



2018

CORPORATE SOCIAL

RESPONSIBILITY REPORT



WHAT CORPORATE SOCIAL RESPONSIBILITY MEANS TO US

Corporate social responsibility (CSR) - what does it mean and why does it matter? At FHLB Des Moines, we embrace CSR as an opportunity to strengthen not only our business, but our communities – which has always been a focus for the Bank. Service to others is central to our mission and is reflected in each one of our values – respect, integrity, empowerment, authenticity, teamwork and excellence.

In 2018, our commitment to this mission took on many forms. From rolling up our sleeves and pounding nails for our local Habitat chapters to working with a local high school to create an internship program for juniors and seniors, our impact has been widespread and profound.

But this work isn't just important outside our walls, we've also challenged ourselves to do work internally that will impact our communities. Our employees actively participate in business resource groups, councils and fundraising drives.

We hope you enjoy learning more about these efforts in the pages of this inaugural report. We look forward to challenging ourselves and others to continue to eclipse this work year in and year out.

Michael L. Wilson
President & CEO

Federal Home Loan Bank of Des Moines

OUR VALUES



RESPECT



INTEGRITY



AUTHENTICITY



TEAMWORK



EMPOWERMENT



EXCELLENCE





MEMBER VALUE

Every year, we highlight the amazing work our members do in the communities they serve by honoring deserving projects throughout our 13-state district with the **Strong Communities Award (SCA)**.

This unique award demonstrates the value that our communities derive from small business and economic development projects. Each recipient has demonstrated:

IMPACT



RESULTS



COLLABORATION



- **Impact** by providing a solution to identified economic development needs of the community.
- **Results** in the form of specific economic development benefits to their community.
- **Collaboration** with an FHLB Des Moines member.

2018 STRONG COMMUNITIES AWARD RECIPIENT SPOTLIGHT

Newcomers Initiative | Muscatine, Iowa

Did you know the fee for the Application to Register Residence or Adjust Status alone can run up to \$1,070 per person? This is no small sum for newly arrived immigrants who live below the poverty level. In many cases, immigrants and refugees have to postpone paying these costs, prolonging their cases and often preventing them from bringing their families to safety in a timely fashion. Legalization and citizenship furthers the community's economic development as a whole, strengthening families, which leads to stronger communities.

In response, Ascentra Credit Union developed the Newcomers Initiative, a unique program that assists individuals and their families in paying for the growing cost of residency, naturalization and other immigration-related fees. The program allows individuals to finance these costs at a low interest rate while also helping them establish or improve their credit score and introduce them to mainstream financial products and services.



To date a total of **66** low-interest loans totaling **\$94,765** have been issued to immigrants and refugees in need.



AFFORDABLE HOUSING PROGRAM (AHP) DATA



AMOUNT AWARDED

\$52.6
million in 2018

\$567
million lifetime AHP



NUMBER OF PROJECTS FUNDED

109
in 2018

2,398
lifetime AHP



TOTAL DEVELOPMENT COST

\$455.2
million in 2018

\$6.961
billion lifetime AHP



NUMBER OF UNITS ASSISTED

3,833
in 2018

86,339
lifetime AHP

DOWN PAYMENT PROGRAM DATA



AMOUNT DISBURSED

\$18.5
million in 2018

\$123.5
million lifetime AHP



NUMBER OF HOUSEHOLDS ASSISTED

3,661
in 2018

27,943
lifetime AHP

MEMBER PARTICIPATION DATA



NUMBER OF UNIQUE MEMBERS WHO SUPPORTED AHP PROJECTS IN 2018

71



NUMBER OF UNIQUE MEMBERS WHO UTILIZED DOWN PAYMENT PRODUCTS IN 2018

301



FEDERAL HOME LOAN BANK OF DES MOINES



2018 AHP PROJECT SPOTLIGHT Thurston County Home | Washington

Behind each AHP award is a story. A challenge.
An opportunity.

During a check presentation for the Thurston County Home in Washington state, we discovered just that. Manuela, one of the future residents of the project, had lived in a group setting with limited accessibility her entire life. Due to cerebral palsy, she was also wheelchair bound. While her condition makes communicating a challenge at times, her excitement over the opportunity for a home came through in her speech loud and clear. With dreams of a home of her own in sight, she had made a small request of the project sponsor and developer. And once they gave her the “yes” she made them promise again and again. What was the request, you may ask? A shower.

Because of the AHP Award that assisted in the development of these homes, residents will now get to have a safe and comfortable shower – many for the first time in their lives.

“
This home means freedom for me. I can ride the bus to and from my home; I feel like I am part of my community. I used to live in an institution; there were lines for dinner and no space to move around. Having this home means I will feel more like a person. I have increased independence and quality of life. We need more houses in the community like this.

-Manuela
”





KEEPING THE CONVERSATION GOING

With incredibly complex problems such as affordable housing, solutions aren't as easy as erecting a structure or changing building code. This year, we facilitated conversations in two locations across our district aimed at bringing together various community experts including members, housing partners, developers and elected officials at various levels of government to tackle this issue head on. While the lack of affordable housing won't be solved overnight, we are proud to be part of a conversation aimed at finding a solution.





