



PERSPECTIVES THAT DRIVE ENTERPRISE SUCCESS



OCTOBER 2020

Verus Diversity and Inclusiveness Key Metrics

City of San Jose Retirement Plans

We embrace diversity in the workplace

Verus is an equal opportunity employer. We welcome talented and resourceful individuals regardless of race, gender, or belief system.

- 29% of our leadership roles are held by minorities and women
 - Compared to 21% in the industry¹
- 25% of our consultants are women
 - Compared to 15% in the industry²
- 22% of our employees identify as minorities
 - Compared to 23% in the industry³



Minorities defined by all non-white employees. ¹Women in the Workplace 2017, LeanIn.org. ²2016 Gender Diversity in Investment Management, CFA Institute. ³2016 Casting A Wider Net, Roosevelt Institute.

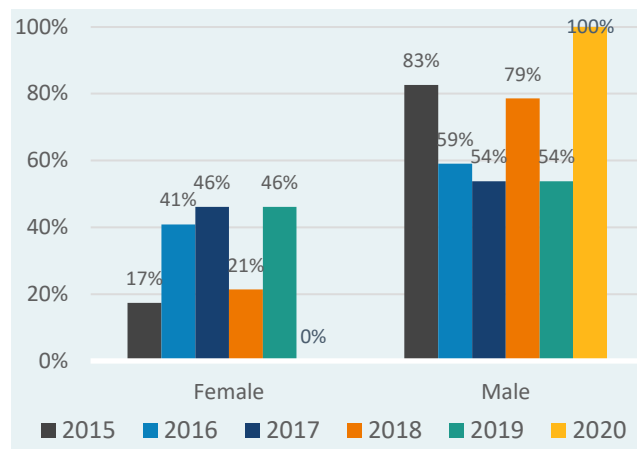
Equal opportunity

Verus hiring demographic trends

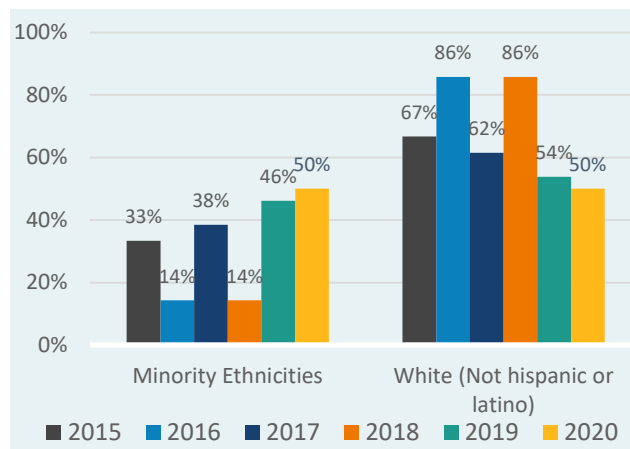
- Since 2015, our hiring average is 29% for females, 33% for minorities, and 25% for people over 40.
- Our 2019 hires were 46% for females and minorities.
- YTD 2020 is 50% for minorities and people over 40.
- Verus has no disparity of pay for the same position with the same experience level.

Verus embraces seeking demographic balance through our hiring practices.

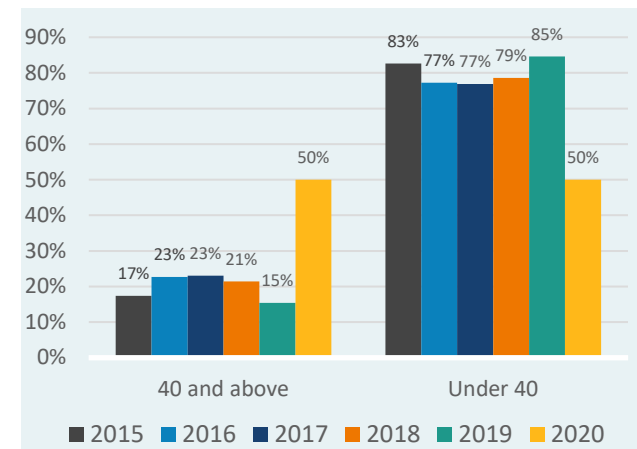
PERCENTAGE HIRED BY GENDER



PERCENTAGE HIRED BY RACE/ETHNICITY



NUMBER OF HIRES BY AGE



Verus hiring demographics of 200 individuals from 1/1/15 to 4/1/20.

Covering emerging and diverse firms

VERUS DEFINITION

- Size
 - Public markets emerging firms with <=\$3 billion in total AUM
 - Private markets emerging firms raising their 1st or 2nd time institutional funds
- Diversity
 - Significant ownership by diverse professionals and/or
 - Key investment decision-makers on the strategy team are minorities and/or women (diverse teams)

Verus utilizes an **integrated** approach to emerging and diverse manager research with goal of adding firms to approved lists, discretionary and non-discretionary portfolios, where appropriate

- Senior consultants and research involved
- Follow-on research process same as other IDD using Verus key principles
- Annual emerging and diverse manager days via Web-Ex involving senior consultants, consulting associates and manager research professionals

Current approved emerging and diverse public markets investment managers

US Equity

Acuitas US Microcap Equity (Emerging)

Pier Capital Small Cap Growth (Emerging)

Next Century Small Capitalization Equity (Emerging)

Non-US Equity

Acuitas International Small Cap/Emerging Markets Small Cap/Global Micro (Emerging)

Ariel International DM/International DM/EM (Diverse)

ARGA Emerging Markets Equity (Diverse)

Elephant Asset Management Long-Only Emerging Markets Fund (Emerging + Diverse)

Fixed Income

Garcia Hamilton Fixed Income – Aggregate (Diverse)

Emerging and diverse manager research and outreach

EMERGING AND DIVERSE MANAGER ANNUAL EVENT

- Conduct Web-Ex with emerging and diverse managers to maximize participation of both manager and Verus professionals

INTERNAL COMMUNICATION

- RMS body of notes and monitoring of emerging/diverse statistics
- Manager research to provide regular status updates on emerging and diverse manager coverage and assessments
- Consultants include emerging/diverse firms in searches where appropriate, and share in Consultant Resources site

EXTERNAL COMMUNICATION

- Participate in emerging and diverse manager industry conferences
- Create content via Topic of Interest and white papers
 - (2020) What Diversity Looks Like: Expanding Beyond Ownership
- Sponsorship of select emerging and/or diverse industry organizations
 - Women in Institutional Investments Network (“WIIIN”)
 - Toigo Foundation Gala 2020
- Leading initiative with eVestment to gather more data on emerging and diverse managers