

DIVERSITY EQUITY & INCLUSION

ANNUAL REPORT 2021

radian

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# A Letter from Leadership

In 2021, we continued to build on our progress in the diversity, equity, and inclusion space at Radian. To better understand that continued progress, we invite you to examine our inaugural DEI Annual Report which gives a deeper understanding of our journey as an organization and our many opportunities to lead the industry in this important work. With our DEI ambition and program, we are committed to taking actionable steps to close the homeownership gap for people of color and other marginalized groups.



Internally, we recognize the moment and movement of our progress and can see how it has become intertwined with Radian’s history and culture. We know that we cannot talk about the dream of American homeownership without acknowledging who has historically been left out of the process to achieve that dream. People of color, particularly Black Americans have often had to fight against loan denial, unfair home valuations, and the lingering effects of redlining. In fact, the Black-White homeownership gap is wider today than it was before the Fair Housing Act that was passed in 1969.<sup>1</sup>

With our DEI ambition and program, we are committed to taking actionable steps to close the homeownership gap for people of color and other marginalized groups, through our homeownership affordability initiative. Internally, we are committed to an inclusive and equitable workplace with diverse teams. We are developing targeted recruitment strategies and expanding Employee Resource Groups to foster awareness and celebrate diversity. In our report, you will see our commitment via training to mitigate bias, efforts to demonstrate allyship in action, our commitment to equitable compensation, and our homeownership affordability initiatives led by our President, Derek Brummer.

This work could not be done without the many partners across multiple areas of our business - together we are ensuring that this work is happening on the ground each day. In closing, we invite you to share in our accomplishments and what we were able to achieve at Radian this past year. We will continue to uphold our values and treat our people as our most valuable assets while we also strive to do our part to create a more equitable world.

## **Eric Ray**

**DEI Council Chair**

**Sr EVP, Chief Digital Officer and  
Co-Head of Real Estate**

## **Emily Riley**

**DEI Council Chair**

**EVP, Chief Marketing and Corporate  
Communications Officer**

<sup>1</sup> J. Reckford & L. Rice. (2022) [The Black-White homeownership gap is wider than it was in the '60s. Here's how to close it.](#) The Philadelphia Tribune.

# 2021 By the Numbers



# Core Values

At Radian, our culture is built around a set of core organizational values that we live by and define who we are as an enterprise.



## Deliver the Brand Promise

We are a customer-centric enterprise striving to be the market leading brand as defined by our customers.



## Innovate for the Future

We embrace innovative technologies to strategically differentiate the delivery of our products and services.



## Create Shareholder Value

We build long-term shareholder value through sustainable growth and profitability.



## Our People are the Difference

We recognize that our people make the difference in our franchise.



## Do What's Right

We will always do the right thing, without compromise.



## Partner to Win

We recognize that we cannot reach our goals alone, so we will develop intelligent strategic alliances with best in class partners.

# Our Journey

Radian’s drive for becoming a champion of diversity in the financial services industry formalized in 2020 with the creation of the Inclusion & Diversity (I&D) Council. The goal of this council was to continue building a company culture that was accepting of all backgrounds and experiences and promoting a “come as you are” philosophy to further inclusion at Radian.

