



2022 Supplier Diversity Economic Impact Report

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Company Profile

Capital One Financial Corporation, a Delaware corporation established in 1994 and headquartered in McLean, VA is a diversified financial services holding company with banking and non-banking subsidiaries. Capital One Financial Corporation and its subsidiaries offer a broad array of financial products and services to consumers, small businesses and commercial clients through our digital channels, branch locations, cafés and other distribution channels.



Operations*



73 Office Locations
291 Branch Locations



54 Café Locations
1,889 ATMs



\$1.84B Affordable Housing Investments**

Associates



55,000+
Global Associates



5 Countries
with Associates

Primary Legal Entities and Business Segments



Primary Legal Entities

Primary Legal Entities

Capital One
Financial Corporation

Capital One,
National Association



Business Segments

Credit Card Domestic Card,
International Card

Consumer Banking

Commercial Banking

Financial Statements

Capital One’s 2022 financial information is available in our Annual Report on Form 10-K for the year ended December 31, 2022. Visit the Investors section of our website to download a copy of the **2021 Annual Report**.

* Data as of December 31, 2022.
** \$1.84B investment by Capital One’s Community Finance Team to Support Affordable Housing.

Corporate Overview

About Capital One

Capital One is on a mission to help our customers succeed by bringing ingenuity, simplicity, and humanity to banking. We were founded on the belief that the banking industry would be revolutionized by information and technology, beginning with credit cards.

Founder-led by Chairman and Chief Executive Officer Richard Fairbank, we believe that innovation is powered by perspective and that teamwork and respect for each other lead to superior results. Across the company, we're building customer experiences that are real-time and intelligent. We measure our efforts by the success our customers enjoy and the advocacy they exhibit.

We're enabling great talent with great spaces. Our award-winning office designs promote creativity and collaboration. In 2018, we opened our new headquarters in McLean, Virginia, where engineers, designers, and data scientists work side by side to imagine the next great chapter of Capital One.



Meet Our CPO



Clint Grimes

Chief Procurement Officer

“At Capital One, diversity, inclusion and belonging is an integral part of our culture. Having associates with different backgrounds, experiences and perspectives working side by side, enables ideas, approaches and solutions that better reflect the interests and needs of our customers. We embrace this same concept of inclusion in our supply chain – the more diverse and inclusive we are, the better the results will be.

As Capital One's Chief Procurement Officer, one of my responsibilities is to ensure that our procurement organization supports our broader corporate values; diversity and inclusion are fundamental to that end. Capital One's Supplier Diversity team members share the same goal, supporting the corporate values of diversity, inclusion and belonging. As an essential part of the enterprise's sourcing and procurement practice, they work diligently to incorporate diverse national, regional, and local suppliers into the company's supply chain in order to deliver exceptional value to the corporation and its stakeholders.

Capital One's Supplier Diversity program is designed to expand our footprint with diverse suppliers. Our goal is to offer various programs intended to provide tangible skills training to diverse suppliers and grow their capabilities and help them be better prepared to compete for opportunities from Capital One and other suppliers. From mentoring to technical education, our goal is to ensure that diverse suppliers can compete for our business as well as business from other Fortune 500 firms. By working together, we build stronger local businesses that in turn, build stronger communities.”

About Our Supplier Diversity Program

Capital One is committed to making supplier diversity an integral part of the way we do business—creating mutually beneficial relationships with people with disabilities, LGBTQ+ individuals, veterans, women and individuals from historically underrepresented racial and ethnic identities. The goal of our program is to include qualified diverse enterprises in every sourcing opportunity based on commodity need wherever these suppliers exist. We seek to identify and encourage diverse businesses to compete for our commodities and services throughout the Capital One enterprise. We have a team of associates dedicated to establishing relationships with diverse suppliers in the communities in which we operate. To date, numerous diverse-owned suppliers have benefited from the program.

To learn more, visit our [Supplier Diversity page](#)



Innovation Powered by Diverse Perspectives

Diverse businesses are flexible, innovative and driven. By including diverse businesses in our supply chain, Capital One maximizes the power of different perspectives and innovation to deliver exceptional products and services to our customers.

