



Diversity, Equity and Inclusion Code

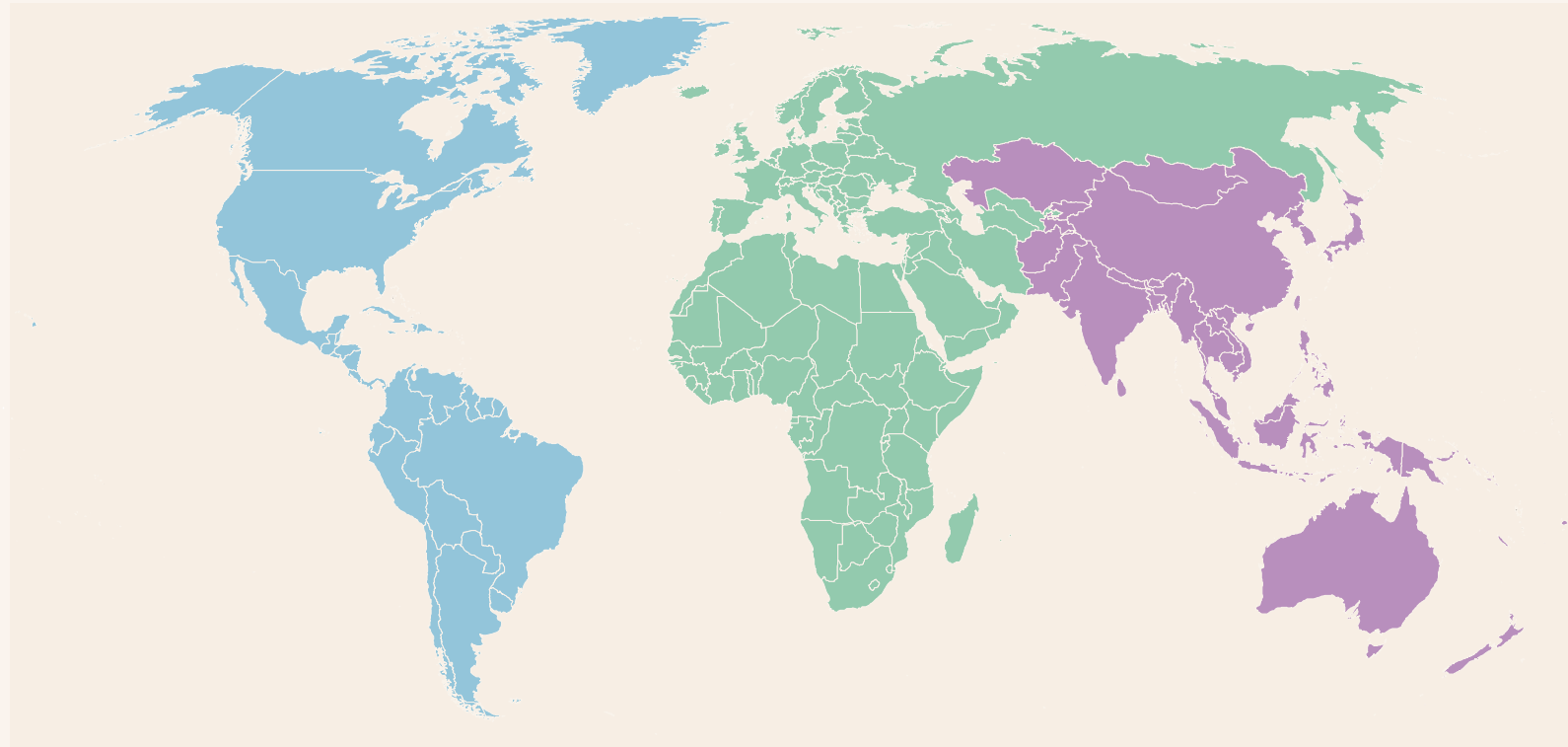
Tested practice

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Global Senior Head, DEI

1 November 2023

DEI CODE IS **MISSION ALIGNED** – GLOBALLY SUPPORTED, REGIONALLY ADAPTED, LOCALLY NUANCED.
WORKING WITH 160 CFA SOCIETIES WORLDWIDE

To lead the investment profession globally by promoting the highest standards of ethics, education, and professional excellent for the ultimate benefit of society.



Same Universal Model, Regionally Adapted, Locally Nuanced

Principles Based

- Four principles cover the investment professional career lifecycle
- Once Principle for asset owners, consultants and asset allocators
 - One Principle for measurement: determining metrics to form industry KPIs.

Implementation Guidance

- Underpins and informs the DEI Code
 - Informed by the Experimental Partner Program and leading DEI experts
- Updated annually

Annual Confidential Reporting

- Drives further evolution
- CFA Institute will report overall findings on industry progress annually.

Foundational Reporting

- For completion by the end of the initial 2-year period from becoming a signatory, includes:
 - an adopted DEI policy and statement
 - an established senior leadership ownership and oversight governance process
- implementation plan to integrate DEI within the organization



PIPELINE

we commit to expanding the diverse talent pipeline.



