

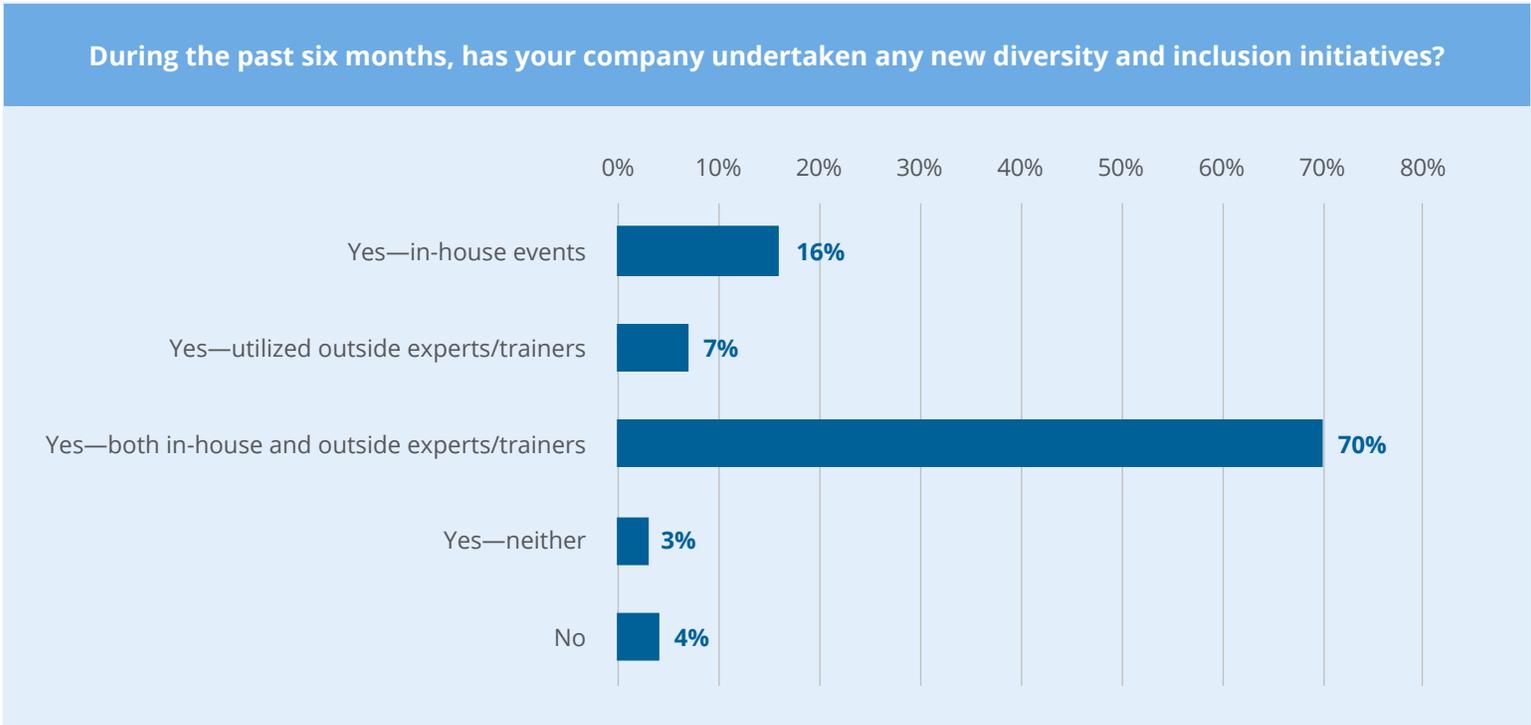
Workplace Equality Survey 2020
Corporate Commitment
to Equality Remains Strong
Despite Remote Work Environment

April 2021

For more than 20 years, Segall Bryant & Hamill has been investing in companies that value workplace equality. We believe companies that treat all their employees with dignity, respect and equality provide better shareholder returns over the long run while making positive contributions to society.