Capital One's Supplier Diversity team ensures that Capital One practices inclusivity in its purchasing decisions. The team:



Creates and maintains relationships with advocacy organizations that support diverse owned businesses



Develops processes and programs to ensure we procure services and goods from diverse owned businesses



Identifies business opportunities for diverse suppliers



Develops and runs mentoring and developmental programs to support diverse owned businesses

Supplier Diversity is Important

to Our Customers and Associates

Customers have a choice for their buying needs and increasingly many will only engage corporations that align their behaviors to their values. To ensure that we meet the needs of our customers and remain competitive in the marketplace, Capital One continues to invest in its Supplier Diversity program to build a supply chain that is representative of our customers.



Capital One associates care, too, and want to work for companies who make sincere efforts to promote diversity, inclusion & belonging.

Potential new associates look for a company whose supplier base is reflective of the diverse customer base and society.



Diverse Suppliers in Action

Highlighting a few, diverse businesses who have been strategic partners



We truly appreciate and respect our partnership with Capital One. With unwavering support from Capital One leaders and stakeholders, our partnership is strong today and continues to grow. We were onboarded as a prime supplier last year to provide innovative technology and business solutions and services. We started off by working with stakeholders within a specific business unit. Today we support Capital One nationwide and are positioning ourselves to support the corporation globally.

Capital One has dynamic, robust supplier diversity and mentorship programs that are run and led by a team of top professionals who are results-oriented and passionate about what they do. They ensure that the diverse supplier community is given a fair chance to succeed at Capital One. The team not only helped open doors but also positioned Ampcus for success by introducing us and guiding us to other stakeholders internally and externally. We are truly blessed to be surrounded by advocates and champions.

By working together and collaborating together, we continue to solve and bridge gaps at a macro level and bring positive impact to the lives of the customers, employees, and communities we live in and serve.



Anjali "Ann" Ramakumaran

CEO
Ampcus Inc

Certifications:



Diverse Suppliers in Action

Highlighting a few, diverse businesses who have been strategic partners

KANE

Kane has been supplying print, apparel and swag to Capital One since 2004. The Supplier Diversity team at Capital One was instrumental in encouraging Kane to obtain full WBEC certification!

While our relationship began supplying print, we have successfully pivoted to providing other products including corporate stores, data collection sites, warehousing, apparel and promotional products for events. The need for event materials evaporated during the pandemic. Your supplier team worked hard to source products from current suppliers that WERE needed (disposable facemasks, hand sanitizer, etc). We quickly had to learn about sourcing and supplying janitorial products, something we never thought we'd need to know! Not only did Capital One encourage existing suppliers to find these products, but they also changed payment terms to 10 days, which was tremendously appreciated during the pandemic. Capital One could not have done more to support their diverse suppliers during hard times!

Since the pandemic, we have opened an in-house full-service fulfillment shop to pack and ship thousands of at-home swag boxes to associates – again, another way Capital One has supported their diverse suppliers. Thank you Capital One!



Anne Kane

Principal
Kane Printing Services

Certifications:



Diverse Suppliers in Action

Highlighting a few, diverse businesses who have been strategic partners



ScaleSec's trusted partnership with Capital One began in August 2019, when ScaleSec was invited to work with the Cloud Engineering team on automation efforts.

ScaleSec commonly helps customers use security automation to unlock innovation and reduce time to market by accelerating development cycles. Automation is an effective way to grow cybersecurity maturity, especially for customers who operate technology at Capital One's scale.

For their first project, ScaleSec used automation to orchestrate cloud security controls for hundreds of applications, measurably reducing risk, manual work, and errors.

ScaleSec is honored to work alongside Capital One teams as a diverse supplier--a service disabled, veteran and woman owned small business--to build low-friction, scalable security solutions for their financial systems across hundreds of AWS accounts.



Marsha Wilson

CEO
ScaleSec

Certifications:



Diverse Suppliers in Action

Highlighting a few, diverse businesses who have been strategic partners



Tilt just celebrated its five-year anniversary in January 2023, and Capital One has been a key partner with us from the very beginning. It was our desire to build a world-class marketing company that combined best-in-class creative ideas and craftsmanship in order to make better things with our partners. A key strength for us has been our diversity of race, gender, age, and perspective, and that diversity has also been key to our partnership with [Capital One] over the years. As we've developed and added capabilities, we've also seen a diversity in the types of projects we've done with [Capital One]. During this year, we've executed campaigns such as the Tech National campaign and the Twitch/Minecraft sponsorship that continue to highlight [Capital One's] reputation as a technology company.

