

# Every Voice Counts

2020 Diversity and Inclusion Report





Monte Bren



Scott Hart
Co-CEO



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Partner, Head
of Diversity and
Inclusion

We believe that diversity of backgrounds and perspectives among our employees strengthens our ability to analyze, invest, communicate and deliver on our mission.

We are committed to increasing and retaining diversity at the firm, and fostering a supportive and inclusive workplace.

## At StepStone, everyone is heard.

This idea has driven and defined the firm since we were founded in 2007.

For us, diversity and inclusion have always been core to who we are and how we work. Different personalities, experiences and perspectives create richer discussions, better answers and a healthier work environment—and form the collective strength that enables us to compete and succeed.

In this report, we'll show how our commitment to diversity and inclusion embodies these key principles of StepStone:





IMPROVED
PERFORMANCE
through enhanced
analysis, debate and
decision-making

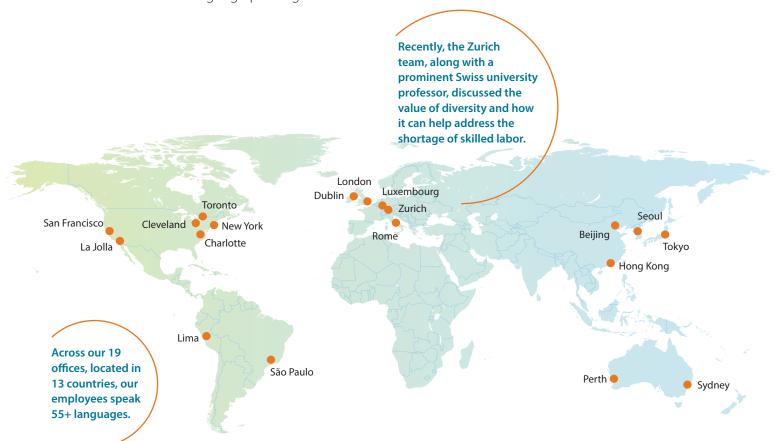
Fostering more open dialogue opens minds, opportunities and possibilities for each other and those we serve. But this truth speaks to something larger and more potent: Our firm and our partners must reflect the world to which we contribute. Which is why the work never stops. And why we'll continue to listen, act and look forward.



# We are building a culture of inclusion, where all are encouraged to tackle the hard issues, build mutual understanding—and just be themselves.

We're always seeking new perspectives on our industry and the communities in which we operate. The StepStone Diversity and Inclusion Network hosts local educational and social events across all our global offices to broaden our understanding and explore how each of us can grow and further promote diversity and inclusion.

Our global network hosted **over 20 events** over the past two years, featuring renowned industry and thought leaders. In addition to those focusing on women and the LGBTQ community, event topics included increasing representation within the broader industry, and approaching diversity and inclusion in different geographic regions.





Shivani Nookala Analyst, Private Equity, New York

I was first introduced to StepStone at an event hosted by its Diversity and Inclusion Network during a conference by the Women's Association of Venture & Equity. One of the goals of the conference was to introduce undergraduates and young professional women to the companies in the association's extensive network

StepStone stood out by taking the time to explain its history and its values. They also had an event at their offices for conference attendees to get to know their team.

I was struck both by the fact that so many employees committed to the event, as well as by the diversity of the organization.

They were very engaging, helping attendees understand the firm and showing us that there is a path for diverse candidates within private markets professions.

I was already impressed by the contribution StepStone had made to the conference. When they followed up to help me seek employment opportunities at the firm, it was clear that StepStone was focused on meeting its willingness to guide with a commitment to act.



**Ai Ai**Vice President,
Private Equity,
Beijing

As an active member of the Beijing committee of our Diversity and Inclusion Network, one of the earlier events I was involved with was with local investment managers. We invited representatives from major international and local private equity funds to share diversity considerations among general and limited partnerships. The event raised awareness and engaged our investment community partners, receiving high praise from our colleagues.

This year, the committee decided to focus on a different aspect of diversity and inclusion: the LGBTQ community in China. We hosted an event where we heard from experts in this area and got to know the LGBTQ community around us. Hearing from the Chief Financial Officer of the leading online service provider for the LGBTQ community in China also made it a memorable experience.

