


Asset manager briefing

DEI: A progress report

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We are all learning. We don't have all the answers and shouldn't be afraid to say so. We are going to make some mistakes along the way but hopefully not punished as we try to improve.

[Come off mute on diversity, equity and inclusion | Mercer](#)



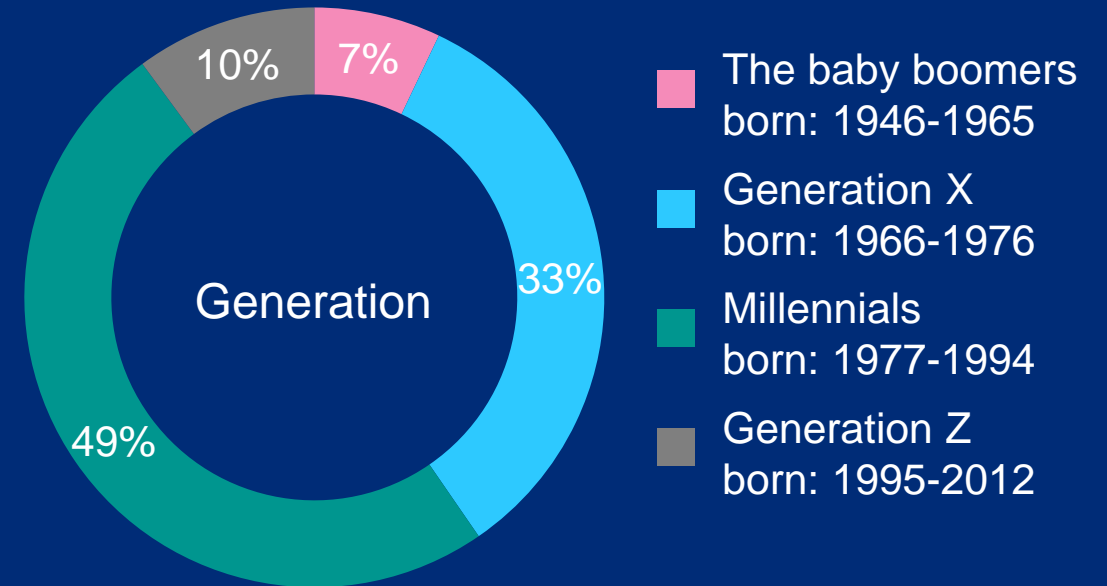
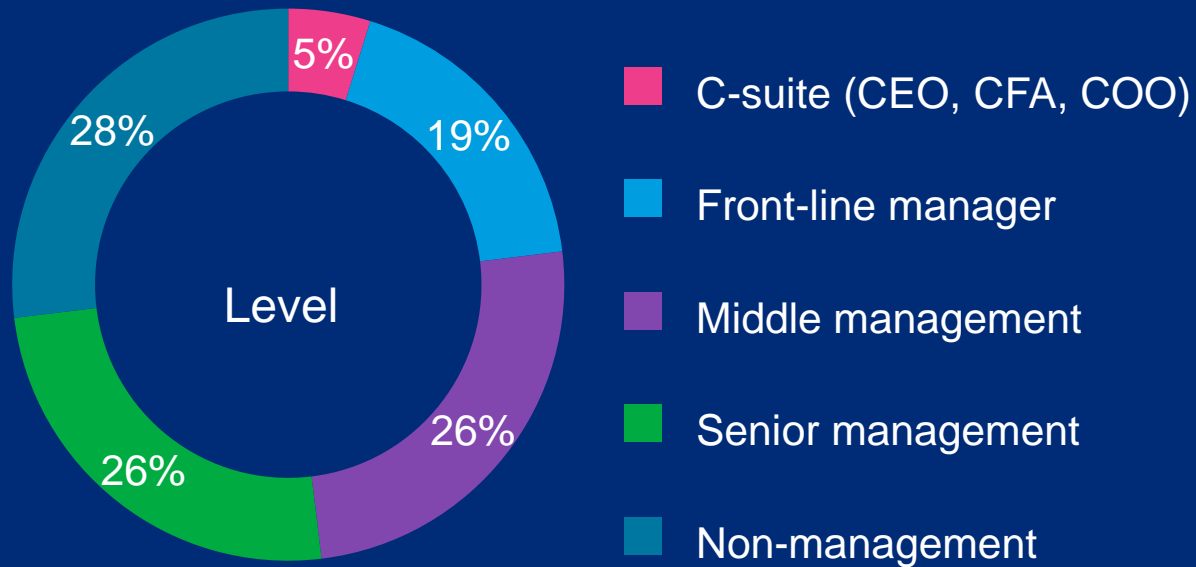