Thank you, Capital One. We are proud to be your partner and look forward to telling more well-crafted stories together.



Ron Carey

Founder/CEO
TiltCP

Certifications:



Diverse Suppliers in Action

Highlighting a few, diverse businesses who have been strategic partners



West Cary Group and Capital One have a 16-year relationship that has grown substantially over time.

What I'm most proud of in our work with Capital One is the growth of our partnership. Our two companies have been able to speak candidly about our performance – both strengths and opportunities.

We've faced many challenges - including the pandemic. But we were able to adapt together, and in retrospect, the pandemic marked an inflection point in our growth as a supplier.

West Cary Group has continued to innovate throughout our partnership. We've created an "agency within an agency", uniquely tailored to Capital One's needs, and a custom recruiting model that helps us continuously bring uniquely qualified talent into our engagement.



Moses Foster

President, CEO, and Founder
West Cary Group

Certifications:



Partnership Story

Cenveo®

Cenveo recognizes that sustaining a diverse supplier base offers a competitive advantage, is a powerful business tool and improves the communities in which our employees and customers live. Cenveo's supplier diversity mission is to identify and purchase goods and services from Certified Small Business Enterprises as well as other diverse ownership classes that include women, veteran, LGBTQ+, HUBZone, disabled and all certified minority groups including but not limited to, black, latinX that can help Cenveo achieve its corporate objectives.

In addition to our active program in increasing our Tier 1 spend with certified minority-owned companies, we evaluate our key suppliers on their individual spend programs. To that end, as part of our vendor management process, we require our suppliers to provide 2nd tier reporting for the same diversity categories as Cenveo uses for first tier spend. In instances, where a supplier does not have an established program, we will invest our resources in helping them develop one.

To realize our vision, we focus on these objectives:

- Proactively seeking out certified small and/or diverse suppliers.
- Measuring the volume of goods and services purchased from certified small and/or diverse suppliers in addition to setting annual goals.
- Ensuring that decision-makers across Cenveo business segments understand and support Cenveo's Supplier Diversity Program and goals.
- Aligning with our top customers to drive synergies across the unique supply chains we create together to support our mutual goals for this program.



Advocacy Group Partnerships & Sponsorships

We partner with the following organizations to develop and grow diverse spend with diverse businesses



Supplier Diversity Summit



Capital One demonstrates its deep commitment to making investments in the growth and development of businesses owned by underrepresented groups.

Supplier diversity is an integral part of how we do business, and Capital One works to increase our spend with businesses owned by people with disabilities, LGBTQ+ individuals, veterans, women and individuals from historically underrepresented racial and ethnic identities. Elevating the profile of the Supplier Diversity program was the driving force behind the inaugural Supplier Diversity Summit that took place on October 13.

Developed by the Enterprise Supplier Management's (ESM) Supplier Diversity team, the Summit's goal was to provide a forum for

education, networking and celebrating accomplishments. By bringing diverse suppliers and community partners together with Capital One associates, the Summit offered a platform to further highlight the benefits of having a diverse supply chain base representative of the communities in which we do business.

Over 400 attendees participated in the one-day virtual Summit where leaders across the company, communities and industry shared their strategies on how to educate, connect and align on advancing opportunities for diverse suppliers.



“The event was epic,” shares Reuben Essandoh, Head of Supplier Diversity. “I hope Capital One business leaders left the summit with a renewed sense of providing opportunities for a diverse business owner, giving it time, and to be comfortable being uncomfortable while they wait for the diverse business owner to show their capabilities”.



Development Program Overview

Growing Your Business

Capital One has a variety of mentoring opportunities to help businesses be successful. We take great pride in building capacity and creating development opportunities for diverse suppliers. If you are interested in learning more about our programs or applying, please reach out to supplierdiversity@capitalone.com.

In 2022 Capital One

Supported

132

businesses through
Supplier Diversity
Development Programs

Engaged

175

associates as advisors, mentors and
instructors in Supplier Diversity
Development Programs

Success Story - Biens Chocolate

“We are so excited to celebrate the creativity and perseverance of **Biens Chocolate** as we watched them push the limits on eco-conscious packaging during their time in Capital One’s Catapult program for diverse businesses. Not only did their unique product design help address the issue of gift packaging waste, their solution included an aesthetically pleasing and plantable wrapper that garnered them one of the top awards in the program. Capital One supported Biens by purchasing their biodegradable favors and handed them out at a recent conference to demonstrate our aligned commitment to sustainability and innovation as well as supporting a diverse business. We couldn’t be more proud to support this woman-owned business!”