It was exciting to hear positive feedback from the broader team in Beijing, with our colleagues calling it "an outstanding event and initiative."

For me, joining the diversity and inclusion program means caring about and nurturing all under-represented groups. To do so, I believe, is rewarding for everyone involved.



#### **Omolara Oyedeji**

Analyst, Real Estate, London I was part of a program called Making the Leap, which helped build my confidence and showed me that no matter where you come from, there is always an opportunity to change your situation and achieve your potential. Through that program, I attended a one-day workshop that changed my life, because that's the day I was introduced to StepStone.

Before this, I knew nothing about private markets. Now I wanted to learn more, and the interpersonal skills I gained from the workshop led to a successful internship at StepStone. During my internship, I worked across the whole business to broaden my technical skills, and it was great to meet all the amazing people on the teams.

I always felt comfortable and welcome in the office. The colleagues I worked with also dedicated time to train me, assisting with all the questions I had.

I felt like my work was valued and my opinions were heard. I was also inspired by all the great examples of senior-level women to look up to within the firm.

One year later, I've been hired as an analyst, which is something I would not have imagined a couple of years ago. I have an amazing opportunity to continue growing, and I feel more driven than ever to pursue my career goals. Since starting my new role, I've had even more training and courses made available to help me become the best version of myself. I am grateful for this opportunity and want to use my experience to encourage other people to pursue career paths they think might be out of reach. Organizations like StepStone can play such a powerful role in educating non-traditional candidates and giving them the chance to succeed.

OUR
COMMITMENT
& OUR
ACTIONS

→ Awareness and engagement

NT Recruiting and hiring

Retention and promotion

Investment process integration

# We're building bridges to other organizations to promote diversity in our industry—and discover untapped potential.

Achieving true diversity and inclusion requires teamwork across all types of financial organizations. We're supporting a growing network of non-profits and other groups dedicated to making new connections, developing new skills and expanding the talent pipeline. Below are just some of the efforts we're helping in their vital missions.



Women's Association of Venture & Equity

WAVE is a membership and networking association of professional women who work in, or are affiliated with, the private equity and venture capital industry.



SEO recruits and trains high-achieving Black, Latino and Native American college students for challenging summer internships.

# girls who invest

Girls Who Invest is a nonprofit organization dedicated to increasing the number of women in portfolio management and executive leadership.



Toigo's mission is to transform the performance of forward-thinking organizations through education and strategies that drive greater inclusion and the ongoing development and promotion of exceptional diverse leaders.



100 Black Interns looks to offer internships to Black students across the United Kingdom to help kick-start their career in investment management.



Girls Who Code is a nonprofit organization that aims to support and increase the number of women in computer science.



Making the Leap is a London-based charity that improves social mobility by raising the aspirations of, and increasing opportunities for, young people between 11 and 30.



Level 20 is a not-for-profit organization, set up to inspire more women to join and to succeed in the private equity industry. Their aim is to increase the number of women in the industry, and they have set a target of 20% of senior roles to be held by women.



The Pension Real Estate Association Foundation furthers the interests and values of the institutional real estate investment community by advancing industrywide diversity and inclusion.

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We are focused on maintaining a broad recruiting outreach and rich diversity within our pool of candidates, enabling us to recruit and hire top talent from a variety of backgrounds and experiences.

StepStone is committed to finding high quality talent, wherever it is. That means expanding our vision geographically, educationally, culturally and personally, to continue to build a recruiting system that promotes inclusion and ensures a fair and equitable application and interview process. We've made great progress, but the journey—and the search—never ends.

#### **EXPANDING OUR RANGE OF CANDIDATES**

A DEDICATED, HOLISTIC RECRUITING PROCESS IDENTIFIES AND TRACKS NEW TALENT THROUGH UNTAPPED SOURCES.