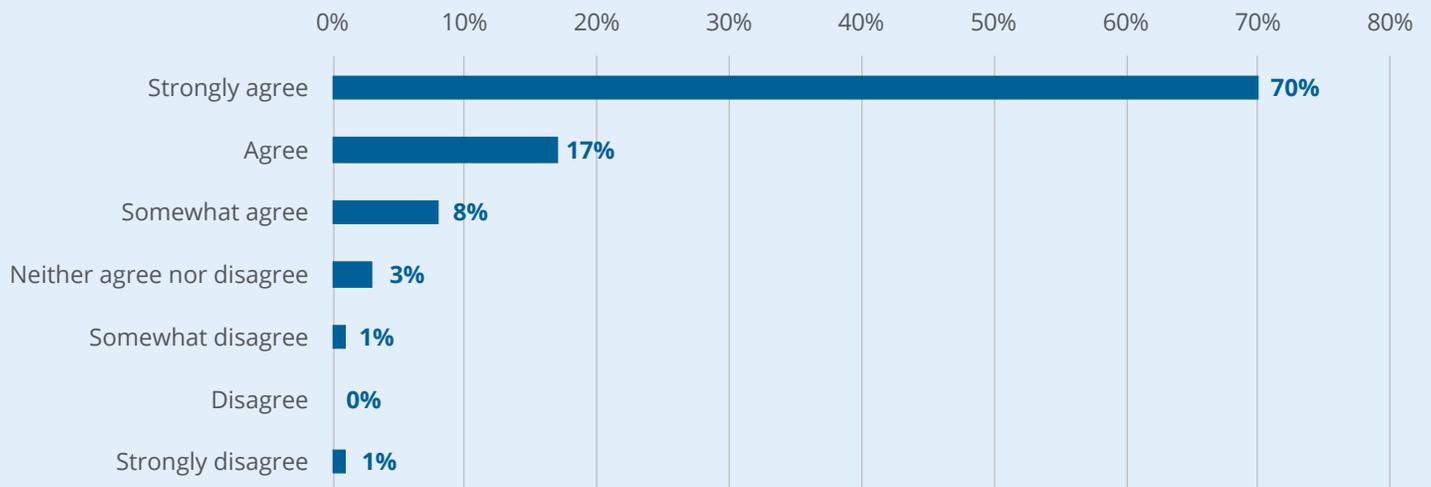
As part of our screening process for our Workplace Equality strategy, we periodically survey employees on an anonymous basis regarding their companies' workplace equality practices. In 2020, we sent surveys to more than 1,400 employees nationwide and received a 30% response rate (over 400 responses). As a result of the COVID-19 pandemic in 2020, companies around the world were forced to change their work environment for employees. Given this, our 2020 survey focused on how companies were promoting workplace equality in a remote work environment and what changes they made to adapt diversity and inclusion (D&I) efforts during the business disruptions that occurred in 2020.

We were encouraged by the results of this year's survey. Despite the tremendous challenges faced by companies due to the pandemic, we saw corporate leadership continuing their efforts in workplace equality, with the majority of companies increasing their efforts on this front to meet the challenge of remote work and a dispersed workforce.



Rather than shuttering D&I efforts during the pandemic, more than two-thirds of respondents said their companies were expanding D&I efforts, utilizing both in-house and outside training experts. This occurred across a broad array of industries and companies. In contrast, there were very few companies surveyed that failed to increase their D&I efforts even when faced with massive business disruptions. This is consistent with what we have seen; corporate America continues to push for more D&I at the corporate level.

