

## LACERA Due Diligence Regarding Diversity, Equity, and Inclusion

LACERA values **diversity, equity, and inclusion ("DEI")**, and believes that effectively accessing and managing diverse talent leads to improved outcomes. LACERA takes a broad view of diversity, inclusive of varied backgrounds including, but not limited to, age, experience, race, ethnicity, sexual orientation, gender, gender identity, disability status, national origin, and culture. LACERA expects external asset managers and other third-party providers to respect and reflect LACERA's value of DEI. LACERA's ongoing monitoring of third-party service providers incorporates an assessment of vendors' commitment to, adherence with, and track record of accessing and retaining diverse and inclusive workforces.

### Section I

#### I. Policy

1. Describe your firm's approach to cultivating an inclusive and equitable workplace of diverse backgrounds (aka, diversity, equity, and inclusion, or "DEI") and its relation to your strategic objectives.
2. Does your firm have a formal written policy (or policies) addressing workplace DEI, equal employment opportunity, and non-discrimination ("Policy")? A Policy defines the firm's commitment, policies, and practices regarding equal employment opportunity, including the recruitment, development, retention and promotion of a diverse and inclusive workforce and non-discrimination based on gender, race, ethnicity, sexual orientation, gender identity, age, veteran's status, disability, and other legally protected categories. A Policy (or policies) may be a standalone document or part of a larger firm document.

If yes, please provide a copy of your firm's Policy or policies.

If no, does your firm commit to adopting a formal DEI policy if awarded a mandate to manage capital on LACERA's behalf?

3. Does your firm maintain a formal anti-harassment policy and procedures in the workplace?

If yes, please attach most recent version of policy addressing anti-harassment.

If no, does your firm commit to adopting formal anti-harassment policies and procedures if awarded a mandate to manage capital on LACERA's behalf?

#### II. Oversight

4. Who is responsible for overseeing the Policy's implementation? Please provide name and title. What processes are employed to implement and enforce the firm's Policy?
5. Who is responsible for overseeing compliance with the Policy? Please provide name and title. What processes are employed to promote compliance with the Policy?
6. Does your firm's board and/or executive team exercise oversight of the firm's DEI policy, trendlines, compliance, and/or initiatives?

If yes, please describe the DEI-related information, data, compliance, and trends your firm's board or executive committee oversees.

If yes, please explain how often oversight of DEI-related matters is reviewed by your board or executive committee.

7. Under what circumstances would an allegation of non-compliance with the Policy prompt notification and/or consideration by the firm's board or executive committee?

### III. Track Record

8. Please complete the charts in **Section II** regarding your firm's workplace composition as defined by the Equal Employment Opportunity Commission categories for employees of your firm's U.S. operations.
9. Please complete the charts in **Section II** regarding your firm's workplace composition as defined by the Equal Employment Opportunity Commission categories for employees of your firm's non-U.S. operations, absent any applicable legal or regulatory restrictions.
10. If available and applicable, you are welcome to provide any voluntary, self-identified attributes of your firm's equity owners, as defined by the Equal Employment Opportunity Commission, in **Section II**.
11. Does your firm commit to providing the firm's workforce composition in a format similar to **Section II** on a periodic basis, if awarded with a mandate/contract with LACERA?
12. Does your firm enable employees to report other demographic attributes on a voluntary, self-identified basis?

If yes, how often are employees able to report?

Which of the following attributes does the firm enable employees to report on a voluntary, self-identified basis? (Age, National origin, LGBTQ representation, Disability, Military status, Other – Please describe)

Please provide additional information (e.g., number, percentage) of voluntary, self-identified employees per attribute selected above.

13. Has your firm been subject to any judicial, regulatory, or other legal finding, or formal action related to equal employment opportunity, workplace discrimination, or sexual harassment during the past twelve years?

If yes, please describe the number (or volume), nature, business units, geographic regions, and recency of the actions, while respecting any confidentiality parameters.