Inclusive job postings and branding



Unconscious bias training for employees



Events and visits at non-traditional schools

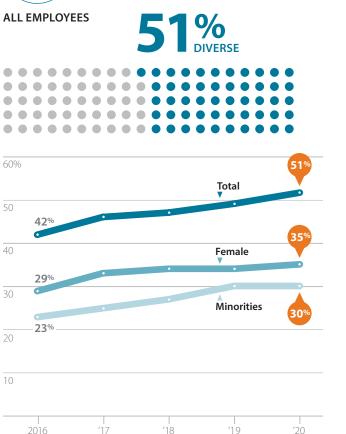


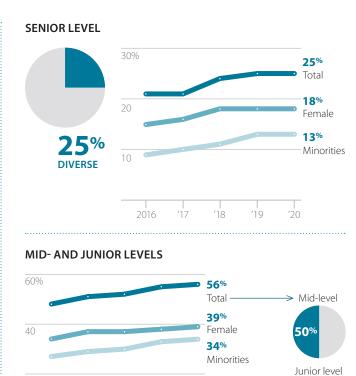
Partnering with different types of organizations



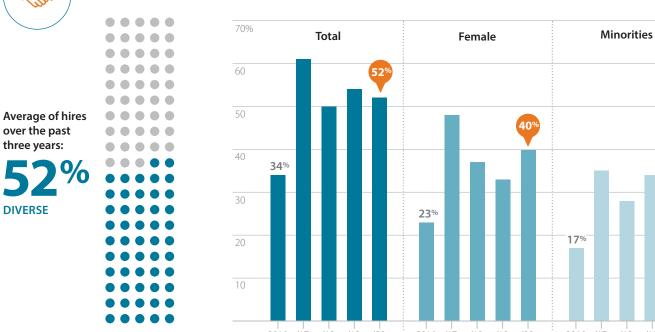


#### **DIVERSITY IN OUR COMPANY**





# DIVERSITY AMONG OUR NEW HIRES



Junior level includes entry level through Senior Associate, mid-level includes Vice President and Director/Principal, senior level includes Managing Director and Partner. Levels may also include those with equivalent roles and responsibilities.

OUR

COMMITMENT

& OUR

ACTIONS

Awareness and engagement

Recruiting and hiring

Retention and promotion

Investment process integration

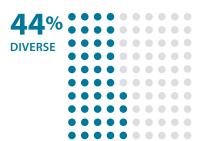
## We are developing the next generation of diverse leaders by championing highperforming professionals and helping them grow.

Finding a diverse team is just the beginning. We want our people to have great careers with us.

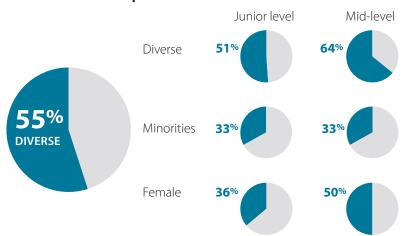


#### **DIVERSITY IN OUR PROMOTIONS**

#### Promotions to Partner in the past two years:



#### Junior and mid-level promotions in 2020:



# We provide the tools, they build on their success

Talent development is critical to our success. That's why we have developed rigorous programs to guide, mentor and advocate, so our colleagues can achieve their fullest potential.

Now we're taking that concept to the highest level with our Sponsorship Program, which identifies and champions high-performing, mid-level diverse professionals who have strong potential to become senior leaders.

Each participant undergoes a full review to help identify strengths and areas for growth, then is paired with a Partner-level sponsor and an outside executive coach.

The sponsoring Partner and the executive coach meet regularly with each participant to build an individual development plan and find assignments and opportunities in which to excel.

The result is more than mentoring and more than career counseling. It's our current leaders actively building the the company leaders of tomorrow.



**Lisa Larsson**Director, Data Science and Engineering,
New York

As part of StepStone's Sponsorship Program, I was given the opportunity to work with Tom Keck, StepStone's Head of Research, a driving force behind our portfolio management toolset.

The ask was to execute on an ambitious agenda to build out the quant team and deliver on key projects. Essentially, this program was a mini MBA, tailored to the recruiting and hiring initiatives I ran point on.

Lindsay Creedon, Head of Diversity and Inclusion, and an outside executive coach were instrumental in developing, rolling out, and leading the program. Together, Lindsay and Tom made available internal resources necessary to execute on our agenda—from making key academic contacts to participating in our global investor conferences, partners meeting and other events.