Development Program Overview



Catapult Program Brings Digital Expertise to Diverse Businesses

Catapult leverages Capital One's innovation/technology focus, digital Labs & associate expertise to help diverse owned businesses

- Launched nationally in 2017
- Diverse Supplier Target: Annual Revenue of \$1M - \$10M
- Capital One associate advisors matched with businesses each per cohort
- Includes instructional courses and meetings with mentors and subject matter experts
- Culminates in a pitch competition where the winner receives a cash grant to implement their solution
- Two cohorts of 10-12 businesses a year



"My experience with your program, Catapult, did just that - "catapulted" me to have the confidence to participate with more programs outside my comfort zone. I gained courage and insight and there is more to come! One public recognition of my efforts for the last two and a half years led me to win the CEO of the Year award from the Asian American Chamber of Commerce of Philadelphia. Thank you and keep doing the great work you all are doing supporting women and minority entrepreneurs and small businesses. Applaud, applaud!"



Maria Shelton
Founder & CEO
Ardian Group



Development Program Overview



SAGE Advice Provides a Network of Support and Learning for Women-owned Businesses

SAGE matches Women Business Enterprises (WBE) with Capital One associates to provide business development support

- Launched in 2016 in NYC and DC and expanded to Chicago and Plano in 2021
- Diverse Supplier Target: >\$500K-\$1M annual revenue
- Capital One associates mentor and coach women-owned businesses over a six-month program
- Includes instructional courses and peer-to-peer and mentor sessions
- Culminates in a one-page business plan, budget and presentation
- Multiple cohorts of 10 businesses a year



"The SAGE team gave me the courage to be bold with my business development plan and cheered me on every step of the way. The same year as my SAGE training, my company's revenue grew by 21% and I made a long sought-after revenue goal too. I'm forever grateful to SAGE for giving me the motivation and confidence to take risks and grow my business."



Laura Gross
President
Scott Circle
Communications



Development Program Overview



Diverse Supplier Mentoring Creates Lasting Relationships

The Mentoring Program accelerates the revenue and business growth of Black and Hispanic entrepreneurs in our communities through mentorship

- Launched in Richmond in 2020; expanded to Dallas and the greater District of Columbia, Maryland and Virginia area in 2021
- Diverse Supplier Target: Black and Hispanic businesses, <\$250K revenue
- Capital One associate mentors paired with businesses for a four-month mentoring relationship
- Leverage SMART (Specific, Measurable, Attainable, Relevant, and Time Bound) goals template to guide conversations and drive toward meeting the businesses' goals
- Includes instructional courses and meetings with mentors
- Multiple cohorts of 15 businesses a year



“You really made a great example of how a company can leave a positive footprint in the local business community by providing guidance and support through authentic human connections. I feel super lucky for being part of the program.”



Michaela Mora
Founder
Relevant Insights, LLC



Diversity and Inclusion Awards



National Minority Supplier
Development Council
Corporation of the Year



Women's Business Enterprise National
Council-Platinum
**America's Top Corporations for
Women's Business Enterprises**



WE USA and MBN USA
Best of the Decade 100



Disability:IN and American Association of
People with Disabilities
**"Best Place to Work" and perfect
score on Disability Equality Index**



NGLCC and National Business Inclusion
Consortium
**Best of the Best Corporation
for Inclusion**



Carolinas-Virginia Minority Supplier
Development Council
Corporation of the Year



Capital Region Minority Supplier
Development Council
Corporation of the Year



WBEC DMV
**Outstanding Corporation
of the Year**



Minority Business News
Corporate Buyers of the Year

Economic Impact Metrics

Economic impact reports communicate the impact on the economy using these standard measures: **Production, Wages, Jobs, and Tax Revenues.**



Economic Impact Metrics



Production

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



Jobs

Created within Capital One's supply chain and in the supplier's communities.



Wages

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



Taxes

Measures the federal, state and local tax revenues that are generated through economic activity.