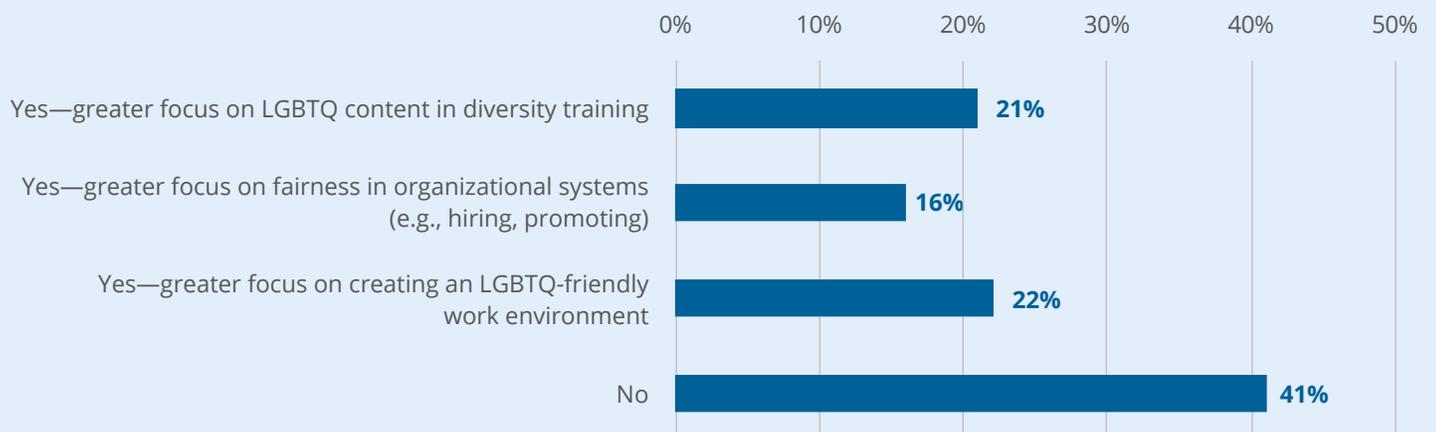
The senior leaders at my company support diversity and inclusion as a core corporate value.



Over the past two decades of screening companies for their workplace equality practices, we have noticed an increase in corporate leaders actively and visibly supporting D&I efforts. 2020 saw an uptick, to over 90% of respondents who said their company's senior leaders support D&I as a core value. Interestingly, many of the companies with negative responses to this question were either subject to regulatory actions during the year or were in industries that were effectively shut down by the pandemic, such as travel and entertainment.

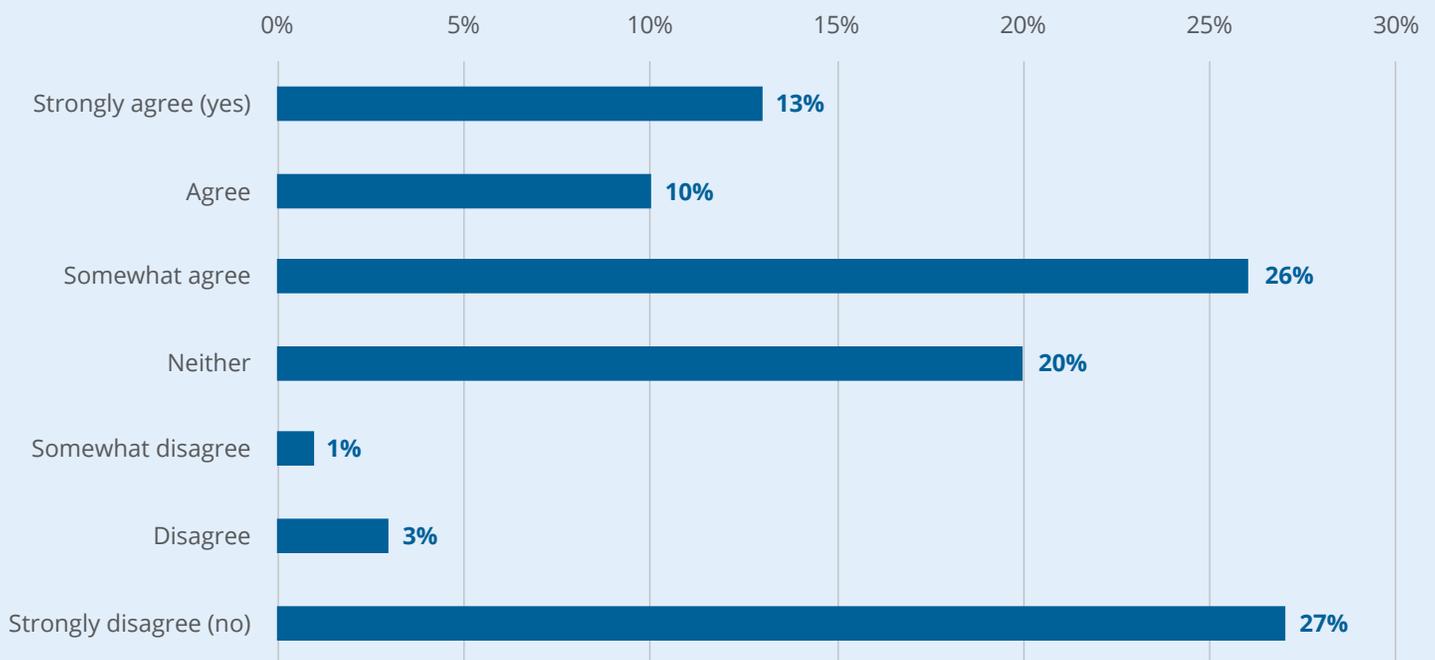
We believe that when senior leaders embrace D&I, employees listen and become more engaged, not just with the company but with senior leaders as well. This relationship matters. McKinsey & Company has shown that job satisfaction is correlated to how employees view their relationship with company leaders.¹ Positive relationships with management lead to satisfied employees.

