



Callan

Diversity, Equity & Belonging

2024 Advancement Report

Callan launched our diversity, equity, and belonging (DEB) strategy in 2021 to build on the firm's values established by founder Ed Callan in 1973. When we pledged to do more to bring change to our firm and industry, employees from across Callan rolled up their sleeves and volunteered to do the work. Hundreds of hours led to endless ideas that continue to inspire us.

This report summarizes how we began, how far we've come, and where we hope to go.



A Word From Callan's DEB Champion

On behalf of the entire team at Callan, I'm excited to unveil our inaugural report highlighting Callan's commitment to advancing diversity, equity, and belonging (DEB) within the institutional investment community. While we've achieved many milestones in this area since the firm's founding over five decades ago, our recent work is a testament to our steadfast dedication to promoting DEB in all aspects of our business.

What set the stage for our success dates back to 1990 when our founder Ed Callan, along with Marx Cazenave, established the first multi-manager asset management organization committed to fostering diversity in the industry. Since then, Callan has played an active role in helping our clients expand their investments managed by diverse-, women-, and disabled-owned managers through initiatives such as Callan Connects, the first-of-its-kind program developed by an investment consultant.

I invite you to explore the contents of this report, which showcases the significant strides we have made in advancing DEB initiatives within Callan and the broader investment industry. Together, we are building resiliency in our business and shaping a more inclusive future for generations to come.

Lauren Mathias Senior Vice President, DEB Champion



Not only is our DEB initiative critical to Callan's success, but we hope it will ultimately influence our entire industry. Supporting this initiative from the position of CEO is the best way for me to ensure its success. As the executive sponsor, I can make sure our team has the support and resources to effect real change.

Greg Allen CEO & Chief Research Officer

What DEB Means to Us

Diversity

Recognizing that all individuals and their experiences are unique will enhance creativity and innovation.



Equity

Acknowledging that advantages and barriers do exist, we will ensure resources are allocated fairly to promote access to opportunities and equitable outcomes.

Belonging

Fostering a sense of belonging by valuing inherent differences and empowering employees will encourage them to fully participate, be their authentic selves, and thrive.



We integrated 'belonging' into the program's name to make it unique to Callan. With 'belonging,' we're taking 'inclusion' a step further. We want to foster a sense of belonging in everything we do.

Laura Dawson DEB Council Member



Vision, Values, & Goals



Vision

- Enact lasting change
- Serve diverse communities
- Emphasize authenticity and belonging
- Lead with purpose



Values

- Collaboration and communication
- Diverse perspectives
- Integrity and inclusiveness



Goals

Workforce

Focus on diverse recruitment and retention strategies and equitable advancement opportunities

Workplace

Foster consistent culture and connections across intersectional differences

Marketplace

Continue outreach to diverse-owned firms and celebrate diverse holidays and milestones

DEB Timeline

2012

Form the Emerging Manager Committee, an internal group focused on outreach, feedback, and advice to emerging and DWDO investment managers.

2020

Recruit all-volunteer employee team for intensive training with DEI consultant to build a DEI strategic plan.

Sign CEO Action for Diversity & Inclusion™ pledge to become a signatory in a coalition of over 900 firms tasked to advance DEI in the workplace.

2022

Create the DEB team, including the champion, executive sponsor, and council, to implement the DEB [strategy](#).

Become a signatory to the CFA Institute DEI Code.

2010

Formalize Callan's Diversity and Inclusion Policy.

Launch [Callan Connects](#) to expand our efforts to identify emerging managers and diverse-, women-, and disabled-owned (DWDO) investment managers.

2014

Create the Callan Inclusion Committee to also support Callan's internal DEI efforts.

2021

Join the Institutional Investing Diversity Cooperative, an alliance of institutional consultants advocating for greater industry diversity through access to diversity statistics.

Add more detailed DEI information to Callan's investment manager questionnaire and database.

