



ARISTOTLE



Diversity, Equity and Inclusion

2021-2022 Annual Report



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Overview



Aristotle¹ formed the Diversity, Equity and Inclusion (DEI) Council to actively listen to employees, promote DEI awareness, measure and monitor the firm's DEI progress, and spearhead initiatives to promote social justice and mobility in our communities.

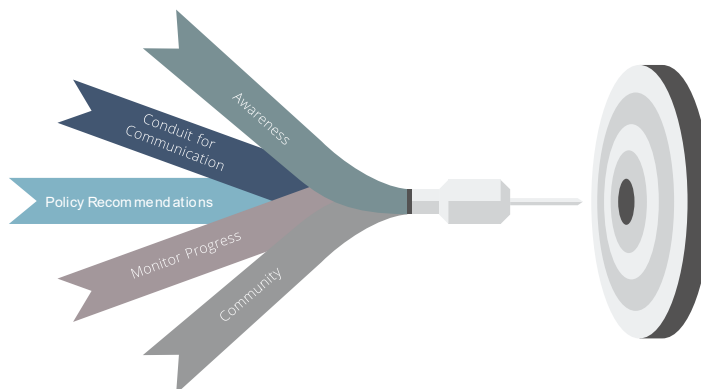
Over the last year, the DEI Council has focused on increasing employee engagement, diversity awareness and community outreach. We are pleased to report that several employee volunteers worked alongside the Council to plan events, produce educational content, develop the firm's first Employee Resource Group (ERG), contribute to fundraising initiatives and donate their time toward community outreach programs.

Additionally, employees across the firm continue to participate in various training sessions and webinars. We believe in the importance of self-teaching around DEI and remain committed to continuing to make educational resources available to all employees.

Our accomplishments over the last year can be attributed to the participation of our employees and our dedication to ensuring that Aristotle is a workplace where every employee feels welcomed, respected, supported and valued.

Going forward, we remain committed to:

- Fostering an inclusive culture
- Encouraging employee involvement
- Improving reporting and measurable metrics
- Promoting continual community outreach
- Supporting recruiting and retention efforts
- Continuing to supply DEI resources



¹ The term Aristotle is used to represent the family of affiliates that is comprised of Aristotle Capital Management, LLC (Aristotle Capital); Aristotle Capital Boston, LLC (Aristotle Boston); Aristotle Credit Partners, LLC (Aristotle Credit); and Aristotle Atlantic Partners, LLC (Aristotle Atlantic), which collectively operate under a unified platform known as Aristotle. Each firm is an independent investment adviser registered under the Investment Advisers Act of 1940, as amended.



DEI Council

DEI Council Formation and Structure

The DEI Council was formed in July 2020 and was created to better understand, support and promote DEI within Aristotle and our communities.

DEI Council Mission Statement

The DEI Council is committed to promoting a diverse, equitable and inclusive culture at Aristotle. We believe valuing diverse experiences and seeking out different perspectives fosters a sense of belonging, boosts employee morale and improves decision-making.

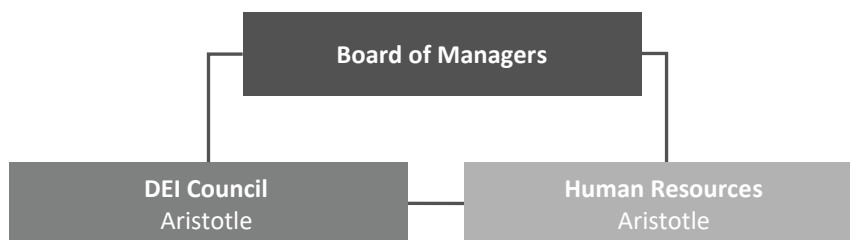
The DEI Council strives to:

- Increase constituents' awareness of DEI topics
- Provide a safe space to voice DEI-related concerns and serve as a conduit for communication
- Recommend policies to ensure fair and equitable hiring, compensation and promotion, regardless of race, gender, age, nationality, religion, socioeconomic background, sexual orientation, family dynamics, disabilities, etc.
- Monitor progress and hold the firm accountable for such policies
- Spearhead initiatives to promote social justice and mobility in our communities

Membership on the DEI Council is voluntary and open to all employees of the firm. The individuals on the Council represent many dimensions of diversity at Aristotle, including age, department, ethnicity, gender, level, race, and personal and professional backgrounds.

The DEI Council is independent from other departments within Aristotle. It has a direct line of communication with the Board of Managers and liaises with Human Resources (HR) on collaborative initiatives.

