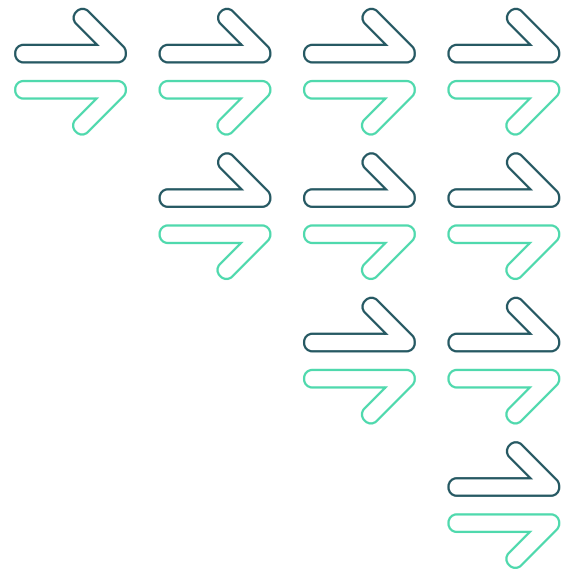




Diversity, Equity & Inclusion

2021 Annual Report





Our 2021 Focus

Forward Financing has made significant efforts and progress in the Diversity, Equity & Inclusion space. The past few years have seen unprecedented change with a global pandemic, increasing social unrest, and an uneasy political climate. 2021 was also a year of awakening for many companies, Forward Financing included. It became clear that we needed to do even more to contribute to breaking down systemic barriers and increasing workforce representation for underrepresented groups.

While there's no easy fix for addressing these gaps in representation, in 2021 we reinforced our DEI efforts and began to see progress across the organization.



We centered our efforts on three main areas:



Creating a diversity recruitment strategy to increase overall representation.



Cultivating a culture of inclusion and belonging.



Increasing employee engagement and involvement with DEI.

Our DEI Mission Statement

Forward Financing actively promotes a focus on diversity, equity, and inclusion in all we do. We are committed to creating a workplace where trust and respect are paramount, and all employees feel valued, heard, and accepted. By embracing diversity of thought, background, and identity, we will continue to become a stronger team and a better organization.



1

Diversity Recruitment Strategy



We rely on every recruiter, leader, and employee to invite new voices into the company. This year we focused on sourcing diverse talent beyond the applicant pool, to meet candidates where they are and increase representation at the top of the recruitment funnel.

→ Hired a Technical Sourcer

to focus solely on finding qualified and diverse talent, specifically for harder-to-fill technical roles.

→ Partnered with Service Organizations

such as Year Up and The Mom Project which both support a diverse talent pool.

→ Updated Job Description Language and Requirements

to be more inclusive, such as removing GPA requirements from certain roles and running language through Textio to mitigate potential bias.

75%

increase in total headcount from Jan - Dec 2021

42%

of all 2021 new hires were Female



We ended 2021 with 160 employees, and of our overall headcount:

39.4%

Female

22%

Diverse*

*For the purpose of this report, "Diverse" is defined as employees who self-identify as Black or African American, Hispanic or Latino, American Indian or Alaska Native, Asian, Native Hawaiian, or Other.



1

Diversity Recruitment Strategy



We assessed our interview process and made several meaningful enhancements to create an equitable interview experience for every candidate:



Standardized Interview Processes

for all candidates and investing in inclusive interview training



Created Diverse Interview Panels

to ensure candidates will meet with at least one person of an underrepresented group



Adopted a “Culture Add” Mindset

to reduce potential bias when interviewing

We expanded our diverse networks through recruitment events, job board partnerships, and brand recognition. Most recently we were named in **Boston Globe’s Top Places to Work 2021!**



2

Culture of Inclusion and Belonging



Once we bring diverse talent in the door, we want them to be able to grow a fulfilling career. We strive for employees to feel like they belong, that their opinions are valued, and that they have the resources to be successful.

Created Opportunities for Employee Development, Growth, and Mobility

Internal Mobility Policy

- Outlines guidelines, a standardized interview process, and equitable experience for employees interested in applying to internal roles.
- Within the first 6-months of the program, 5 employees took on new roles internally, with an additional 6 employees scheduled for Q1 2022.

Professional Development Policy

- Offers employees \$2,000 annually to put toward professional development opportunities.
- Provides employees the ability to advance their skillsets, obtain certifications, and further their education to help advance their careers.

\$17,356 used by employees for professional development



We Have Increased Representation Across Management & Leadership Roles:

People Managers

28% Female
15% Diverse

Leaders (Director+)

40% Female
13% Diverse



2

Culture of Inclusion and Belonging



Inclusive work environments are created and nurtured by every individual policy, program, benefit, and team member. We focused on ensuring our internal structures meet individual employee needs, prevent any inequities, and support a culture of inclusion.