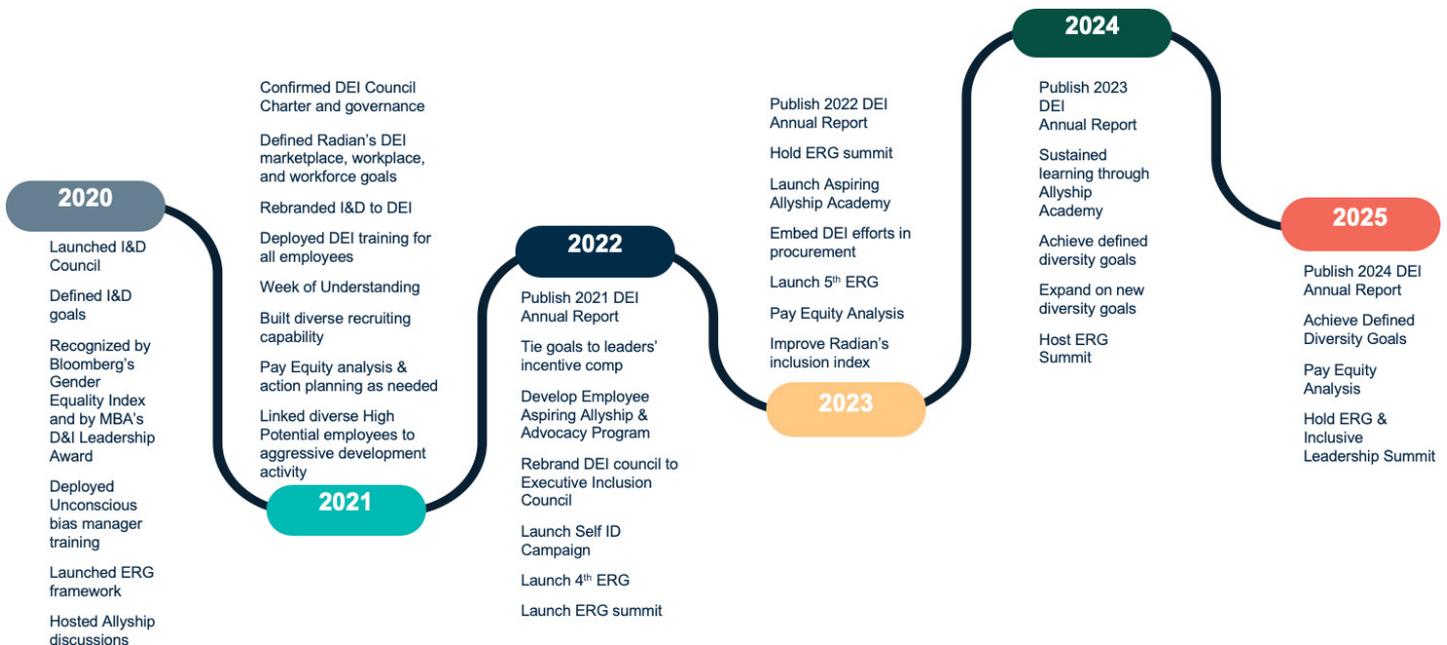


In 2021, “Equity” was added to the overall strategy of the I&D Council to recognize the disparities that underrepresented groups face and set in motion a plan to create just practices and policies to assure all community members could thrive at Radian.

Our DEI Council is sponsored by our CEO and made up of other senior leaders from across the enterprise. This intentional decision was made to ensure that our efforts were championed at the highest levels of leadership.

# Our DEI Timeline

We have committed ourselves to further diversity, equity, and inclusion at Radian, and have made progress each quarter over the past two years.



# Radian Employee Resource Group Landscape

Our Employee Resource Groups (ERGs) have been implemented to support and deliver the company's commitment to an inclusive and diverse culture. ERGs provide a platform for typically underrepresented or marginalized groups to bring awareness, education, and change to the challenges these groups may face.

ERGs are employee-led and sponsored by members of the DEI Council. Our DEI initiatives and objectives are furthered by these groups by promoting a culture of allyship and enabling employees to foster an accepting community even while connecting remotely.



## Our ERGs at a Glance

### Women Heard

Network to focus on the unique opportunities, challenges, and issues facing women.

*Launched in March 2021*

### True Colors

Connecting lesbian, gay, bisexual, and queer employees and allies at Radian to create pathways for inclusive practices.

*Launched in May 2021*

### Vibrant Crossroads

Celebrating and uplifting the ethnically diverse communities at Radian.