DEI Council Organizational Structure



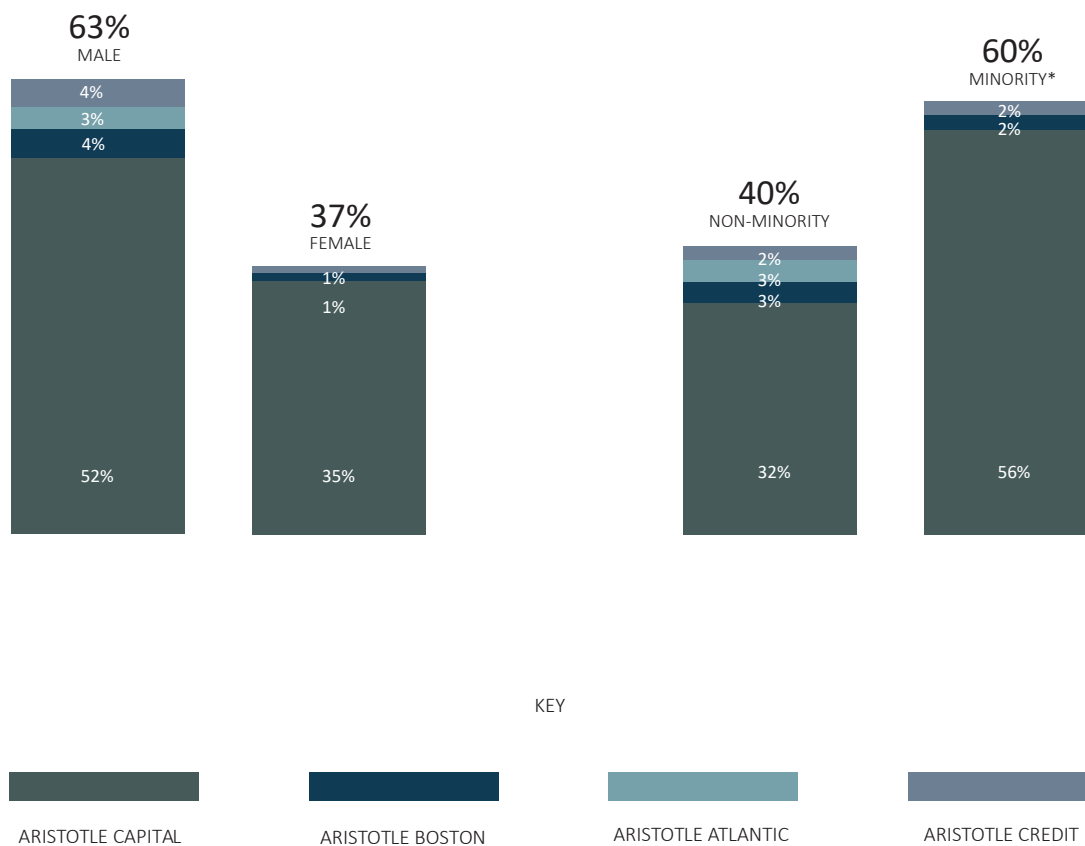


Diversity at Aristotle

Aristotle Employees

As of June 30, 2022

174 Total Combined Investment and Shared Services Professionals²



* Includes women and minorities

² As of June 30, 2022, Aristotle Capital has 151 employees, Aristotle Boston has nine employees, Aristotle Atlantic has six employees and Aristotle Credit has eight employees.



Reflection

Over the course of this past year, the DEI Council has remained steadfast in our commitment to creating a diverse and inclusive culture. We believe this is critical for growth across the firm and helps us provide excellent service to our clients. Through our work as a council, we have gathered informative statistics as well as employee and client requests that have guided, and will continue to guide, our strategic roadmap. The areas we are currently focusing on are:

The DEI Council's operational infrastructure.

We understand the DEI climate is constantly evolving, and thus we must continue to improve the operational infrastructure of the DEI Council to more effectively uphold our mission statement and improve our communication across the firm. We believe part of that improvement is working to align ourselves with the CFA Diversity Code.³

Employee engagement and collaboration. The DEI Council continues to depend on employee collaboration to successfully achieve our goals. We continue to find ways to involve employees to bring different perspectives to our DEI work and enhance the employee experience. Looking forward, we hope to continue this momentum and increase employee engagement.

Data and benchmarking. We actively collect and track demographic data from employees to measure gender, ethnic and racial diversity within our workforce. We also collect and track demographic data from our job applicants to measure diversity within our candidate pool to improve recruiting efforts and keep ourselves accountable.



³ On February 24, 2022, the CFA Institute issued a voluntary code to guide DEI industry wide, beginning in the United States and Canada.