Asset management should be a leading light on DEI

[Come off mute on diversity, equity and inclusion | Mercer](#)



DEI perspective – as seen from the inside



Source: [Come off mute on diversity, equity and inclusion | Mercer](#)

DEI perspective – as seen from the inside

67%

participants believe DEI is strategically important

25%

say it soon will be

1/3 do not

believe the work environment is currently inclusive

only 1/3

see their organisation's workforce as diverse

Source: [Come off mute on diversity, equity and inclusion](#) | Mercer

87%

believe the asset management industry should be a leading light on DEI

Source: [Come off mute on diversity, equity and inclusion](#) | Mercer

49%

believe that all employees,
regardless of background, are
given the same opportunities to
be recruited

Source: [Come off mute on diversity, equity and inclusion](#) | Mercer

49%

believe that all people,
regardless of background or
personal characteristics, are
given fair and equitable
performance assessments and
financial rewards

Source: [Come off mute on diversity, equity and inclusion](#) | Mercer

**Believe their organisation
to be inclusive**

84% of men

55% of women

Source: [Come off mute on diversity, equity and inclusion](#) | Mercer

**Believe their organisation
to be diverse**

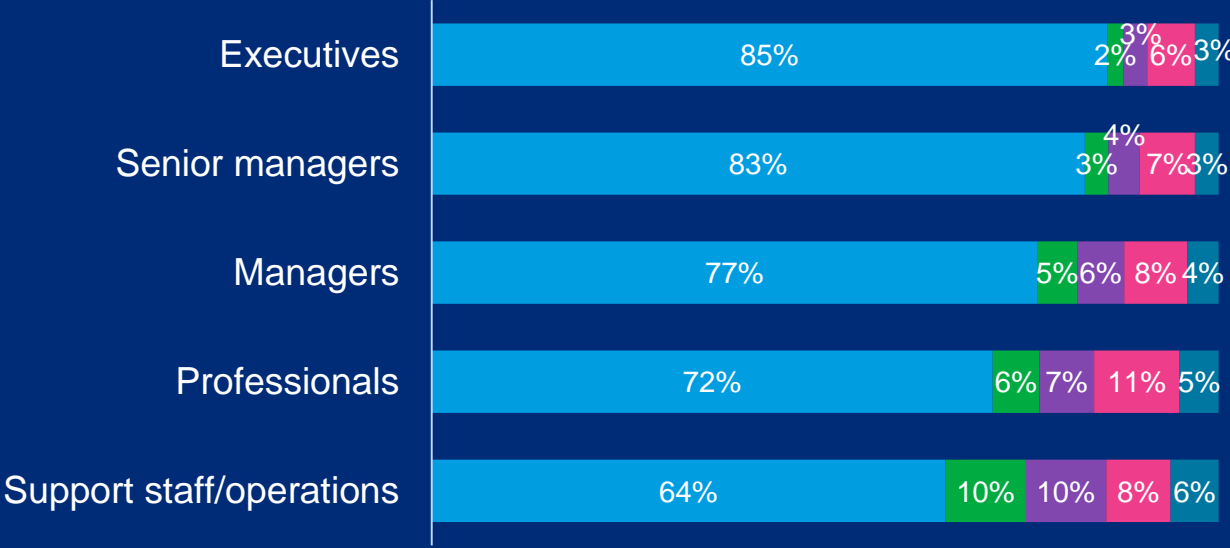
36% of men

29% of women

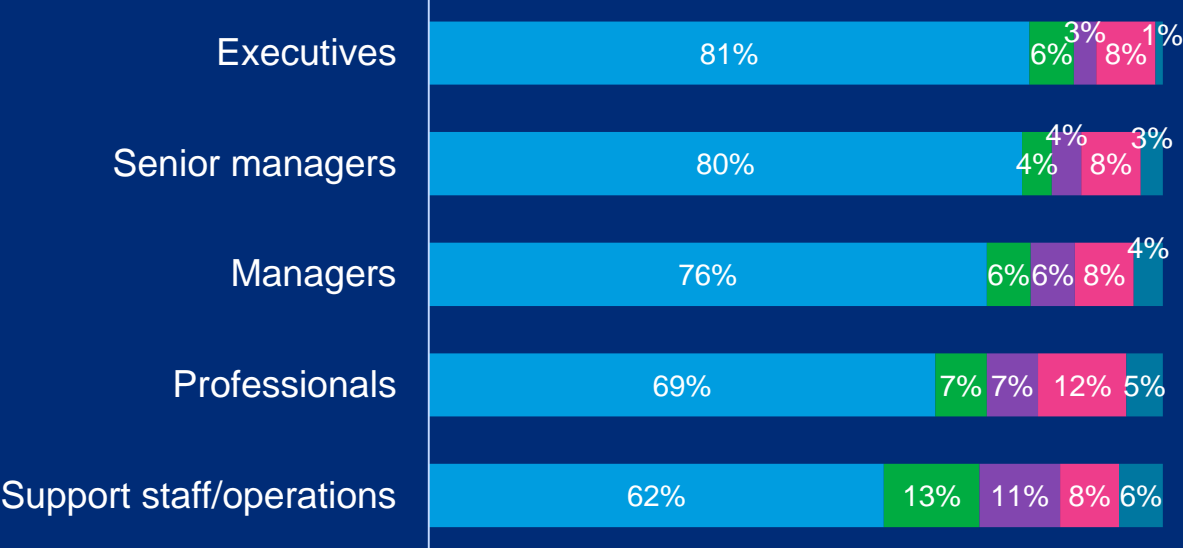
Source: [Come off mute on diversity, equity and inclusion](#) | Mercer

Diversity at different levels

Distribution of all employees by race/ethnicity at career level



Distribution of female employees by race/ethnicity at career level



White Black/African American Hispanic/Latino Asian or Pacific Islander Other race/ethnicity/multi-racial

Source: [Global research WWT | Mercer 2020](#)