Modify investment manager search process to include at least one DWDO firm in each client search.

Launch the [Student Educational Summit](#) to engage students in the institutional investment industry.

Develop the firm's new [diversity, equity, and belonging \(DEB\)](#) initiative.



I am delighted and encouraged by the evolution of Callan's commitment to diversity, equity, and belonging over the past three decades. Much credit goes to our dedicated DEB leaders for their tireless work on behalf of us all.

Ron Peyton Callan Executive Chairman

DEB Leadership & Council



Greg Allen
CEO
DEB Executive Sponsor



Lauren Mathias
Global Manager Research
DEB Champion



Paola Cardenales
Investment Consulting



Citlali Cuevas
Callan Institute



Laura Dawson
Communications



Michael Joecken
Investment Consulting



Lindsay Jones
Capital Markets Research



Erik Partida
Client Report Services



Juan Pablo Piz
Client Report Services



Avery Robinson
Investment Consulting



Jeff Salyer
Investment Consulting



Alvaro Vega
Implementation Solutions



Nicole Wubbena
Global Manager Research

An Actionable Roadmap for Meaningful Change

Through our DEB strategy, we're committed to taking the necessary steps to bring change to our firm and our industry. Our efforts are centered on five key areas, and we continually measure the effectiveness of each.

To read our full DEB strategy, view it on our [website](#).

Education



Recruitment



Retention



Community
Engagement



Mentoring
& Training

Education



CallanLearns

Launched microlearning platform CallanLearns for Callan employees, offering customized content in short, interactive modules. Topics include communication, leadership, management, mentorship, resilience, DEB, and more.



DEB Awareness Calendar

Created a descriptive calendar highlighting significant events across cultures and demographics to help us get to know our peers and broader community. Built by the DEB team and employees across the firm, the calendar is constantly evolving.



Pronoun Education

Produced pronoun education to help employees understand their usage, as it becomes more prevalent in the workplace and society overall. Normalizing the use of pronouns, even in seemingly clear cases, fosters a comfortable environment for individuals to express their true identities at work.



Inclusive Culture Workshop

The workshop highlighted the importance of fostering an environment where employees can be authentic, leading to improved performance. It emphasizes the detrimental effects of employees feeling compelled to hide their differences and the pivotal role managers play in cultivating inclusivity, which ultimately enhances perspectives, employee development, and creativity within the organization.



DEB Speaker Series

Through this series, employees have an opportunity to engage with DEI experts in our industry and beyond. Learning from others' experiences can open our eyes to new approaches and insights in our workplace and at home.

Recruitment

Online Recruitment/Job Postings

Handshake

Reach a broader, diverse student population (typically for entry-level and junior roles).

LinkedIn

Post in Jobs section and on Callan's company page to recruit for senior/more experienced roles.

Added Inclusive Message to Every Job Description In July 2022

Research shows that women and other underrepresented groups tend to apply only if they meet 100% of the criteria. We are committed to leveling the playing field, and we encourage all, especially women, people of color, and those in the LGBTQ+ community, to apply for positions even if they do not necessarily check every box outlined in the job description. Callan believes that our organization and culture are made stronger through diverse perspectives and experiences.

To improve recruitment throughout the company, we created:

Resume Review Guide

Hiring Checklist for Managers

Inclusive Interviewing Best Practices Guide



After months of job searching, a former colleague shared a Callan job opening with me. The interview process was transparent and included interviews with the team I would be working with every day, as well as other groups throughout the company. Connecting with future colleagues and listening to their diverse perspectives and experiences gave me the sense that I belonged at Callan.