The external executive coach's expertise in organizational structure and planning made her inputs key to simplifying my hiring and project plans. We mapped resources and matched the right people to our agenda, meeting the timelines, with results that helped drive our business forward.



**Tom Keck**Partner, Head of Research and Portfolio Management, La Jolla

Lisa has been an ideal candidate for the Sponsorship Program in two respects. First, while currently a mid-level professional, we'll need her expertise in senior leadership as we grow. The program has given her access and visibility to upper management, as well as mentors and training to develop key leadership skills.

Second, her openness to advice and her willingness to work hard means she makes it happen. Lindsay and her executive coach put together an amazing set of resources, but the sponsorship is more like a smorgasbord than a sit-down dinner. There are plenty of great options, but you won't be spoon-fed. You need to help yourself.

Lisa built her team from the ground up, actively collaborating on recruitment, planning and engaging with the talent development process, and ultimately compiling a dynamic group of new hires with unique skills.

She presented to the partners, showing a coherent strategic vision for her group, as well as leading global investor conference presentations with respected academics two years in a row, enhancing the firm's brand and demonstrating her subject matter expertise.

As her sponsor, I have learned so much from the experience, and it's incredibly gratifying to see the progress she and her team have made.

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#### **Bruna Riotto**

Managing Director, Private Equity, São Paulo I have worked at StepStone for seven years and it's impressive to see the progress that the company has made on diversity and inclusion. As a Latin American female professional, I've always found the space and support needed to feel part of the firm and to have my work recognized by others. My experience with pregnancy and maternity at StepStone was no different.

From the moment I shared that I was expecting, my manager expressed genuine care about my health and offered as much flexibility as I needed.

StepStone has a great benefits program with ample paid leave that can be extended with accrued time off, and access to a coaching program before, during and after leave. I returned to work five months after my baby was born, and two months later I had to travel to the United States for a conference. StepStone covered the cost of bringing my baby and caregiver with me so I wouldn't have to worry about being away while breastfeeding. Knowing that my child was well cared for and that I could see and feed him while traveling for work, allowed me to be more engaged, focused and effective during meetings, and made the prospect and process of business travel so much easier.

Fostering a supportive culture before, during and after parental leave is so critical to keeping women motivated and engaged with their careers. It's critical to building diverse leadership at the company.

I'm encouraged to see a growing number of women in senior positions who have navigated work and maternity at StepStone, and I'm very glad to be a part of that change.

OUR

COMMITMENT

Recruiting and hiring

Retention and promotion

ACTIONS

Awareness and engagement

Recruiting and hiring

Investment process integration

## We recognize that everyone has different needs at different times, so we offer enhanced benefits that strengthen families and communities.

We never lose sight of the fact that diversity and inclusion means real people, with real lives and concerns that don't stop when the workday starts. All our colleagues receive an expanded benefits package that helps them achieve their goals outside the workplace —whether raising a family, helping others or building a better world.



#### Parental leave

We provide paid parental leave for all caregivers, and we make the entire journey easier by providing a coaching program before the birth, during the leave and after a new parent returns to the job.



#### Travel for newborns and caregivers

When a new parent needs to travel for business in the first six months after returning from leave, we'll pay for plane tickets, hotel rooms and meals of the infant and primary caregiver. We'll also reimburse new mothers for the cost of shipping breast milk home while traveling on business.



#### Volunteering

Beyond our company-sponsored community efforts, we also give employees and partners as many as 16 hours a year of paid time off to volunteer at a charity of their choice.



#### Vellness rooms

Many of our offices have comfortable, private rooms equipped with seating, refrigerators and the amenities needed for new parents to use for lactation.

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OUR Awareness and engagement COMMITMENT Recruiting and hiring & OUR Retention and promotion **ACTIONS** Investment process integration

### We can't change the industry by ourselves, so we look for like-minded investment partners who share our values and commitment.

Even beyond building a diverse and inclusive company, we want to reshape how the industry approaches these same imperatives. This is an evolving effort for us and for our partners, but we've integrated diversity and inclusion research and data into our investment processes and decisions.