Opportunities to be recruited

63% of men

38% of women

Source: [Come off mute on diversity, equity and inclusion](#) | Mercer

Fair and equitable performance assessments and financial rewards

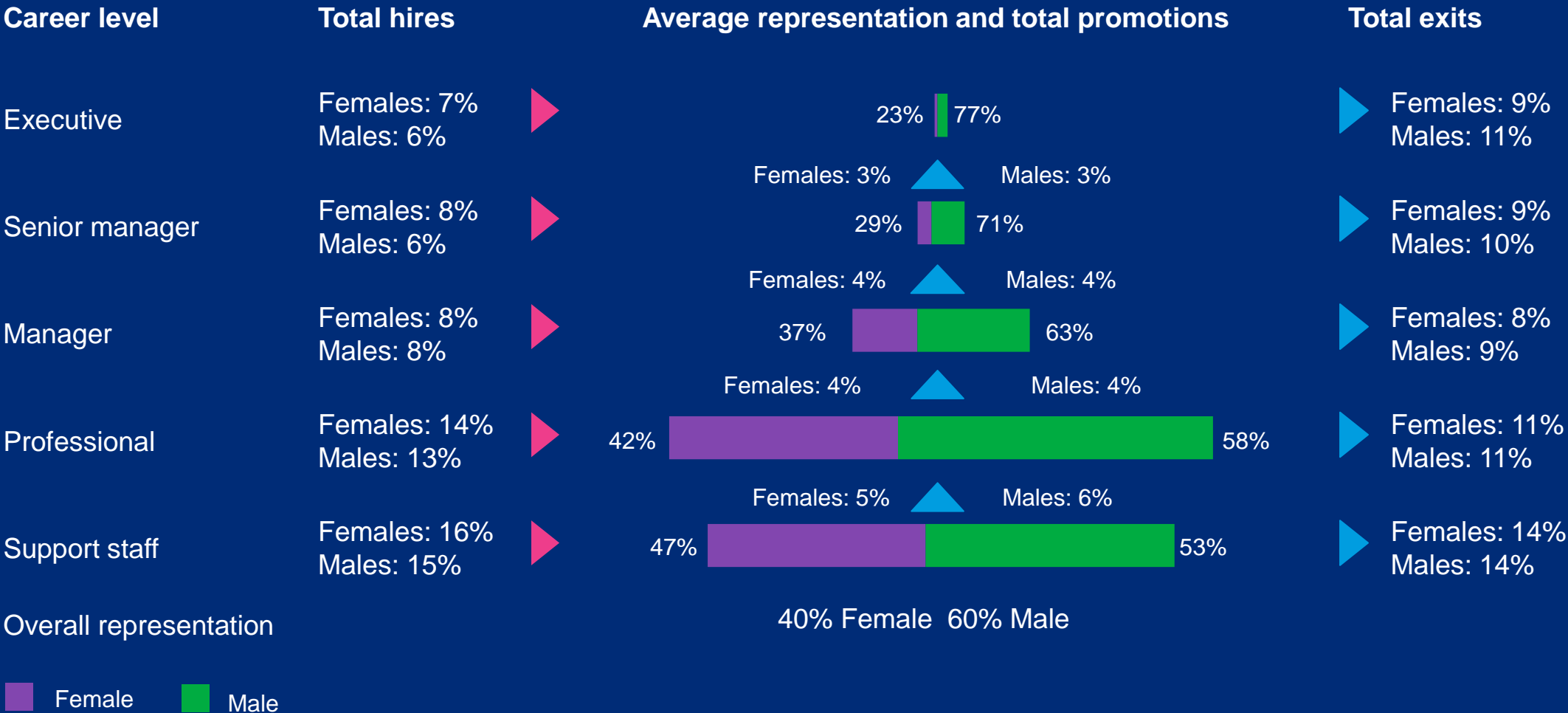
73% of men

28% of women

Source: [Come off mute on diversity, equity and inclusion](#) | Mercer

Gender balance

The bigger picture



Source: [Global research WWT | Mercer 2020](#)

Investment key decision makers

15% of KDMs are female

Source: MercerInsight as at 28 February 2022.

Investment key decision makers

17%