Daniel Brown

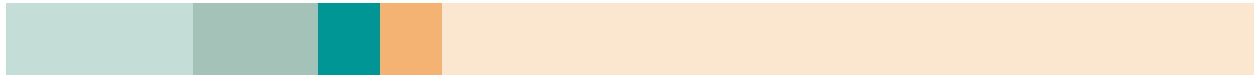
Private Credit Research Analyst, Alternatives Consulting

Data That Supports Our Efforts

Overall Candidate Pool



Hires



Race/Ethnicity	Overall Candidate Pool 4,012 applicants		Hires 20 Hires Since January 2023	
	Count	Percentage	Count	Percentage
American Indian or Alaska Native	7	<1%	0	0%
Asian	1,918	47.8%	3	15%
Black or African American	195	4.9%	2	10%
Hispanic or Latino	260	6.5%	1	5%
Native Hawaiian or Other Pacific Islander	11	<1%	0	0%
Two or More Races (Not Hispanic or Latino)	155	3.7%	1	5%
White	970	24.2%	13	65%
Declined to Self-Identify	496	12.4%	0	0%



Gender

Overall Candidate Pool
4,012 applicants

Hires
20 Hires Since January 2023

Female	1,303	32.5%	8	40%
Male	2,224	55.4%	12	60%
Declined to Self-Identify	485	12.1%	0	0%

*Data through February 2024

Retention



CallanUnites

Created Employee Resource Groups

Employees selected the first employee resource groups (ERGs) at Callan:

**CallanUnites:
Health & Fitness**

Coming together to promote health and wellbeing and to have fun

**CallanUnites:
Mosaic**

Bringing together the firm's underrepresented communities

**CallanUnites:
Women@Callan**

Fostering personal and professional growth for women in the workplace



When interviewing at Callan, I was drawn to the number of women at the firm, as well as their long tenure and the number of leadership roles that many women hold. It was clear to me that Callan was a welcoming place for women, despite my assumption of it being a male-dominated industry. In my five years at Callan, I have grown to realize that this community within Callan is one of its greatest strengths.

Aspen Minden Co-Leader, CallanUnites: Women@Callan

2023 All-Employee DEB Survey



72%

Believe that a formal mentor or buddy program would be valuable at Callan



68%

Would like to act as a mentor or a buddy to a colleague



90%

Believe Callan respects individuals and values their differences



86%

Support DEB



65%

Have observed positive progress within the organization since the inception of DEB



87%

Feel like a valued part of the Callan team

The results of our third all-employee survey helped us evaluate areas where we have room to grow as a firm.

We will continue to measure our progress through surveys in the years to come.

Mentoring & Training



Buddy Program

An Equitable Onboarding Experience

Through the program, we support new hires by designating individuals to provide information, resources, and a warm welcome. Providing an equitable onboarding experience will help build a sense of belonging from the start.



“It’s a good program to have in place to help understand the firm’s culture. I can see that it is beneficial for new hires and hope that this program continues.”

Anonymous Employee (via survey)

Interdepartmental Connectivity and Mentoring

Callan has a rich legacy of organic mentoring

Informal connections have paved the way for career opportunities

Analyst groups serve as a wellspring of talent

These efforts have set the stage for our formal mentoring program launching in 2025

Highlights

Community Engagement

Callan supports many organizations that advocate for diversity, equity, and belonging as volunteers, signatories, and board and committee members.



To engage the kids at UWBA's OnTrack program in conversations about their career and life decisions was invigorating. For them, opportunities like this may be few or almost non-existent. By being present, we show that our community is there to help and cares about the journey that lies ahead.

Bo Abesamis Head of Implementation Solutions



DWDO Manager Utilization

Launched in 2010, Callan Connects is a pioneering program tailored for firms that are majority-owned by minorities, women, or disabled individuals, with no asset under management (AUM) restrictions, and emerging firms with AUM below \$3 billion or raising Funds I, II, or III below \$1 billion.

Each quarter, diverse managers meet virtually with Callan experts across various asset classes. We've kept the meetings virtual since 2020, which makes them more accessible to firms that might find flying to locations throughout the U.S. a challenge.