*Launched in December 2021*

# Women Heard

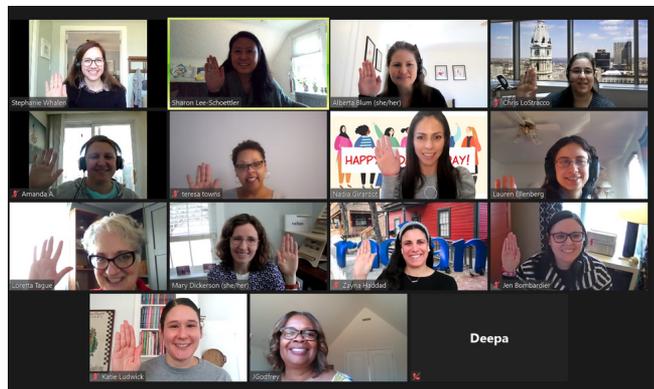
## Mission

To bring together a network of individuals to focus on the unique opportunities, challenges, and issues facing women. This ERG supports and champions women's issues and provides opportunities to help grow personally and professionally through leadership, education, networking support, and peer support.



## Key Accomplishments

- Grew our membership to close to 100 members
- Sponsored over 10% of members to attend The Pennsylvania Conference for Women
- Communication around Women's Equality Day
  - Members were sent relevant resources, philanthropy, and education about Womens Equality Day. This celebration recognizes the passage of the 19th amendment which granted women the right to vote
  - TED Talk Discussions: Members and participants reviewed a relevant TED Talk or any video and virtually come together to discuss. Topics included bringing your whole self to work, and the progress and additional work that is needed for gender equity
  - Book Club Discussions: Books specific to the absence of women in data gathering (such as medical trials and public transit) leading to solutions where women's bodies and voices are not included
- Celebrated Women's History Month
  - Communications on the history and the meaning of the day and the progress made
  - Marked International Women's Day by discussing the progress made and the additional work that needs to be done for gender equality
  - Hosted discussion on the effects of COVID-19 on women in the workplace



# True Colors

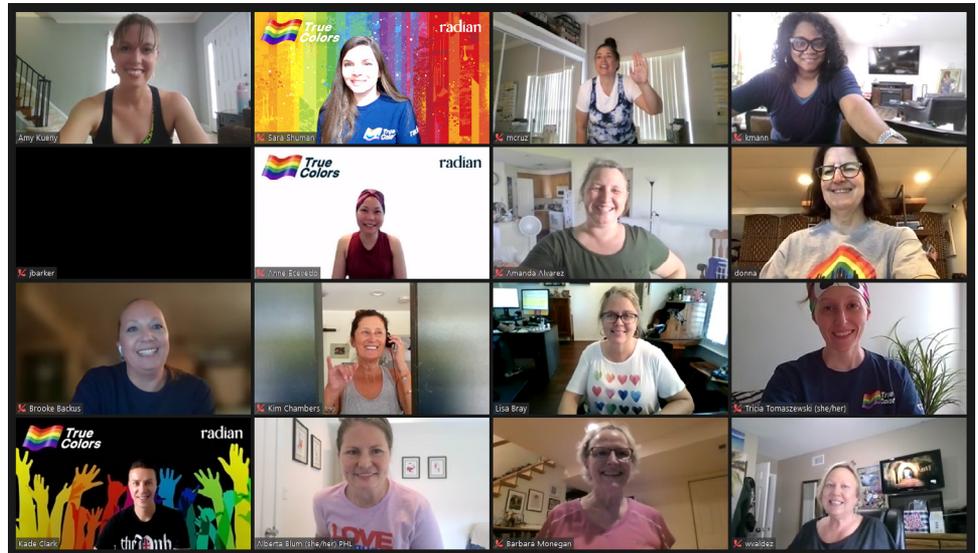
## Mission

True Colors ERG represents Radian's LGBTQ+ by creating an environment that embraces and celebrates diversity in a wide range of sexual orientations, family arrangements, and gender identities through supporting the individual employee, the corporation, and the community.