14. Has your firm been subject to any internal complaints, allegations, or claims related to equal employment opportunity, workplace discrimination, or sexual harassment during the past twelve years?

If yes, please describe the number (or volume), nature, business units, geographic regions, and recency of the actions, while respecting any confidentiality parameters.

15. Has your firm entered into confidential settlements and/or non-disclosure agreements related to workplace discrimination and/or sexual harassment during the past twelve years?

If yes, please identify the number of settlements, the business unit and geographic locations of settlements, the dates and recency of settlements within the past twelve years, and any description of the nature of the settlement within the terms of the confidentiality provisions.

#### **IV. Objectives and Compliance Strategies**

16. Does your firm integrate DEI into executives' performance reviews and/or incentive pay objectives? Please describe.

17. Does your firm conduct pay disparity analyses to discern any disparities by gender, race, ethnicity, or other attributes of diversity?

If yes, please describe the scope of coverage of the parity analysis (which demographics and which geographic markets are assessed) and how often your firm conducts parity analyses.

If no, please explain why not.

18. Does your firm have a clawback or recoupment policy in place or formal written provisions in employment contracts or equity awards by which workplace misconduct, such as sexual harassment, may trigger recoupment of previously paid or awarded incentive pay, awards, bonuses, or other compensation?

If yes, to which of the following forms of previously paid or awarded incentive compensation does the firm's clawback provisions apply to? Please circle all that apply. (Previously paid bonuses, Vested equity awards or grants, Unvested equity awards or grants, Profit-sharing compensation or carried interest, Other – please describe)

19. Does your firm provide paid family leave provisions? If yes, please describe.
20. Please explain any other incentives or risk mitigation strategies your firm employs to promote compliance with your DEI policies.
21. How does your firm promote an accessible workplace for employees with disabilities?
22. Does your firm conduct any assessment or audit of any prospective disparate impact from its business operations, products, services on clients or the communities in which it operates based on gender, race or ethnicity, national origin, or other historically underrepresented characteristics? (Sometimes known as civil rights audits, or racial equity assessments)

If yes, please provide a copy of recent report if available and explain how often such assessments are conducted and describe key findings and any resultant initiatives from the latest report.

23. Please describe any DEI objectives or goals your firm has.
24. Describe any affiliations or leadership positions related to DEI in the financial services industry with which your firm is involved.

**V. Other Information**

25. Does your firm have any supplemental documents, reports or comments that weren't addressed elsewhere in the questionnaire it wishes to share regarding its diversity, equity, and inclusion efforts?

If yes, please attach any additional documents and provide comments here.

## **Section II**

### **General Instructions**

LACERA seeks to understand the track record of vendors in accessing and retaining talent inclusive of diverse backgrounds.

We invite all firms to provide the demographics and diversity attributes of their leadership (such as boards or executive committees and c-suite professionals) and investment professionals, consistent with applicable laws, regulations, and privacy considerations in the markets in which they operate.

LACERA takes a broad view of diversity and welcomes firms to report on diversity attributes relevant to your business. However, as a standard baseline, LACERA requests all firms with U.S. operations to provide reporting consistent with the gender, race, and ethnicity categories used by the United States Equal Employment Commission (EEOC) in your firm's Employer Report EEO-1. See [www.eeoc.gov/employers/eeo1survey/index.cfm](http://www.eeoc.gov/employers/eeo1survey/index.cfm) for further information.

Please complete all columns in Tables 1, 2, and 3 by entering in the number of employees/individuals for each relevant category (not percentages). Blank cells will be interpreted as having a value of zero.

Job Categories:

- Board of directors: This row includes all members of the firm's governing board (or executive committee).
- C-suite professionals: This row includes the Chief Executive Officer, the Chief Financial Officer, and the next three highest-paid C-suite professionals or equivalent positions.
- Consulting professionals: All professionals who have a role in investment decision-making at the firm, such as portfolio managers, analysts, and traders. Include any full-time professionals who work directly on portfolio company value creation activities.
- Consultant support: All professionals who have a role in supporting the investment function, such as marketing, client service, operations, accounting, IT, and legal.
- If an employee is both a member of the governing board and a c-suite or investment professional, the individual may be counted in all appropriate rows. Please do not double count when aggregating employees in rows 17 and 30.