Callan maintains formal research notes for all meetings, operates an open-door policy for diverse managers, actively promotes diverse-owned firms, and includes a diverse-owned manager in every client search, with dedicated resources in each asset class to cover diverse and emerging firms.

Additionally, Callan organizes free annual workshops focused on industry best practices, along with sponsoring attendees at "Callan College."



\$42bn

Assets managed by DWDO firms for Callan clients

647

Callan Connects meetings since the program's inception*

60

Callan clients utilizing DWDO firms

1,388

DWDO strategies within Callan's database

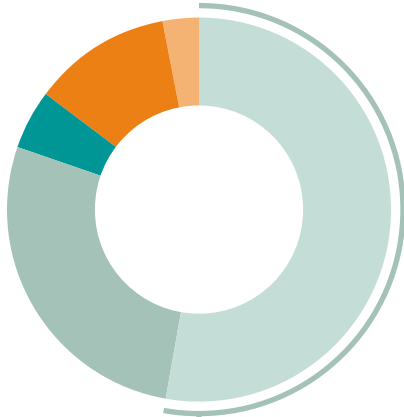
202

Callan meetings with DWDO firms

521

Firms classified as DWDO in Callan's database**

Callan's Database of Diverse Investment Management Firms



Ownership Structure

● Diverse	54%
● Women	26%
● Women + Diverse	5%
● Multi-Diverse	12%
● Disabled	3%



Diverse (Race/Ethnicity)

● Asian	35%
● African American	28%
● Hispanic or Latino	21%
● Undefined	7%
● Two or More Races	7%
● American Indian & Alaska Native	1%
● Native Hawaiian & Pacific Islander	<1%



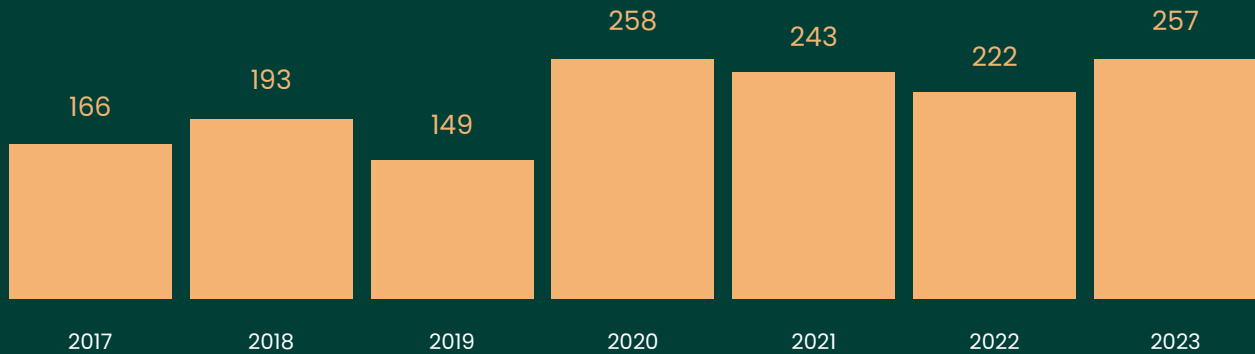
DWDO Firm Offerings by Broad Asset Class

● U.S. Equity	26%
● U.S. Fixed	13%
● Global Equity	22%
● Global ex-U.S. Fixed Income	2%
● Real Assets	14%
● Private Equity	16%
● Hedge Funds	4%
● Other	3%

Callan Diverse Investment Manager Search Activity

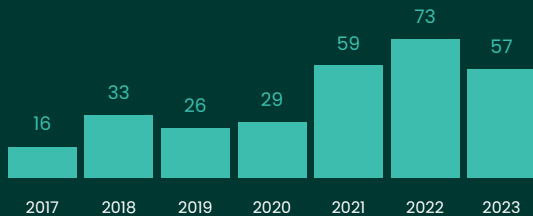
In 2021, Callan established the process to include at least one diverse investment management firm (DWDO) in every client search (where available and appropriate).