Capital One's 2022 Total Economic Impact

The Economic Impact of Our Purchases from Diverse Businesses

\$1.5B

Production Impact

\$722.1M

Wages Supported

8,770

Jobs Supported

\$206.6M

Taxes Generated



Economic Impact Channels

Capital One's purchases have a ripple effect on the supply chain. **The total economic impact is comprised of three components: Direct, Indirect and Induced.**



Economic Impact Channels



Direct Impact

Impact at Capital One's immediate diverse suppliers.



Indirect Impact

Capital One's diverse suppliers purchase goods and services from other suppliers, which creates a ripple effect through the economy.



Induced Impact

The employees in the jobs created in the supply chain to satisfy Capital One's purchases support additional jobs in their communities.

Year-Over-Year Production

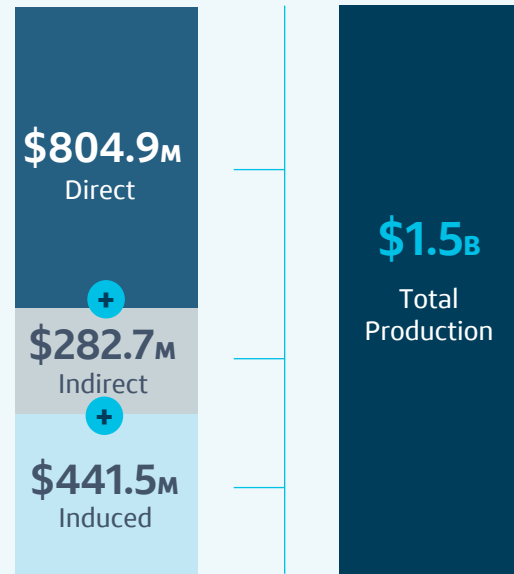
2022 Contribution to Production

Through Capital One's diverse purchases

\$1.5B

Total Production

Capital One purchased \$804.9M from diverse businesses. This spending resulted in the total impact of \$1.5B, which is broken down into \$804.9M Direct impact, \$282.7M Indirect impact, and \$441.5M Induced impact.

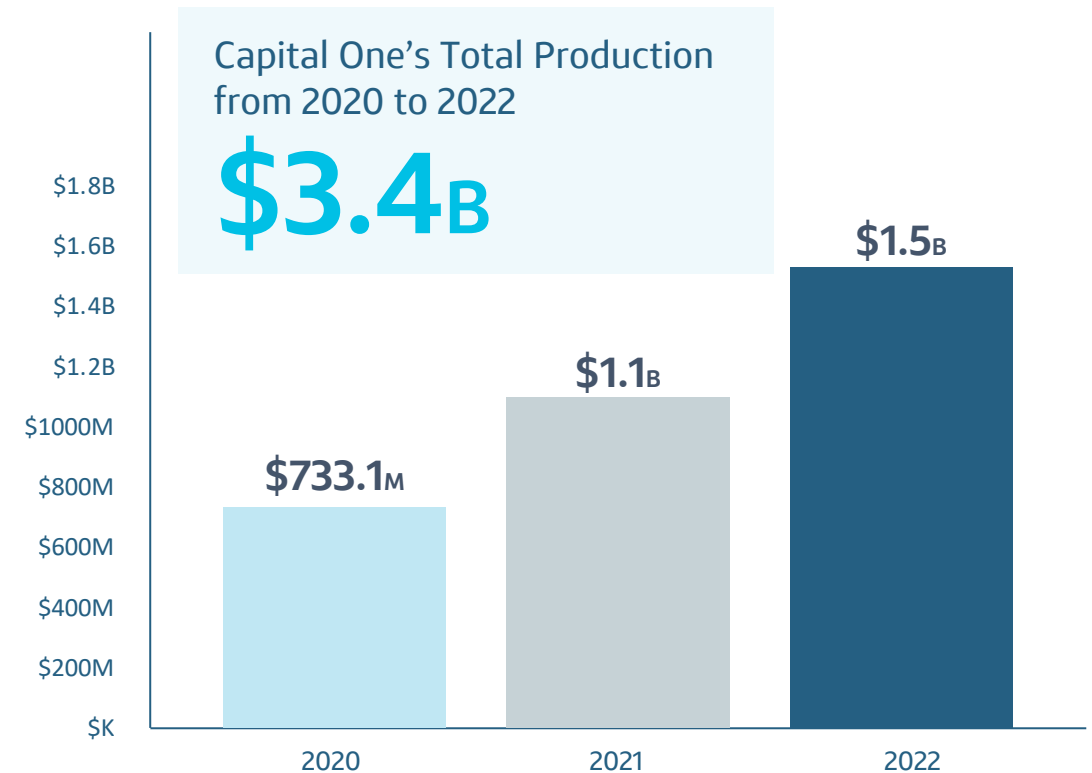


Note: Direct, Indirect and Induced numbers may not add up to the total due to rounding. Only Tier 1 spend is reflected.