CORPORATE CITIZENSHIP

Corporate citizenship is reflected in each of our core values – excellence, empowerment, integrity, respect, teamwork and authenticity. We are committed to helping make our communities great through volunteerism, financial support and public policy. We're proud of the many ways we are involved. From large-scale, Bank-wide initiatives to employees rolling up their sleeves and making a difference, our goal is to strengthen communities together.

Building stronger communities doesn't happen overnight. And, it doesn't happen alone. We firmly believe employee volunteerism is the foundation of our community-minded mission. In 2018 alone, our employees:

- Promoted literacy by spending the day reading with third graders at Findley Elementary School and assembling literacy kits to inspire pre-K through fifth grade students to read.
- Rolled up their sleeves during builds for Greater DSM Habitat for Humanity and the Habitat for Humanity Seattle-King County build at Meagan's Meadow, which consists of nine single-family homes designed specifically for low-income veterans and active duty members or the U.S. Armed Forces.
- Supported our long-time partner elementary school, Capitol View, with a "Money Mammals" learning experience for all 1st grade classes that included a piggy bank for every student.
- Organized and restocked shelves at the Habitat ReStore and Bidwell Riverside's pantry.
- Embraced their creative side by hosting an art supply drive for Plymouth Housing Group.





2018 BY THE NUMBERS



RAISED
\$328,320
during our annual week-long
United Way campaign



30%
increase from our 2017 total



The inaugural year for our Community Relations Council facilitated the distribution of more than **\$215,000** in sponsored events and grant money to Central Iowa. In addition, more than **50** 501c(3) organizations received donations through our Matching Gifts Program, with over \$16,000 in funds matched!





DIVERSITY AND INCLUSION

We believe that diversity adds value to every aspect of our business. It's important that we support each other to make our community a better place. This commitment to diversity and inclusion reaches far beyond these walls. We're actively involved in both internal efforts as well as community initiatives that help us broaden our understanding of diversity and inclusion, create a safe, welcoming and honest space for authentic self-expression and promote positive change in the communities we serve.

As a signatory member of PricewaterhouseCoopers' (PwC) **CEO Action for Diversity and Inclusion**, we are doing more than simply advocating for diversity and inclusion – we're helping to lead efforts in Central Iowa. As part of our engagement with this initiative, we participated in PwC's national dialogue on Dec. 7 titled "Day of Understanding" which drew more than 150 Bank employees. Under the leadership of our President and CEO, we look forward to growing our involvement with this initiative.

LEADING THE WAY

This year we founded **Diversify DSM**, a small coalition of small- to medium-sized financial firms in Central Iowa charged with increasing diverse and female representation within the industry. With a solid membership base, covering various segments of our industry, this coalition will be launching several recruitment campaigns and outreach efforts by 2020.



DIVERSIFY DSM

TALENT + INCLUSION + FINANCIAL SERVICES





COUNCILS & BRGS

Our Diversity and Inclusion and Community Relations Councils along with our Business Resource Groups (BRGs) play a critical role in supporting our workforce efforts as we seek to strengthen our culture. These employee-led groups provide our employees with an opportunity to network with their peers and serve as safe outlets to discuss topics of importance, as well as policies and practices that allow us to create a balanced, fair and equitable work environment.

As someone from a different culture, I've had great support from various people that have invested in me and my development. As the chair of the Multicultural BRG, I want to leverage those challenges and experiences to help others who may need assistance adjusting to a new work environment by providing them with the support they need to really succeed and thrive.

-Chen Huang

My hope for our BRGs is that they bring individuals together across the company, foster great discussions, raise awareness of topics impacting each of the groups and reinforce a culture where everyone can reach their full potential.

-Laura Meier

We strongly believe our BRG will provide our young professionals essential development opportunities that will assist them in achieving long-term success as they progress in their careers.

-Matt Anderson

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COUNCILS

Community Relations,
Diversity & Inclusion, Wellness

45

**EMPLOYEES PARTICIPATE
IN COUNCILS**

20+

COUNCIL CAMPAIGNS
in 2018 to engage employees

100+

BRG MEMBERS

Multicultural BRG, Women's BRG,
Young Professionals BRG





BUSINESS SPOTLIGHT

Woman Owned Business Enterprise

Duncan-Williams, Inc. | Ken Steinberg, Senior VP/CMBS Trading

Meeting Ken at the FHLBank System Diverse Dealer Reception in New York helped to build a mutually beneficial vendor relationship. Ken and his team at Duncan-Williams give the Bank excellent insight and access to the growing Agency CMBS market. As one of the largest regional women owned investment banking firms in the nation, Duncan-Williams brings expertise to this market and provides the Bank with valuable investment opportunities. We are very pleased with the value and level of service that our relationship with Duncan-Williams provides.

**-Gregg Tuyls
Trader**

BUSINESS SPOTLIGHT

Minority Owned Business Enterprise

Mitchell Titus | Marc Christmas, Relationship Executive

Meeting Marc at NMSDC's 2017 Business Opportunity Exchange turned out to be a great "chance" encounter for the Bank as our Human Resources Department was searching for a firm to conduct an employee benefit plan audit. As the largest minority controlled accounting firm in the nation, Mitchell Titus' audit expertise in conjunction with their exceptional customer service, responsiveness and competitive pricing has led to a very successful vendor relationship. We are extremely pleased to be one of the many Federal Home Loan Banks to serve as Mitchell Titus' client.

**-Nancy Betz
SVP/Chief Human Resources, Administrative & OMWI Officer**