- Launched **two anonymous employee DEI surveys**.
- Met 1:1 with every employee quarterly to collect ad hoc feedback.
- Incorporated an **inclusivity behavioral component** into performance reviews.



- Removed gender criteria for the **Parental Leave Policy**.
- The revised policy allows for both primary and secondary caregivers of new children to take the same amount of leave time, **regardless of gender**.



- Worked alongside an **external compensation consultant** to regularly analyze employee compensation to ensure equity across race and gender.



- Implemented the **FF Flex Pass**, a **\$120/month** stipend to use for wellness, home office, or commuting expenses.
- This program helps meet **employees' individual needs**.



3

Employee Engagement and involvement with DEI



We focused on building employees' understanding of what DEI means and the importance for us all to learn and grow in this space. We worked on building awareness among our colleagues, showcasing individual experiences, and providing educational avenues.



Women's Forum

- Hosted a workshop and evening social for 48 women-identifying employees.
- Workshop centered on Visibility & Self-Advocacy in the workplace.

"It is important to understand that the system of advantage is perpetuated when we do not acknowledge its existence."

—Beverly Daniel Tatum

To help provide learning opportunities, we hosted a variety of **workshops and external speakers**.

Topics included:

- Building an Inclusive Culture
- Why Your Heritage Matters
- Anti-Racism
- Impactful Allyship

Additionally, we focused on engaging employees in the DEI work at FF:

20+ employees

joined the DEI Committee to meet, discuss, and learn more about DEI topics

8 coffee chats

hosted by employees, with topics including Pride Month, Asian American Heritage, Disabilities, Hispanic Heritage, and more



3

Employee Engagement and involvement with DEI



It's important that we foster a culture of giving back to underserved communities.

This year we:

- Implemented a new Charitable Gifts Program that matches employee donations up to \$1,000 per employee per year.
- Organized charitable giving weeks, donating to both employee-nominated charities, and organizations that support underrepresented groups.



\$70K+

donated in total by Forward Financing

55

unique charitable organizations benefited

38%

of employees donated over \$6,000 in 2021



Our Focus Areas for 2022



Continue to increase diverse representation

Source from a variety of networks, identify new partnerships, and evaluate current systems to ensure we are finding diverse talent effectively.



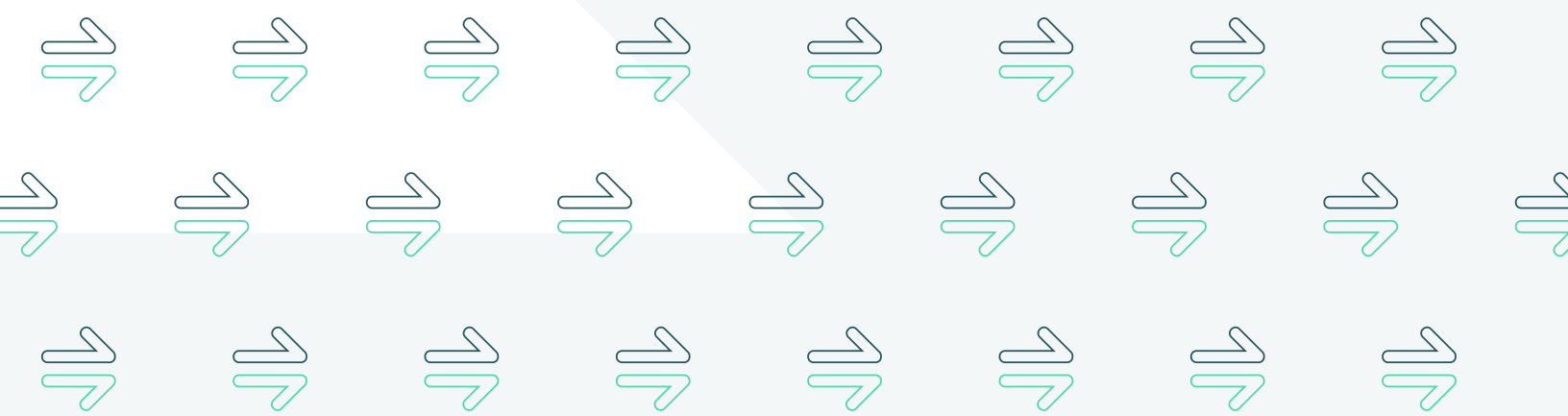
Integrate DEI into our everyday culture

Engage employees in DEI content, provide a variety of opportunities to get involved, expand the DEI committee's impact, and continue to give back to our communities.



Assess current programs, benefits, and policies

Collect employee feedback, evaluate current programs and ensure they are equitable and inclusive, and use data to identify areas of progress and room for improvement.



Learn more about Forward Financing's commitment to Diversity, Equity & Inclusion at www.forwardfinancing.com.