Historical Contribution to Production

Through Capital One's diverse suppliers in 2020 - 2022



Year-Over-Year Jobs

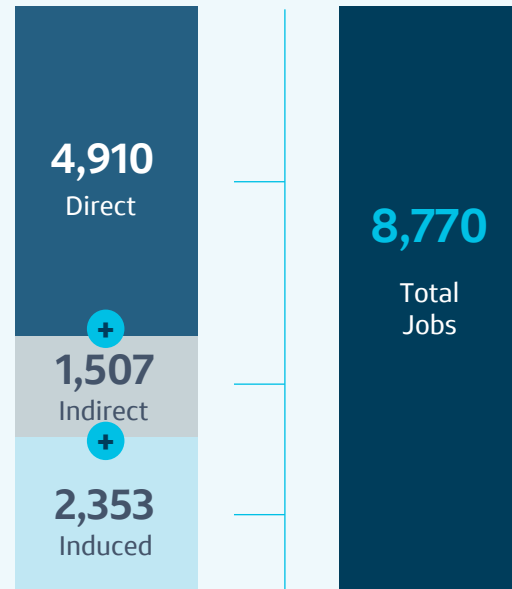
2022 Contribution to Jobs

Through Capital One's diverse purchases

8,770

Total Jobs Supported

Capital One's Supplier Diversity spending with diverse suppliers supported an estimated 8,770 jobs. 4,910 of these were supported in the Direct channel, 1,507 jobs in the Indirect channel, and 2,353 jobs from the Induced channel.

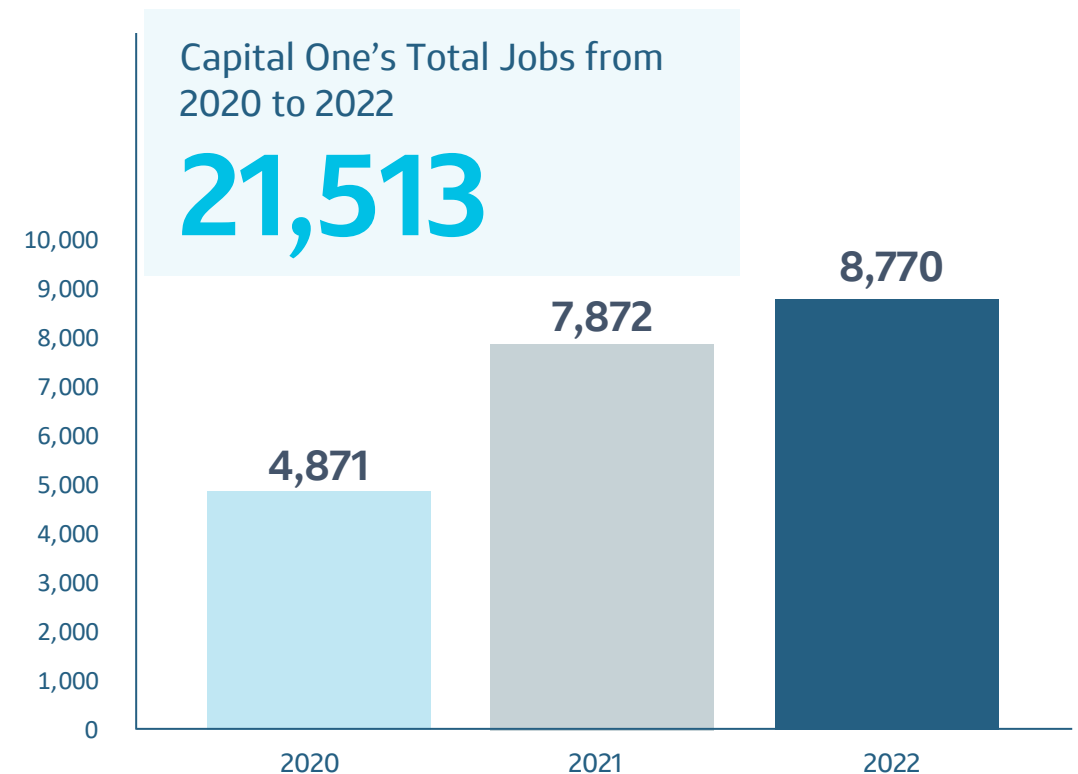


Note: Direct, Indirect and Induced numbers may not add up to the total due to rounding. Only Tier 1 spend is reflected.



