

Meketa Announces Results of Diversity, Equity & Inclusion Questionnaire

Third Annual Survey Aimed at Evaluating, Rating and Encouraging Asset Managers' Diversity Efforts

Boston, April 4, 2023 - Meketa Investment Group (Meketa), a global investment consulting and fiduciary management (OCIO) firm, today announced the results of its annual questionnaire aimed at evaluating asset managers' efforts for a deeper understanding of Diversity, Equity & Inclusion ("DEI") within their organizations. The firm's Diversity, Equity & Inclusion Questionnaire was distributed to public and private market managers in Meketa's proprietary database.

This was the third year in a row Meketa asked firms to complete the questionnaire to report on their DEI efforts. We are pleased to report this survey was more extensive and garnered a higher participation rate from asset managers, further deepening the insights gleaned from prior years' analyses. In total, 528 firms responded, a 5% increase compared to 2021 and a 55% increase from 2020.

The questionnaire was divided into three sections: (1) Transparency and Reporting, (2) Policies and Initiatives, and (3) Employee Conduct. Meketa believes increased transparency and reporting, more clarity on policies and internal initiatives, and a better understanding of employee conduct and regulations enhance the industry's chances of success and long-lasting results.

Among the questionnaire's findings:

- In terms of reporting, 74% of firms released annual diversity statistics to their clients, followed closely by 70% to consultants, 58% to prospects, and 23% to regulators.
- On trend with past years, women continue to be the least represented in portfolio management (21%) while diverse employees are least represented on boards (25%). Lower-level positions are the most diverse by racial and gender measures.
- Nearly 60% of new hires and promotions were given to non-rationally diverse people, with women making up 40% of new hires and promotions. The turnover rate was 16% higher for men than women in 2022, in stark contrast to the prior year, which was 4% higher for women.
- There was a significant (11%) increase in firms that monitor gender pay gap disparities and a 12% increase in those that monitor racial pay gap disparities.
- 80% of firms reported engaging with organizations or programs that promote the recruitment and retention of diverse groups, however, formal mentorship, sponsorship, or employer affinity programs for women or diverse groups was less common at 56%.
- The percentage of firms that partner with MWDBE service providers increased at a third the rate from the previous year.

"While there is still work to do, we are pleased to see a growing number of female and diverse individuals in equity ownership, senior management, and portfolio management, and are encouraged by the actions taken to achieve better results and create more diverse, equitable, and inclusive firms," said Peter Woolley, co-CEO, Meketa Investment Group. "We look forward to increased efforts by asset management firms and acknowledge that integrating DEI into the teams and cultures takes time and will not happen overnight."



Based on the survey results and the firm's research, Meketa believes asset management firms may continue to differentiate themselves by focusing on the following areas:

- Establish a plan to add more representation to key decision-making positions;
- Continue to measure how a firm's policies and committees contribute to its overall DEI strategy;
- Given mentorship is to recruitment as sponsorship is to retention, consider increasing sponsorship opportunities to elevate underrepresented groups;
- Evaluate service providers' DEI policies to ensure an alignment of values.

"Meketa remains committed to making the institutional investment industry more resilient and equitable," said Stephen McCourt, co-CEO, Meketa Investment Group. "As we continue this initiative on an annual basis, we hope that sharing the findings and recommendations with asset managers will help make the industry more resilient and equitable for years to come."

Meketa's Diversity, Equity & Inclusion Questionnaire is included in the firm's Request for Proposals and Due Diligence Questionnaires, and Meketa requires managers to complete the questionnaire on an annual basis thereafter. This year's questionnaire was distributed to all public and private markets asset management firms in November 2022. Asset managers completed the questionnaire with best available data. All responses were collected from November 29, 2022 through February 1, 2023. The full questionnaire results summary can be found [here](#).

About Meketa

Founded in 1978, Meketa is an employee-owned, full-service investment consulting and fiduciary management (OCIO) firm. As an independent fiduciary, the firm serves institutional investors in nondiscretionary and discretionary capacities. Meketa's collective client assets under advisement represent approximately \$1.6 trillion as of September 30, 2022. For more information, please visit www.meketa.com.

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