of KDMs are of ethnic minority

Source: MercerInsight as at 28 February 2022.

What do we look for at the manager level?



Diversity policy, metrics and targets



Hiring initiatives and practices



Flexible working practices



Return to work support



Unconscious bias training practices



Published gender pay figure and analysis



Compensation and promotion practice



People diversity

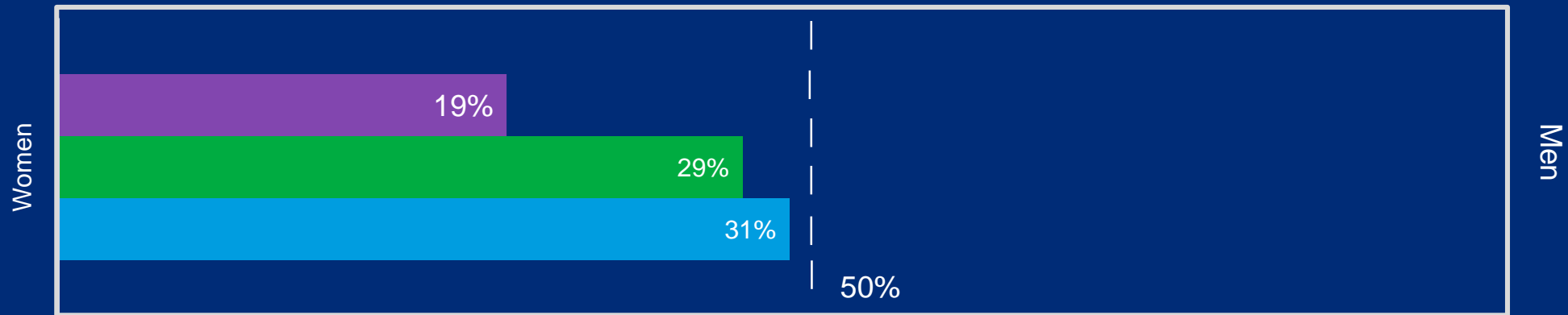


A diverse team with shared values and goals is more likely to outperform than a non-diverse team

Why is DEI important?