## Key Accomplishments

- Raised over \$4000 for the Salt Lake City AIDS walk
- Furthered company initiatives to remove gender-specific language in company policies to be more inclusive of all individuals
- Advanced awareness by providing resources, promoting events, and contributing to nonprofits that support LGBTQ+ individuals and their families
- Hosted lunch and learn to discuss what it means to be nonbinary, and the pronouns associated with it



# Vibrant Crossroads

## Mission

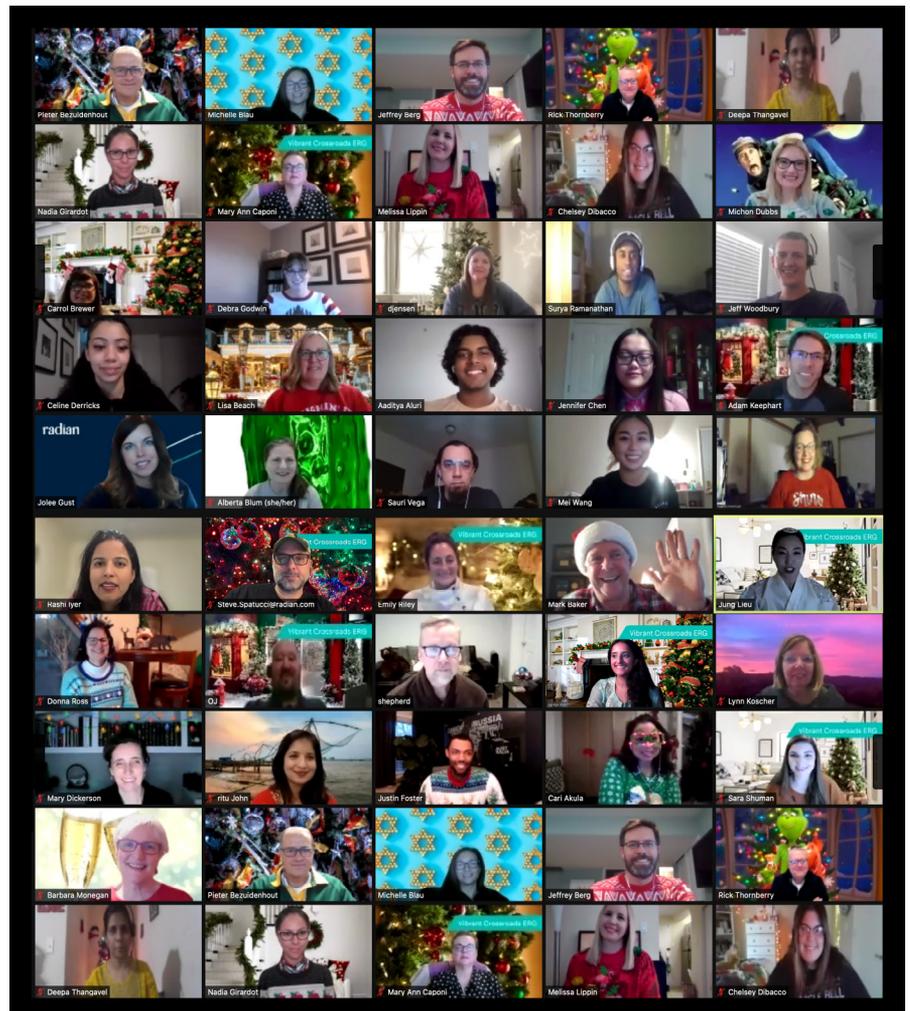
At every turn at these crossroads at Radian, we are learning new things about each other - our backgrounds, our culture, our similarities, and our differences. All of these are what make us vibrant. This ERG aims to spark thoughtful and educational conversations about all cultures while providing Radian members opportunities to interact and build stronger relationships. We are excited to build a sense of belonging and invite Radian members from all backgrounds to explore different foods, music, cultures, and more.



VIBRANT  
CROSSROADS

## Key Accomplishments in 2021

- Virtual Holiday launch with 50 participants, with the objective of creating a multicultural experience with Pictionary words celebrating holiday themes from various cultures.
- Universal Yums gift boxes - help expose our members to multicultural experiences through the exploration of foods from around the world.
- The collection of an inventory of all cultures we celebrate across our workforce



# Education & Training

We take pride in the abundance of diversity that is present at Radian. We believe it is crucial to be impactful and intentional about the way in which we celebrate diversity. To capture the voices of all backgrounds, we recognize several heritage months, awareness campaigns, and host a variety of inclusive conversations to engage all employees on topics that matter.

