyes to a strength we had that we did not give any thought or attention. Going through the TIAA vendor diversity requirements, we were surprised to think for the first time as a diverse vendor. The metrics required by TIAA from vendors further highlighted to us how diverse we are. The whole experience with TIAA had a positive impact on us internally from an HR perspective and in turn us dealing with our vendors & within our community at large. While other clients were bringing up diversity, only TIAA’s emphasis had the positive impact. We greatly appreciate this wonderful wakeup call in early 2022.

3) **Raising the bar on our risk management.** Similar to diversity, TIAA’s pursuit and emphasis to risk management in dealing with its vendors, had a positive impact on our firm. Throughout the years, the processes we went through with TIAA Risk Management group raised the bar for us internally for our policies, procedures, and processes across our firm. Resulting in our ability to pursue SOC II Type 2 attestation. Again, other clients did raise risk management, but only TIAA emphasis was our driver and impacted us.

Fouad Habboub
IKINDI Inc. President & CEO
How We Measure Economic Impact

ECONOMIC IMPACT METRICS
Economic impact reports communicate the impact on the economy using these standard metrics: Production, Wages, Jobs, and Tax Revenues.

Production
Measures the cumulative revenues of all businesses impacted through the program: Direct, Indirect and Induced.

Wages
Measures the cumulative earnings of the employees in the jobs supported through supplier diversity purchases.

Jobs
Created within TIAA supply chain and in the supplier’s communities.

Taxes
Measures the federal, state and local tax revenues that are generated through economic activity.
Business Diversity is a catalyst for economic impact in diverse communities. TIAA’s purchases from small and diverse businesses in 2022 supported jobs in the communities where these businesses operate.

## Our Impact at a Glance

<table>
<thead>
<tr>
<th>Category</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL PRODUCTION</td>
<td>$411M</td>
</tr>
<tr>
<td>TOTAL JOBS SUPPORTED</td>
<td>2,103</td>
</tr>
<tr>
<td>TOTAL WAGES EARNED</td>
<td>$183M</td>
</tr>
<tr>
<td>TOTAL TAXES GENERATED</td>
<td>$53M</td>
</tr>
</tbody>
</table>
### Year Over Year Growth

#### TOTAL OUTPUT

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Output</td>
<td>$397M</td>
<td>$391M</td>
<td>$411M</td>
</tr>
</tbody>
</table>

Revenues earned by suppliers and businesses in the companies supply chain and their communities.

#### WAGES BY DIVERSE CATEGORY

<table>
<thead>
<tr>
<th></th>
<th>2020</th>
<th>2021</th>
<th>2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wages</td>
<td>$90M</td>
<td>$84M</td>
<td>$121M</td>
</tr>
</tbody>
</table>

Direct incomes earned in the direct supported jobs.

In summary, we saw that TIAA’s diverse and small spend increased YoY together with total production. However, total and direct jobs and taxes showed a significant decrease. After further analysis, several industries did see a decline in jobs despite the increase in output, revenue, and sales, due to the pandemic impact between 2020-2021.

Note: The year-over-year analysis includes minority-owned, women-owned, veteran-owned, LGBT-owned, veteran-disabled-owned, and small business spend data. The 2022 numbers are from direct spend.
Economic Impact Channels

TIAA's spending with its diverse and small suppliers generates economic activity in its supply chain and their communities.

Direct

TIAA's small and diverse suppliers who employ people to support their sales.

Indirect

TIAA small and diverse suppliers purchase goods and services from other suppliers, which creates a ripple effect through the economy.

Induced

The employees in the jobs created in the supply chain to satisfy TIAA purchases support additional jobs in their communities.
An economic impact assessment attempts to estimate the economic activity associated with supporting small and diverse suppliers within a geographic area, as shown through an input-output model. Spending with small and diverse businesses sets off a series of additional benefits to subcontractors while fulfilling the good or service to TIAA. The industries and locations of these businesses shape the net impact on the economy. Each industry and region has its own patterns of usage of capital and labor, and its level of interconnectedness with other businesses.

TIAA purchased $240M from small and diverse businesses. This spending resulted in a total impact of $411M, which is broken down into $240M Direct impact, $59M Indirect impact, and $112M Induced impact.

TIAA Supplier Diversity spending with small and diverse suppliers supported an estimated 2,103 jobs. 1,216 of these were supported in the Direct channel, 298 in the Indirect channel, and 589 in the Induced channel.

TIAA purchases from small and diverse suppliers supported jobs throughout the supply chain that paid employees a total of $183M in wages. Wages earned in the Direct, Indirect and Induced channels are estimated at $121M, $23M and $39M respectively.