Historical Contribution to Jobs

Through Capital One's diverse suppliers in 2020 - 2022



Year-Over-Year Wages

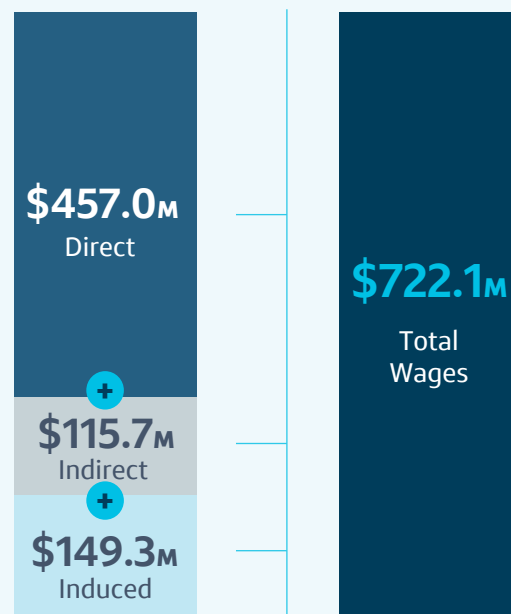
2022 Contribution to Wages

Through Capital One's diverse purchases

\$722.1M

Total Wages Earned

Capital One's purchases from diverse suppliers supported jobs throughout the supply chain that paid employees a total of \$722.1M in incomes. Incomes earned in the Direct, Indirect and Induced channels are estimated at \$457.0M, \$115.7M and \$149.3M respectively.

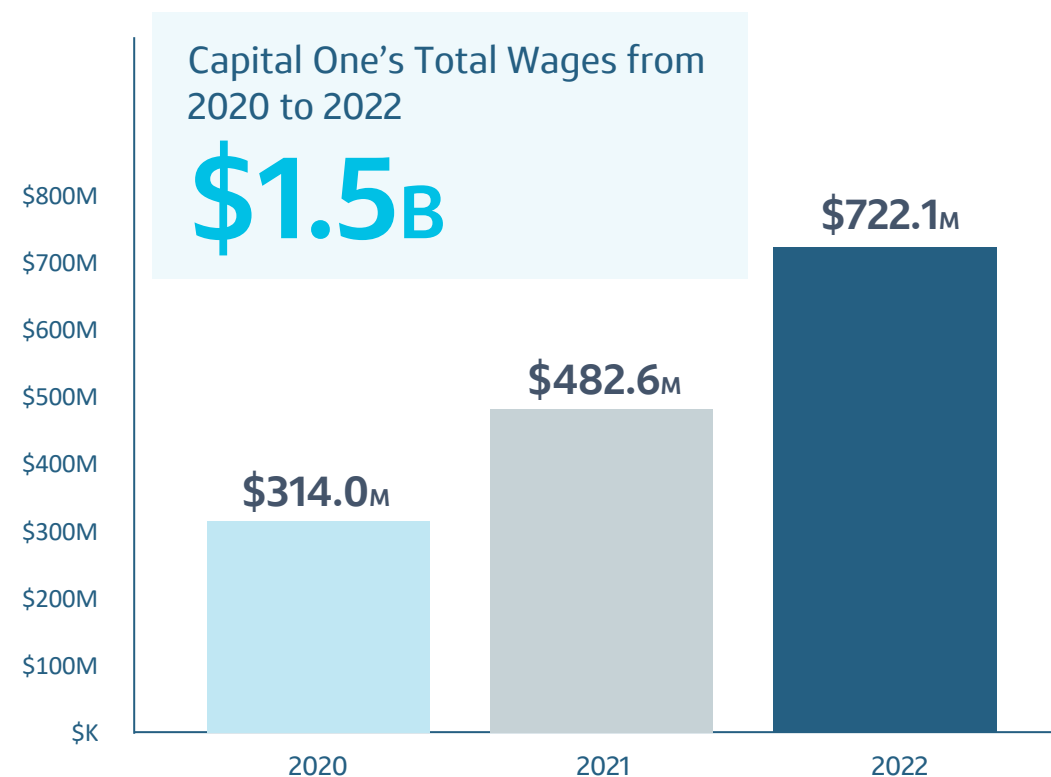


Notes: Direct, Indirect and Induced numbers may not add up to the total due to rounding. Only Tier 1 spend is reflected.