DEI Milestones

July 2021 - July 2022

Q3 2021

- Retention Recommendations
- First Quarterly Newsletter

Q4 2021

- E-Waste Donations to Low-Income Schools and Human I-T
- New Members Join DEI Council
- LinkedIn Learning Course Offered to Employees
- Giving Tuesday: California Wildfires and Hurricane Ida
- ADA Accessibility Upgrades on Aristotle Website

Q1 2022

- Launch of DEI Intranet Page
- Junior Achievement Partnership
- Fundraiser: Ukraine UNICEF Protect the Children Campaign
- Guest Speaker: Dr. Terrance Roberts - *Lessons from Little Rock*
- Launch of Women in Finance ERG

Q2 2022

- DEI Open House
- Asian American & Pacific Islander Heritage Month Newsletter and Food Event
- Pride Month Two-Part Educational Newsletter Series
- Juneteenth Educational Video



Aristotle in the Community

Every calendar year, Aristotle supports an Employee Volunteer Day program where each full-time employee is allotted a paid day off to use for the sole purpose of volunteering with a qualified nonprofit organization of choice. In support of this effort, the DEI Council also organizes volunteer opportunities in the form of a Quarterly Volunteer Event in which employees can participate.

This year, the DEI Council promoted Habitat for Humanity, a nonprofit organization that works with families, local communities, volunteers and partners so that more people are able to live in affordable and safe homes.

Additionally, the DEI Council organized a partnership with Junior Achievement to encourage financial literacy for youth groups and coordinated an equipment donation effort on behalf of the firm to support local schools in underprivileged neighborhoods. The DEI Council also endorsed the launch of the Women in Finance ERG based on employee demand.

Further, the firm has partnered with various job boards and organizations that are focused on reaching underrepresented candidates (women and minorities) to support a more diverse candidate pool.





Our Partnerships

Mentorship

We are proud to partner with Junior Achievement of SoCal to promote financial education and career readiness for K-12 students.



Giving Back

We support various organizations focused on mentorship, ongoing development, education, family support and disaster relief for individuals in underserved and underrepresented communities.



Employee Resources

We sponsor employee membership for 100 Women in Finance, an organization committed to empowering women in finance to achieve their professional potential at every career stage.



Recruiting

With the aid of HR, we have partnered with and continue to explore various third-party partnerships to improve our recruitment practices by seeking to develop a more diverse candidate pool.



Third-Party Partnerships

We work with a variety of minority, veteran and women-owned brokerage firms. We are constantly looking for ways to enhance not just our business, but the entire value chain (where possible).





Looking Ahead

At Aristotle, we aim to promote an inclusive and equitable environment to foster a community of belonging and respect. The DEI Council remains committed to diversity in its many forms. Looking ahead, we will focus on strategic initiatives that support our core values and prioritize them based on employee feedback.

Most immediately, the DEI Council plans to work on a proposal to onboard a diversity professional or consultant who will provide additional guidance to the Council, explore ways to improve measurable metrics to monitor progress, and continue to empower Aristotle employees to participate in DEI-related activities and events through the implementation of a formalized working group system.

Finally, we believe the upcoming new members of the DEI Council will play an integral role in driving these initiatives and adding a fresh perspective in the coming year.

DEI Council New-Term Goals:

- Engage a diversity professional to support the DEI Council's new-term goals
- Align ourselves with the CFA Diversity Code
- Develop the DEI Council's operating infrastructure
- Expand employee engagement and enhance the firm's DEI environment
- Develop an annual data report to evaluate progress
- Collaborate with HR on enhancing recruiting and retention policies/procedures
- Formalize workflow, incorporating employee volunteers on a regular basis
- Promote community involvement via our Quarterly Volunteer Event program
- Continue to make DEI awareness resources available and support the firm's ERGs