Note: Direct, Indirect and Induced numbers may not add up to the total due to rounding.
Impact by Diverse Category

TIAA Purchases
$240.2M
Total TIAA purchases from small & diverse businesses

MINORITY-OWNED BUSINESSES
$118M

WOMEN-OWNED BUSINESSES
$35M

VETERAN-OWNED BUSINESSES
$2M

LGBT-OWNED BUSINESSES
$4M

VETERAN-DISABLED OWNED BUSINESSES
$14M

SMALL BUSINESSES
$67M

Note: Supplier spend is included in every category for which the supplier qualifies. Spend dollars by category will add up to greater than the total spend.
Jobs Supported at Small and Diverse Businesses

Jobs Supported

- Minority-Owned Businesses: 521 Jobs Supported
- Women-Owned Businesses: 224 Jobs Supported
- Veteran-Owned Businesses: 6 Jobs Supported
- LGBT-Owned Businesses: 29 Jobs Supported
- Veteran-Disabled Owned Businesses: 11 Jobs Supported
- Small Businesses: 425 Jobs Supported

Wages Supported

- Minority-Owned Businesses: $58M Wages Supported
- Women-Owned Businesses: $19M Wages Supported
- Veteran-Owned Businesses: $729.4K Wages Supported
- LGBT-Owned Businesses: $3M Wages Supported
- Veteran-Disabled Owned Businesses: $1.2M Wages Supported
- Small Businesses: $40M Wages Supported

Note: Suppliers are included in every category for which they qualify. The number of jobs may add up to greater than the total jobs and wages. The 2022 job-supported numbers are from direct spend.
## Supplier Diversity Impact by State

<table>
<thead>
<tr>
<th>State</th>
<th>TIAA’s Diverse &amp; Small Business Spend</th>
<th>Total Output</th>
<th>Total Jobs</th>
<th>Total Wages</th>
</tr>
</thead>
<tbody>
<tr>
<td>NY</td>
<td>$70M</td>
<td>$121M</td>
<td>620</td>
<td>$62M</td>
</tr>
<tr>
<td>NJ</td>
<td>$41M</td>
<td>$67M</td>
<td>306</td>
<td>$28M</td>
</tr>
<tr>
<td>MO</td>
<td>$41M</td>
<td>$50M</td>
<td>82</td>
<td>$7M</td>
</tr>
<tr>
<td>NC</td>
<td>$23M</td>
<td>$46M</td>
<td>340</td>
<td>$23M</td>
</tr>
<tr>
<td>FL</td>
<td>$11M</td>
<td>$24M</td>
<td>169</td>
<td>$14M</td>
</tr>
<tr>
<td>MI</td>
<td>$11M</td>
<td>$22M</td>
<td>157</td>
<td>$14M</td>
</tr>
<tr>
<td>CT</td>
<td>$10M</td>
<td>$18M</td>
<td>97</td>
<td>$9M</td>
</tr>
<tr>
<td>CA</td>
<td>$7M</td>
<td>$15M</td>
<td>75</td>
<td>$7M</td>
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<tr>
<td>IL</td>
<td>$5M</td>
<td>$9M</td>
<td>48</td>
<td>$4M</td>
</tr>
<tr>
<td>TX</td>
<td>$4M</td>
<td>$7M</td>
<td>37</td>
<td>$3M</td>
</tr>
<tr>
<td>GA</td>
<td>$3M</td>
<td>$6M</td>
<td>36</td>
<td>$3M</td>
</tr>
<tr>
<td>PA</td>
<td>$3M</td>
<td>$5M</td>
<td>26</td>
<td>$2M</td>
</tr>
</tbody>
</table>

Note: State jobs may not add up to the total jobs due to rounding.
### Supplier Diversity Impact by State

<table>
<thead>
<tr>
<th>State</th>
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<th>Total Output</th>
<th>Total Jobs</th>
<th>Total Wages</th>
</tr>
</thead>
<tbody>
<tr>
<td>MA</td>
<td>$2M</td>
<td>$4M</td>
<td>17</td>
<td>$2M</td>
</tr>
<tr>
<td>VA</td>
<td>$2M</td>
<td>$4M</td>
<td>20</td>
<td>$1M</td>
</tr>
<tr>
<td>UT</td>
<td>$2M</td>
<td>$3M</td>
<td>21</td>
<td>$2M</td>
</tr>
<tr>
<td>DC</td>
<td>$2M</td>
<td>$2M</td>
<td>8</td>
<td>$947K</td>
</tr>
<tr>
<td>CO</td>
<td>$1M</td>
<td>$3M</td>
<td>8</td>
<td>$605K</td>
</tr>
<tr>
<td>WI</td>
<td>$564K</td>
<td>$1M</td>
<td>8</td>
<td>$577K</td>
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<tr>
<td>MN</td>
<td>$510K</td>
<td>$1M</td>
<td>7</td>
<td>$600K</td>
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<tr>
<td>OK</td>
<td>$395K</td>
<td>$713K</td>
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<tr>
<td>ID</td>
<td>$385K</td>
<td>$710K</td>
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<td>$403K</td>
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<tr>
<td>MD</td>
<td>$333K</td>
<td>$535K</td>
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<td>$242K</td>
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<tr>
<td>KY</td>
<td>$211K</td>
<td>$391K</td>
<td>3</td>
<td>$256K</td>
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<tr>
<td>WA</td>
<td>$209K</td>
<td>$339K</td>
<td>2</td>
<td>$124K</td>
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</tbody>
</table>