## History and Heritage Month Celebrations

- Black History Month
- Women's History Month
- Asian American and Pacific Islander Heritage Month
- Pride Month
- Hispanic Heritage Month
- National Disability Employment Awareness

## Inclusive Conversations

- Week of Understanding
- Video Series: What Pride Month Means to Me
- Creating a More Diverse Future for the Housing Industry
- National Homeownership Month: Expanding Minority Homeownership
- Unconscious Bias Training for All Employees



# Representation: Looking at our Workforce Composition

We refined our talent development and recruiting strategies in 2021 to increase our pay transparency and emphasized our focus on enhancing diversity, ultimately hiring 526 positions nationwide, with 68% of our 2021 new hires being women and 41% being racially diverse.

Through our commitment to DEI, Radian recognizes the first step is to amplify voices. We want our employee makeup to reflect census data and are working to maintain and enhance our equitable recruitment strategy. To demonstrate this commitment, in 2021, we published our consolidated [EEO-1 Report](#) for transparency into our gender, racial and ethnic workforce composition.

Minority Equality Information	2021	2020	2019
Workforce	29%	26%	29%
Board of Directors	20%	10%	0%
Direct Report to CEO	11%	11%	11%
Minority Top 10% Compensated	14%	12%	11%
Minority who are senior management (AVP, VP, SVP, EVP)	13%	12%	10%
Minority who are middle management (Dir, Mgr)	20%	20%	21%

Gender Equality Information	2021	2020	2019
Female Workforce	60%	58%	57%
Women Board of Directors	30%	30%	22%
Direct Report to CEO	44%	38%	38%
Women Top 10% Compensated	32%	33%	33%
Women who are senior management (AVP, VP, SVP, EVP)	40%	41%	41%
Women who are middle management (Dir, Mgr)	47%	44%	41%

# Building a Diverse Workforce: Recruitment

Radian’s Talent Acquisition team has worked tirelessly to ensure the company is attracting diverse talent and maintaining fair and equitable recruiting practices. Talent Acquisition Partners keep DEI at the forefront of their minds when reviewing applications and sourcing candidates. One way that we do this is by posting positions to sites that focus on recruiting diverse talent such as the Philadelphia Diversity Law Group.

In 2021, Radian created the position of Talent Acquisition DEI Lead specifically to lead, develop, drive, and execute the staffing strategies that support diversity sourcing and recruiting initiatives. In addition, several key initiatives took place to advance diversity, equity, and inclusion at Radian, including by partnering with the Mortgage Bankers Association and Racing Toward Diversity Magazine to find diverse talent at the College Diversity Network/ Historically Black Colleges and University (HBCU) Division.

Finally, one of our goals for the People team in 2021 was to increase the number of female and minority candidates that were interviewed. We were able to increase our numbers significantly and updated our targets for 2024.

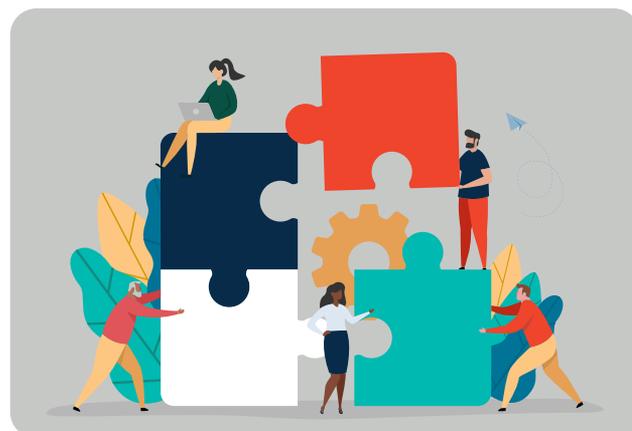
Goal	Frequency	Baseline	2021 Results	Targets by YE 2024
Female candidates interviewed	Quarterly	35%	51%	50%
Minority (non-white) candidates interviewed	Quarterly	31%	37%	40%

## Engagement and Belonging

Our retention rates are one of the key metrics to determine if we are doing enough to support our employees. It is important to recognize how the intersections of diversity can affect our retention. If any of our colleagues do not feel a sense of belonging, they are more likely to leave the organization.