Corporate strategy

Average proportion of female board members



- Global average employers
- Top employers by employee satisfaction
- Top employers by attractiveness to students and young professionals

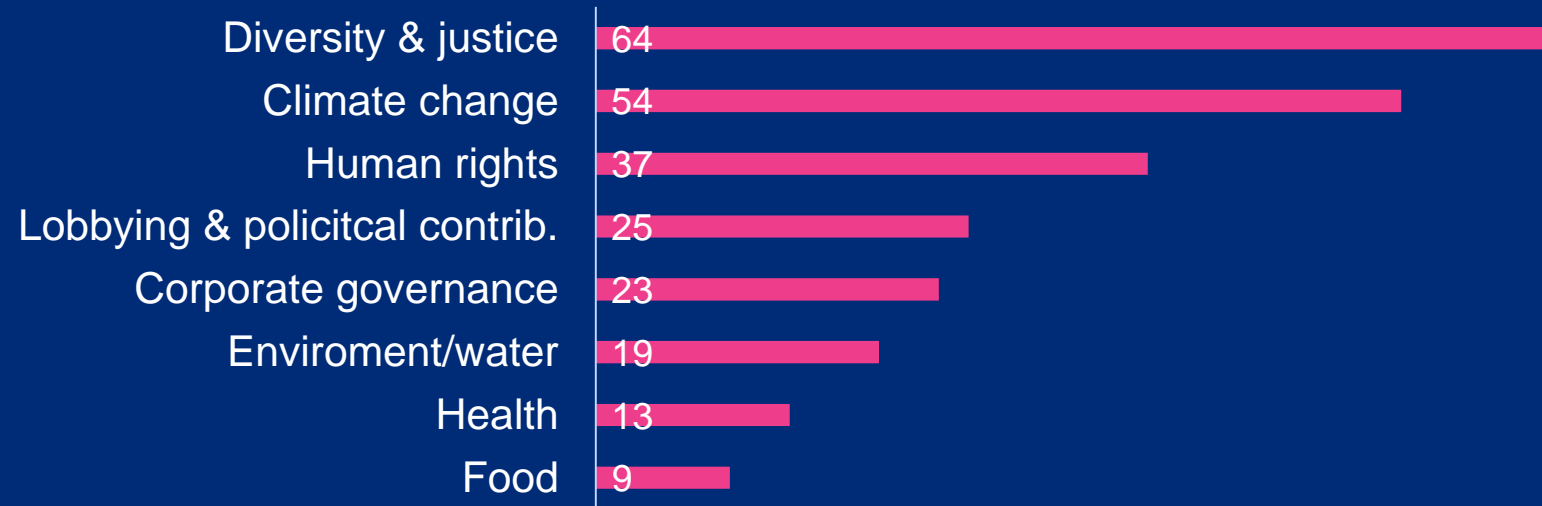
Source: Mercer 2021 Global Talent Trends Survey, and [ESG-as-a-workforce-strategy_Part I.pdf \(marshmclennan.com\)](#)

Why is DEI important?

Stakeholder expectations

As asset managers increasingly put DEI on the company AGM agenda....

Shareholders resolutions by issue



Source: ICCR's 2021 Proxy Resolutions and Voting Guide

Why is DEI important?

Stakeholder expectations

...Asset owners are asking the same questions of their asset managers

DEI a key criteria in manager selection

	Ownership				Firm Level				Product Level				Involvement in DEI Initiatives
	Women		Minorities		Women		Minorities		Women		Minorities		
	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	
Manager A	10%	10%	8%	8%	35%	33%	21%	31%	45%	45%	20%	27%	✓
Manager B	49%	54%	56%	30%	59%	60%	29%	29%	59%	50%	29%	38%	✓
Manager C	N/A	N/A	N/A	N/A	36%	36%	53%	53%	N/A	N/A	N/A	N/A	✓
Manager D	N/A	N/A	N/A	N/A	N/A	52%	N/A	58%	N/A	24%	N/A	18%	✓

Source: Mercer 1 January 2022

DEI data in GIMD™

Board of directors

Number of individuals on board of directors Enter number

Board composition

Female %

Minority %

Ownership structure

Major owners 100%

% ownership by women %

% ownership by minorities %

Firm legally qualifies as minority owned in US? Y/N

Manager details

Firmwide D&I policies in place Y/N

DEI targets Y/N

D&I certification awards Y/N

Investment team

Number of individuals dedicated to this strategy

% KDMs that are female %

% KDMs of different ethnicities %





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