Note: State jobs may not add up to the total jobs due to rounding.
## Supplier Diversity Impact by State

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<thead>
<tr>
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<th>Total Output</th>
<th>Total Jobs</th>
<th>Total Wages</th>
</tr>
</thead>
<tbody>
<tr>
<td>OR</td>
<td>$160K</td>
<td>$255K</td>
<td>1</td>
<td>$64K</td>
</tr>
<tr>
<td>AR</td>
<td>$99K</td>
<td>$167K</td>
<td>1</td>
<td>$66K</td>
</tr>
<tr>
<td>WV</td>
<td>$84K</td>
<td>$141K</td>
<td>1</td>
<td>$26K</td>
</tr>
<tr>
<td>AL</td>
<td>$82K</td>
<td>$158K</td>
<td>1</td>
<td>$28K</td>
</tr>
<tr>
<td>AZ</td>
<td>$80K</td>
<td>$125K</td>
<td>-</td>
<td>$44K</td>
</tr>
<tr>
<td>OH</td>
<td>$40K</td>
<td>$76K</td>
<td>-</td>
<td>$25K</td>
</tr>
<tr>
<td>LA</td>
<td>$30K</td>
<td>$58K</td>
<td>-</td>
<td>$28K</td>
</tr>
<tr>
<td>ND</td>
<td>$19K</td>
<td>$23K</td>
<td>-</td>
<td>$4K</td>
</tr>
<tr>
<td>SC</td>
<td>$5K</td>
<td>$10K</td>
<td>-</td>
<td>$3K</td>
</tr>
</tbody>
</table>

Note: State jobs may not add up to the total jobs due to rounding.
Appendix

Economic impact modeling is a standard tool used to quantify the economic contribution of an investment or company. This modeling uses an “Input-Output” economic model to estimate the number of times each dollar of “input,” or direct spend, cycles through the economy in terms of “indirect and induced output,” or additional spend, personal income, and employment.

There are several Input-Output models used by economists to estimate multiplier effects. supplier.io employed the IMPLAN input-output model in developing estimates of spend, income and employment impacts. This model, initially developed by the U.S. Department of Agriculture, examines inter-industry relationships in local, regional, and national economies.

The Input-Output multipliers are derived from a comprehensive and complex set of inputs based on the collection of business and employment data. Indirect impacts of economic activity in a targeted geographic area are calculated by applying multiplier coefficients to the direct impact spending. Since most of the businesses in the study are considered as local businesses, each supplier was assumed to have operations primarily in one state. These multipliers consider an amount of “leakage” from the state economy because some wages and expenditures will be spent outside of the state. The economic activity is calculated by state and these state-level results are aggregated to determine the national totals.

Analysis performed by supplier.io

Assumptions
This analysis relies on the following assumptions:
For suppliers that have multiple locations, all impact is evaluated at the headquarters location. This may overestimate the impact in the headquarters state and underestimate the impact in other states.
For suppliers that provide services in multiple NAICS code, unless otherwise indicated, all impact is calculated using the supplier’s primary NAICS code. A supplier impact is assumed to be localized within a state. The model predicts impact results based on industry averages and is an aggregate across all companies. The calculations cannot be applied to individual companies and may differ from actual jobs and incomes at specific companies.

References
This report is based on an analysis of data provided by the customer and information from the following sources:
• US Government Revenues: http://www.usgovernmentrevenue.com/total_2014USrt_17rs1n
• United States GDP: http://www.tradingeconomics.com/united-states/gdp
• What is NAICS: https://www.naics.com/what-is-naics-code-why-do-i-need-one/
• IMPLAN (https://implan.com)
  • Multipliers Changing Over Time
  • Generation and Interpretation of IMPLAN’s Tax Impact Report
  • How the Pandemic Ruined My Tax Results
  • Analyzing the Economic Impacts of the Coronavirus