LACERA welcomes information on additional diversity attributes that the firm may receive from employees on a voluntary, self-identified basis. Please provide such information on additional sheets.



**TABLE 1: U.S. Operations - Firmwide**

Job Categories	Hispanic or Latino			Non-Hispanic Or Latino															All											
	Total	M	F	Black or African American			Asian			Native Hawaiian or Other Pacific Islander			American Indian or Alaska Native			Two or More Races			White			Other/Undisclosed Race			Total	M	F			
				Total	M	F	Total	M	F	Total	M	F	Total	M	F	Total	M	F	Total	M	F	Total	M	F						
1 Board of Directors or Top Governing Body	0			0			0			0			0			0			0			0			0			0	0	0
2 C-Suite Professionals (limited to CEO, CFO, and next 3 highest-paid C-suite executives)	0			0			0			0			0			0			0			0			0			0	0	0
3 Consulting Professionals	0			0			0			0			0			0			0			0			0			0	0	0
4 AGGREGATE OF ROWS 1, 2 and 3 EXCLUDING ANY DOUBLE COUNTING	0			0			0			0			0			0			0			0			0			0	0	0
5 Consultant Support	0			0			0			0			0			0			0			0			0			0	0	0
Total Employees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

**TABLE 2: Non-U.S. Operations - Firmwide**

Please provide information, as available on a voluntary, self-identified basis and in accordance with any local market regulations and privacy considerations. LACERA welcomes, at a minimum, gender demographics, to the extent practicable.

Job Categories	Hispanic or Latino			Non-Hispanic Or Latino															All											
	Total	M	F	Black or African American			Asian			Native Hawaiian or Other Pacific Islander			American Indian or Alaska Native			Two or More Races			White			Other/Undisclosed Race			Total	M	F			
				Total	M	F	Total	M	F	Total	M	F	Total	M	F	Total	M	F	Total	M	F	Total	M	F						
1 Board of Directors or Top Governing Body	0			0			0			0			0			0			0			0			0			0	0	0
2 C-Suite Professionals (limited to CEO, CFO, and next 3 highest-paid C-suite executives)	0			0			0			0			0			0			0			0			0			0	0	0
3 Consulting Professionals	0			0			0			0			0			0			0			0			0			0	0	0
4 AGGREGATE OF ROWS 1, 2 and 3 EXCLUDING ANY DOUBLE COUNTING	0			0			0			0			0			0			0			0			0			0	0	0
5 Consultant Support	0			0			0			0			0			0			0			0			0			0	0	0
Total Employees	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0

## FIRM OWNERSHIP

LACERA invites disclosure of any diversity attributes among your firm’s ownership (where applicable) and the percentage of ownership of each individual. LACERA takes a broad view of diversity (inclusive of gender, race and ethnicity, sexual orientation, gender identity, disability, and other attributes). We invite you to describe how your firm defines diversity in your ownership profile below.

U.S. firms are also requested to provide the baseline demographic information of the firm’s owners, consistent with EEO-1 categories, in Table 3.

**Table 3: Firm Ownership of Attributes Consistent with EEO-1 Categories**

		# of Owners		% Ownership	
Hispanic or Latino	F				
	M				
	Total				
Black or African American	F				
	M				
	Total				
Asian	F				
	M				
	Total				
Native Hawaiian or Other Pacific Islander	F				
	M				
	Total				
American Indian or Alaska Native	F				
	M				
	Total				
Two or More Races	F				
	M				
	Total				
White	F				
	M				
	Total				
Other Race/Ethnicity	F				
	M				
	Total				
Not disclosed	F				
	M				
	Total				
<b>TOTAL</b>	F	0	0	0%	0%
	M	0	0	0%	0%
	Total	0	0	0%	0%