TALENT ACQUISITION

we commit to designing, implementing and maintaining inclusive and equitable hiring practices and on-boarding practices.



PROMOTION AND RETENTION

we commit to designing, implementing and maintaining inclusive and equitable promotion and retention practices to reduce barriers to progress.



LEADERSHIP

we commit to using our position and voice to promote DEI and improve DEI outcomes in the investment industry. We will hold ourselves responsible for our firm's progress.



INFLUENCE

we commit to using our role, position, and voice to promote and increase measurable DEI results in the investment industry.



MEASUREMENT

we commit to measuring and reporting on our progress in driving better DEI results within our firm. We will provide regular reporting on our firm's DEI metrics to our senior management, board and CFA Institute.

DEI CODE

Six Key Principles

In Canada, we commit to implementing the Truth and Reconciliation Commission of Canada Call to Action #92, and we embrace Indigenous reconciliation.

GLOBAL
INVESTMENT
PERFORMANCE
STANDARDS
(GIPS®)

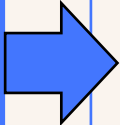
ASSET
MANAGER
CODE™

ESG DISCLOSURE
STANDARDS FOR
INVESTMENT
PRODUCTS

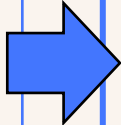
CFA INSTITUTE

Industry Codes and
Standards

CODE OF
ETHICS AND
STANDARDS OF
PROFESSIONAL
CONDUCT



In matters related to their employment, members and candidates must not engage in conduct that harms the interests of their employer. **Implicit in this standard is the obligation of members and candidates to comply with the policies and procedures established by their employers that govern the employer–employee relationship—to the extent that such policies and procedures do not conflict with applicable laws, rules, or regulations or the Code and Standards.**



DIVERSITY,
EQUITY, &
INCLUSION
CODE

SIGNATORY MOTIVATIONS

Investment leaders are taking ownership, supported by internal DEI experts or advocates.

ACCOUNTABILITY

Solution for 'diversity washing'

SANCTION FOR UNDERPERFORMANCE

Boundaries build commitment

CLIENT REQUEST

Allocators are asking asset managers to commit

Client profiles and expectations are changing

CHALLENGE

From firms who want to aim higher

93% cite business benefits from integrating DEI

INDUSTRY RECOGNISED BODY

CFA Charterholders are recommending it to their firms

65% of CFA society leaders cite grassroots DEI support

COLLABORATION OPPORTUNITIES

Sustain momentum

Openness to learning

ALIGNMENT

Integral to sustainability strategies and climate focused business models

Investment industry at an inflexion point – DEI builds resilience and agility

CODES AND STANDARDS INFRASTRUCTURE

Already recognized by organizations, clients and industry professionals

SUPPORT

For firms new to DEI and open to change

For improving people management

COMMUNICATION

Internal and External
Employer value proposition

INDUSTRY DATA

Peer relative positioning

External review

SIGNATORY REPORTING

Early adopters have shared both quantitative and qualitative data – even more than we asked

ACCOUNTABILITY

82% report DEI metrics to board and stakeholders

84% have experienced senior leader oversee DEI reporting

Sharing impact helps normalize the cultural change to improve results

SANCTION FOR UNDERPERFORMANCE

51% of signatories tie performance measures to DEI initiatives.

Boundaries build commitment – developing a clear DEI policy and an implementation plan are critical steps

57 ORGANIZATIONS

16,754 employees with 45% investment professionals

63% male 37% female investment professionals v. 84% male 16% female CFA members

27% minorities on investment teams – highest in medium firms

CHALLENGE

Firms who want to aim higher – regular review allows what is not working to surface and be addressed

88% conduct exit interviews and 72% measure effectiveness of DEI efforts

INDUSTRY RECOGNISED BODY

CFA Charterholders look for evidence – education and training on diversification by their peer group improves engagement.

An inclusive workplace is better for all employees.

INFORMATION SHARING

Qualitative measures to assess DEI efforts are more advanced than quantitative measures – 72% v. 58%

BUT 72% track retention metrics and 67% track promotion metrics

ALIGNMENT

Support from sustainability and climate focused professionals builds internal buy in with everyday relevance.

88% consider equity as core part of their DEI strategy, helping educate investment teams on the S in ESG

CODES AND STANDARDS INFRASTRUCTURE

Signatories embed DEI in their Code of Business Conduct with reference to CFA Institute Code of Ethics.

Understanding the wider society we serve is critical to success

SUPPORT

Firms new to DEI and open to change look for a framework for organizational transformation

Effective early steps – integrating DEI into employee handbook and promoting investment as a career offering opportunities for all

COMMUNICATION

Internal and External comms – culturally aligned and frequent builds trust, reduces prefer not to disclose returns

95% have a DEI policy supported by the CEO and 86% have one supported by their board

INDUSTRY DATA

Prioritizing purposeful data collection drives change. 61% are collecting racial and ethnic pay equity data to close the pay gap and 74% are collecting gender pay equity data but only 21% are collecting orientation pay equity data