> We've expanded our due diligence process beyond critical financial merits to include the diversity and inclusion performance of our general partners. All data is collected in our proprietary database to facilitate more informed and responsible investment decisions. SAMPLE FIRM FEMALE BLACK ASIAN LATINO OTHER Investment team partners Investment team managing directors Investment team principals, VPs, directors Investment team associates, analysts **Total**, investment professionals **Total**, firm employees

#### THE BIGGER PICTURE

Diversity and inclusion is just one aspect of how we're incorporating responsible investing practices into our operations.



#### **ENVIRONMENTAL**

Carbon footprint analysis

Air travel offset

Recycling initiatives

Efficiency initiatives Quality and safety

of work environment

Target carbon neutrality for the firm



Training Diversity and inclusion

Incentivization Career management

Localization

Sensitivity training Community engagement and volunteer opportinities



#### **GOVERNANCE**

**Boards of Directors Independent Directors Investment Committee** and governance structures Compliance processes Requirements as a fiduciary

Conflict of interest management

Allocation protocols



#### **Varun Kapoor**

Principal, Infrastructure and Real Assets, Sydney

Once considered just buzzwords, it is clear that diversity and inclusion are now part of the core values of a number of general and limited partnerships. Investors around the world are looking critically at their workplaces and investment portfolios, pledging to integrate diversity and inclusion—and environmental, social and governance principles—into every facet of their operations.

Screening for diversity and inclusion policies, activities, ambitions and metrics has become a key feature of our responses and due diligence processes for manager selection. Once focused on metrics regarding women or minorities, the line of inquiry StepStone responds to has broadened to include diversity in all its forms—a wide range of different thought processes, professional and personal backgrounds, and varied work experiences.

To meet our clients' expectations, StepStone embeds these considerations into our review process. Even when there is catching up to do in creating diverse representation, many general partners are excited to showcase their diversity and inclusion initiatives and goals.

With increased focus and emphasis on diversity and inclusion, we expect our general partners to be more transparent and innovative in measuring, reporting on and elevating diversity and inclusion in the future.

#### WHEN EVERY VOICE COUNTS

Orla Walsh

Director, Private Debt,

London

# A better business. A better industry.

Recognizing the value of all our voices helps us realize our vision. A diverse and inclusive environment makes us a stronger, better business for our clients and partners, locally, regionally, globally.



#### **BETTER PERFORMANCE**

Diverse companies are more likely to financially outperform their peers.



#### **BETTER SKILLS**

Companies that seek a wider range of candidates win the war for talent.



#### **BETTER RETENTION**

When companies emphasize diversity and inclusion, more employees stay with that company.



#### **BETTER DECISIONS**

Teams with diverse employees are more innovative, creative and better at solving problems.



#### BETTER SERVICE

A diverse company can achieve stronger relationships with an increasingly diverse client base.

"The Diversity and Inclusion Committee was established to help StepStone meet and exceed its diversity and inclusion goals, and advocate for positive change globally across the firm."

#### **Lindsay Creedon**

Head of Diversity and Inclusion

#### WHEN EVERY VOICE COUNTS

The Diversity and Inclusion Committee defines, evaluates, measures and helps implement StepStone's diversity and inclusion efforts. The committee is composed of senior leadership and team members, spanning each asset class and region.



**Lindsay Creedon**Partner, Head of
Diversity and Inclusion,
New York



Jose Fernandez
Partner and
Co-Chief Operating
Officer,
La Jolla



Scott Hart Jennifer Ishiguro
Partner and Co-CEO, Chief Legal Officer
La Jolla and Secretary,
La Jolla



Difficer Director, Global Head of Human Resources,
La Jolla



**Leyla Holterud**Principal,
Private Equity,
London



Corey Wilkins
Director,
Shared Services,
New York



Alesia Dawidowicz Director, Private Debt, Zurich



**Dami Alade**Vice-President,
Real Estate,
Toronto



**Ying Lin**Senior Associate,
Infrastructure,
New York

StepStone is a global private markets investment firm focused on providing customized solutions and advisory and data services to some of the most sophisticated investors in the world.

The firm uses a disciplined, research-focused approach to prudently integrate fund investments, secondaries and co-investments across the private equity, real estate, infrastructure and private debt asset classes.

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