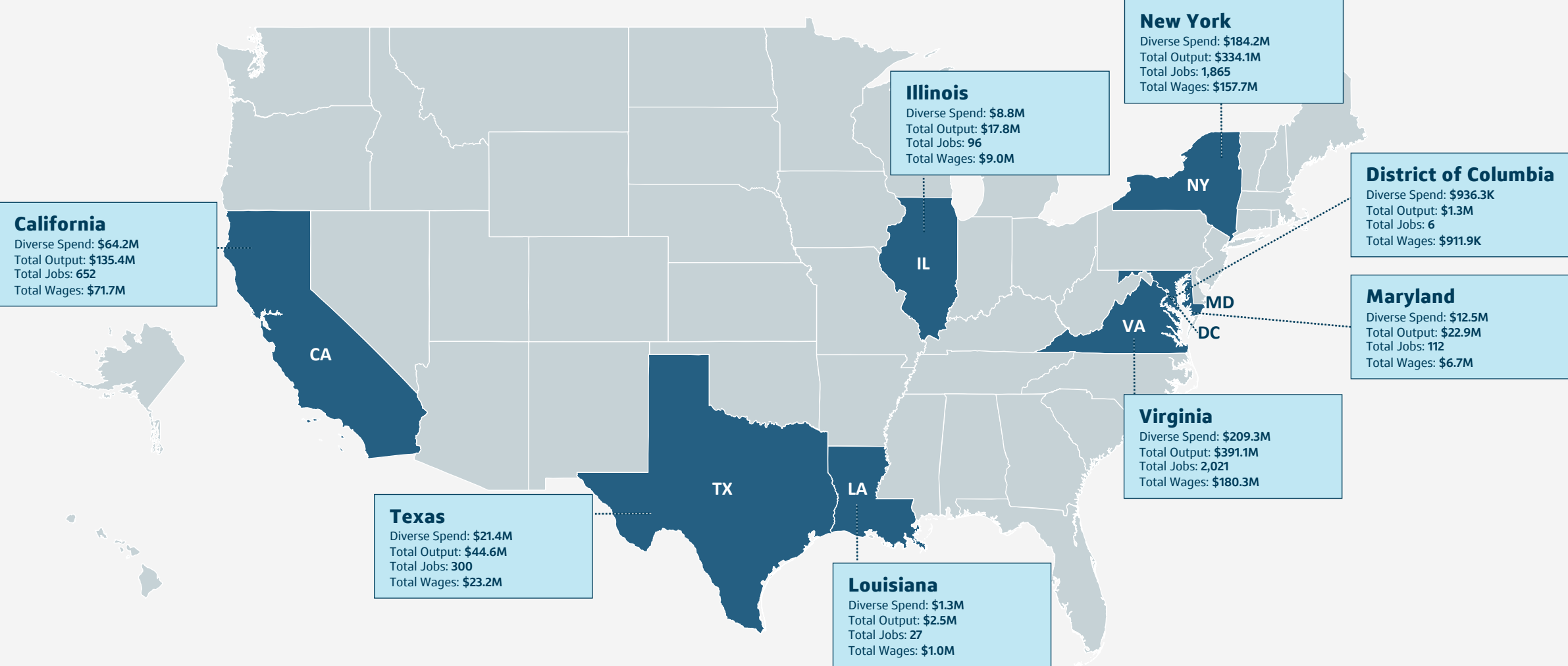


Historical Contribution to Wages

Through Capital One's diverse suppliers in 2020 - 2022



Capital One's 2022 Impact By State



Appendix: Economic Impact Modeling

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 incomes 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

IMPLAN (<https://implan.com>)

United States GDP: <http://www.tradingeconomics.com/united-states/gdp>

Input-Output Models for Impact Analysis: Suggestions for Practitioners Using RIMS II

Multipliers <https://www.bea.gov/system/files/papers/WP2012-3.pdf>



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To learn more, visit our [Supplier Diversity page](#)