Total Number of Searches for the Year

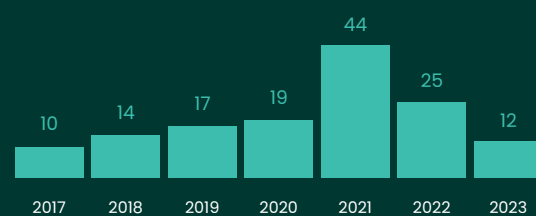


The following graphs illustrate searches in which minority-owned businesses, female-owned businesses, or businesses owned by a person with a disability were included.

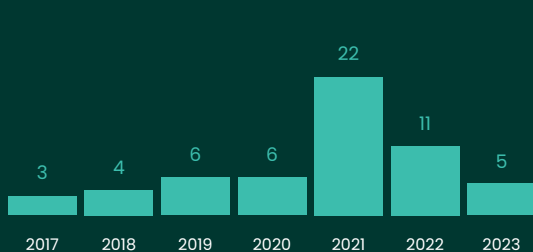
Searches Including at Least One DWDO Firm



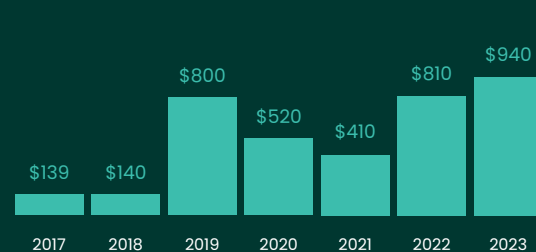
Searches in Which Callan Recommended at Least One DWDO Firm