In 2021, we conducted an Employee Experience Survey to provide employees with the opportunity to voice their perspectives via a confidential survey tool. Questions were reflective of Engagement and Culture, which were broken down into four additional categories – Inclusion & Diversity, Well-being, Management and Pride in Organization.

Seventy percent of the Radian population responded, exceeding the internal target of 65% response rate. Of those who participated, 43% indicated that they were actively engaged (employees answered using the 5-Strongly Agree rating).



## Committed to Fair Compensation

Radian is dedicated to ensuring we continue to maintain fair and competitive pay practices for all Radian employees. The Total Rewards team uses a systematic approach to monitor current market data, assess our compensation

practices, and ensure fair and non-discriminatory treatment. We kicked off our pay transparency efforts in March of 2021, which began with the inclusion of salary ranges on all job postings. Following that launch, we embarked on a charge to educate employees on our compensation practices and give them a foundational understanding of pay and reward concepts through our Learning platform.

As we uphold this objective, another key focal area in our annual review process is to identify opportunities and close any observed pay gaps across gender, race, and other protected classes. In 2021, this review included our bi-annual pay audit in partnership with outside legal counsel to perform a robust, impartial audit of our pay equity across the organization and adjusted where necessary.

## Accessibility and Disability Inclusion

At Radian, we take pride in hiring individuals from all backgrounds into our workforce. To further that goal, in 2021 we partnered with CAI's Neurodiverse Solutions (NDS). The initial engagement included three neurodivergent resources. This team also includes a neurotypical team lead.

Through this partnership, 36 Radian employees were trained in neurodiversity awareness and plan to bring on a team of neurodiverse individuals hired through NDS into one of our IT groups.



# 2021 Awards & Recognition

## Champions of Board Diversity

Recognized as a champion of board diversity for having at least 30% women directors



## Gender Equality Index

In 2021 selected for the fourth consecutive year for the Bloomberg Gender-Equality Index, for commitment to advancing women's equality



## CEO Action for Diversity and Inclusion

Signed pledge, commitment to cultivating an environment where all ideas and employees are welcomed



## Human Rights Campaign

Recognized for addressing LGBTQ+ equality in the workplace



## 50/50 Women on Boards

Awarded a 3+ to recognize our number of women directors



# Closing and Looking Ahead

As we look back on 2021, we are emboldened by the momentum that Radian has managed to produce in such a short time. Rarely is there a day that goes by that we do not get the opportunity to talk with colleagues and hear about the impact our programs are making on their workplace experience, and in their personal lives. This isn't just about our internal inclusion efforts but also about ensuring that everyone can achieve the American dream of homeownership through Radian's products and services. In 2022 we doubled down on that and enhanced our employee benefits program that grants employees savings on mortgage insurance as well as other homebuyer perks, further demonstrating our commitment to affordable and equitable homeownership.



Our programs, reports, and initiatives are all created and enhanced with our employees front and center. At Radian we believe Our People Are The Difference. This is reflected in many ways, including focusing on removing bias, developing new strategic partnerships and ensuring every employee has a DEI-related goal in their annual commitments. We would not be able to accomplish any of this without having true commitment from our executive leadership team, senior and middle management on the importance of Diversity, Equity, and Inclusion.

While this Report has been a snapshot of our progress in our DEI efforts, we are far from reaching our destination. We are committed to creating and investing in more spaces for belonging in new ERGs, enhanced educational offerings to meet our people where they are, and expanded community and business partnerships with like-minded organizations and institutions. We want to see our progress embraced and expanded on within our industry, as we continue to educate our employees, customers, and stockholders on the importance of closing the homeownership gap for communities of color and other underrepresented communities.

Our DEI ambition at Radian is not new. Throughout our 45-year history, we have always focused on connectivity and employee engagement. However, with our refreshed DEI lens, we can take these components to the next level by allowing our colleagues' identities and lived experiences to be amplified through our efforts. We are excited to continue this work and create additional opportunities for our people and for our ambition to shine. As we close out the year, we look ahead to continuing our progress and keep aiming for a brighter and better future.

## Justin Foster

**SVP, People Experience**