Appendix

A. Aristotle DEI Activity Record

Date	Activity	Description	Category
08/24/2021	Response to Strategic Planning Group for Retention	Retention Recommendation to Strategic Planning Group	Internal
09/15/2021	Hispanic Heritage Month	Start of Our Quarterly Newsletter	Newsletter
09/29/2021	Open House	DEI Open House	Hosted Event
10/04/2021	National Disability Employment Month	Email Correspondence	Awareness
10/8/21 - 1/12/22	E-Waste Donations	Over 140 Monitors and Other Equipment Donated to Low-Income Schools and Human I-T	Charitable Fundraiser
10/14/2021	New Members	Growth in DEI Council as New Members Join	Recruitment
11/04/2021	Diwali Appreciation Post	Diwali Banner and Celebration Write-Up	Newsletter
11/5/21 - 11/11/21	Veterans Day	Two Company-Wide Emails with Volunteer Opportunities and the History of Veterans Day	Newsletter
11/30/2021	Giving Tuesday	Red Cross Donation Fundraising Event to Support our Communities Impacted by the California Wildfires and Hurricane Ida	Charitable Fundraiser
11/30/2021	LinkedIn Learning Course Offered	<i>Diversity, Inclusion, and Belonging for All</i> LinkedIn Learning Path Offered for All Employees	Awareness
1/22/2022	MLK Day	Educational Newsletter	Newsletter
1/31/2022	DEI Intranet	Launch of DEI Intranet Page	Publication
2/01/2022	Black History Month	Four-Part Educational Newsletter	Newsletter
2/01/2022	Toigo Fundraiser	Toigo Black History Month Panel Featuring Member of the Aristotle Capital Investment Team	Charitable Fundraiser
2/01/2022	Junior Achievement Classes	Junior Achievement Financial Literacy Classes Taught by Aristotle Employees	Volunteer Event



Appendix

A. Aristotle DEI Activity Record

Date	Activity	Description	Category
2/01/2022	Lunar New Year Post	Lunar New Year Banner and Celebration Write-Up	Newsletter
2/04/2022	Quarterly Volunteer Opportunity - Habitat for Humanity	Firm-Wide Volunteer Opportunity to Volunteer at Local Habitat Stores	Volunteer Event
2/24/2022	Black History Month Fireside Chat	Dr. Terrence Roberts - <i>Lessons from Little Rock</i>	Virtual Hosted Event
3/01/2022	Women in Finance ERG	Launch of First ERG Group at Aristotle - WIF ERG	ERG Group
3/01/2022	Women's History Month	Four-Part Educational Newsletter Series	Newsletter
3/08/2022	International Women's Day Appreciation	Part of Four-Part Educational Newsletter Series	Newsletter
3/14/2022	Aristotle Diversity FAQ	Aristotle Diversity FAQ Publication 4Q21	Publication
3/15/2022	Ukraine Fundraiser	Ukraine Fundraiser to Donate to UNICEF Protect the Children Campaign	Charitable Fundraiser
3/28/2022	Aristotle Diversity Handouts	Aristotle Diversity Handouts 4Q21	Publication
4/08/2022	Aristotle Diversity FAQ	Aristotle Diversity FAQ Publication 1Q22	Publication
4/12/2022	Aristotle Diversity Handouts	Aristotle Diversity Handouts 1Q22	Publication
4/27/2022	DEI Open House	DEI Open House Event	Virtual Hosted Event
5/10/2022	Quarterly Volunteer Opportunity - Junior Achievement Finance Park	Junior Achievement Finance Park Group Volunteer Day	Volunteer Event
5/13/2022	Asian American & Pacific Islander Heritage Month	Educational Newsletter Cultural Treats (OC Office)	Newsletter
6/02/2022	Pride Month	Two-Part Educational Newsletter Series	Newsletter
6/17/2022	Juneteenth Video	Educational Video for Juneteenth	Video



Appendix

B. EEOC Race and Ethnicity Classifications

Race and Ethnicity Categories:

Data referenced in this report reflect numbers reported to the U.S. Equal Employment Opportunity Commission, a snapshot in time of our U.S. demographics based on these categories:

- **Black or African American:** A person having origins in any of the Black racial groups of Africa.
- **Asian:** A person having origins in any of the original peoples of East Asia (China, Hong Kong, Japan, Macau, Mongolia, North Korea, South Korea and Taiwan); South Asia (Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka); and Southeast Asia (Burma, Brunei, Cambodia, East Timor, Indonesia, Laos, Malaysia, Singapore, Thailand and Vietnam).
- **Hispanic or Latinx:** A person of Cuban, Mexican, Puerto Rican, Central or South American, or other Spanish culture or origin, regardless of race.
- **Native Hawaiian or Other Pacific Islander:** A person having origins in any of the original peoples of Hawaii, Guam, Samoa or other Pacific Islands.
- **White:** A person having origins in any of the original peoples of Europe, the Middle East or North Africa.
- **Two or More Races:** A person who identifies as two or more races, not Hispanic or Latino.

Disclosure:

The opinions expressed herein are those of Aristotle Capital Management, Aristotle Capital Boston, Aristotle Atlantic Partners and Aristotle Credit Partners and are subject to change without notice. This material is not financial advice or an offer to purchase or sell any product. Aristotle Capital reserves the right to modify its current investment strategies and techniques based on changing market dynamics or client needs.

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