Searches Resulting in the Selection of a DWDO Firm

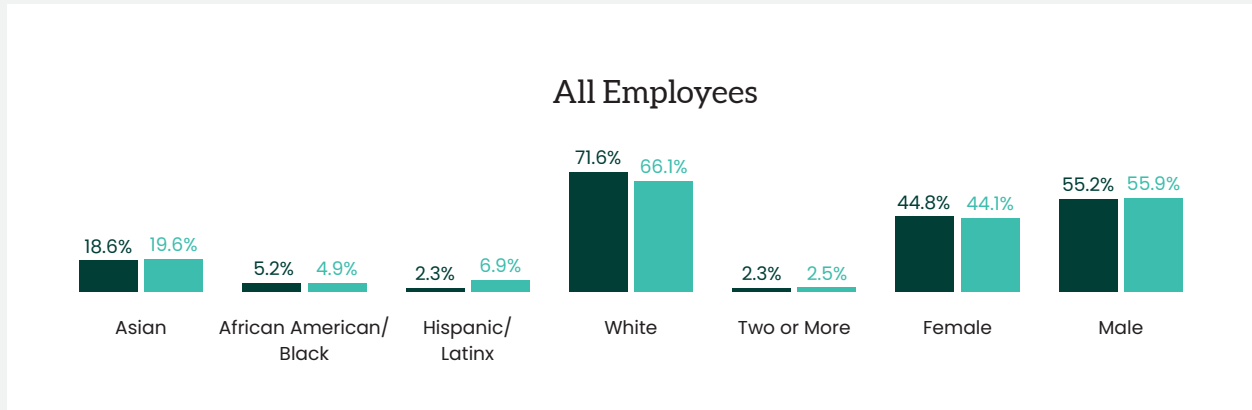


Total Dollars Allocated to DWDO Firms Due to Callan Searches



Callan Employee Diversity Statistics

December 2013 December 2023



National Gender Benchmarks*

Male Female

Asset Management Industry



BLS Labor Force



U.S. Census



National Race/Ethnicity Benchmarks*

Asian Black Latinx White Other

Asset Management Industry



BLS Labor Force



U.S. Census

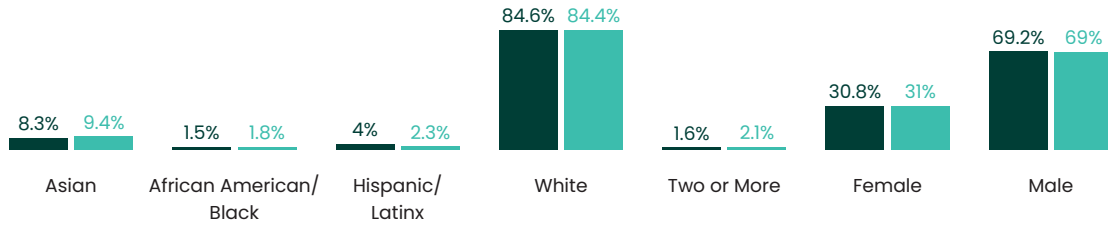


*Callan, U.S. Bureau of Labor Statistics, U.S. Census

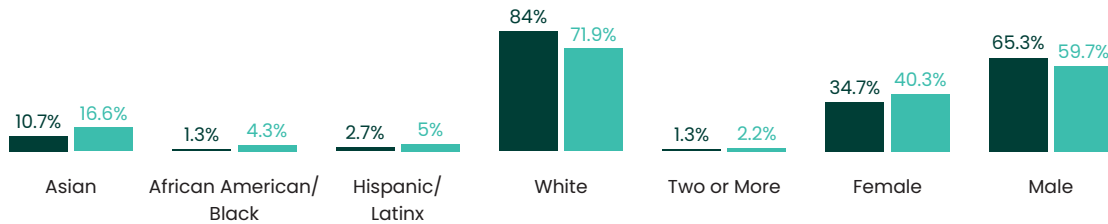
December 2013

December 2023

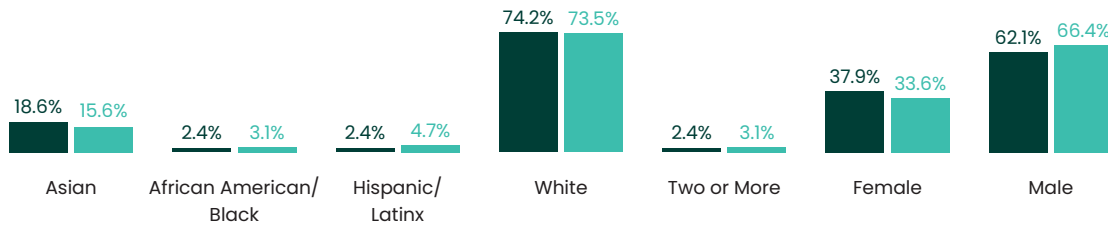
Callan Shareholders (By Percent Owned)



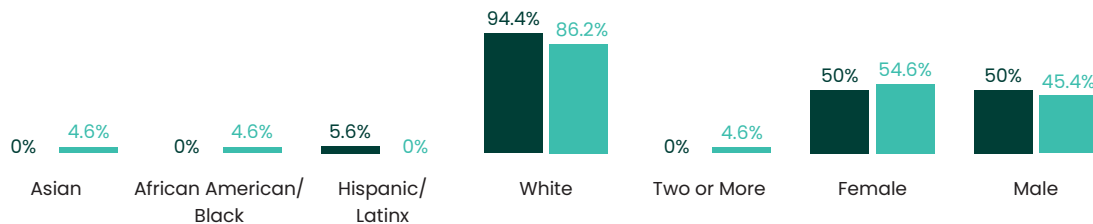
Callan Shareholders (by Number)



Callan Investment Professionals



Callan Management Committee



We know that the impact of our DEB efforts is far reaching for our firm and our industry. We also know we are on a journey that will take time and patience.

We're committed to taking the necessary steps, both big and small, to create a more resilient business and a stronger future for Callan and our industry overall—one that will make us better community members, coworkers, and partners to our clients.

We'd love to hear from you. Reach out to the DEB team [here](#).