Have there been any noticeable changes in your workplace since the Supreme Court ruling this year (2020) that discrimination based on sexual orientation and gender identity is prohibited?



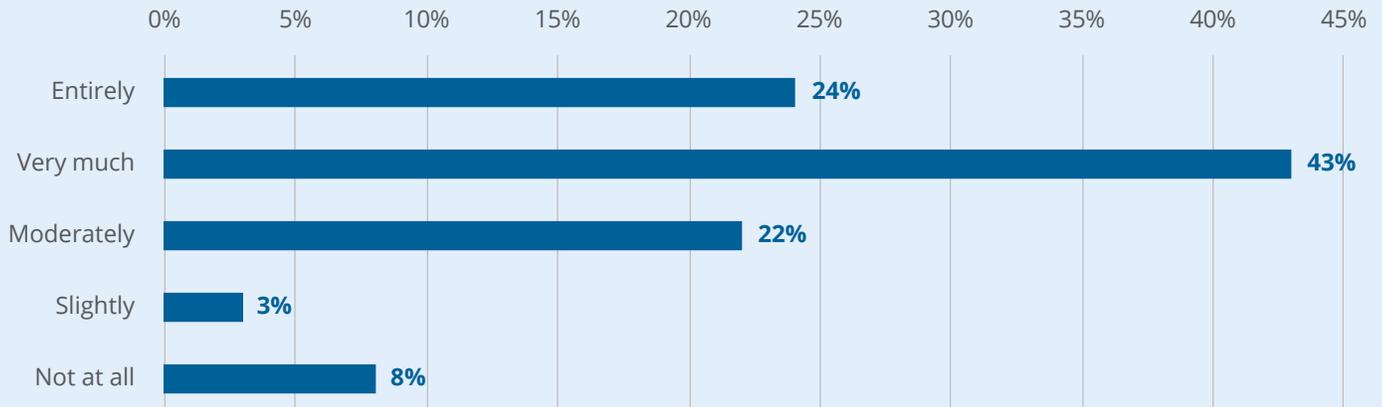
2020 saw the U.S. Supreme Court issue a landmark ruling in *Bostock v. Clayton County* holding that Title VII of the Civil Rights Act of 1964 protects employees against discrimination because of sexual orientation or gender identity. Just under 60% of survey respondents said they had seen a change at their workplaces due to this ruling in areas such as D&I training and hiring and promotions. Perhaps due to the timing of the ruling (i.e., during lockdowns in June), 41% of respondents said they had seen no noticeable changes in their workplace since the ruling was issued. These negative responses were not concentrated in any industry; they came from respondents in financial services, energy, mining, industrials, and technology, among others. Digging a little deeper, when we analyzed the companies where no change was reported, we found that most already prohibited discrimination based on sexual orientation and gender identity, so a policy change would not necessarily be needed.

Remote working and video conferencing (if applicable) invite coworkers into your home. Has this impacted your identity or how you show your home working space?



Out Leadership, the global LGBT+ business network, and other firms have done remarkable work over the years on the importance of coming out at the workplace and the importance of allies in corporate leadership roles. With the move to remote working in 2020, Zoom meetings became the norm and our coworkers and clients were invited into our homes on an unprecedented scale. Almost half (49%) of our respondents indicated that having coworkers virtually see their homes impacted their identities (e.g., how they presented themselves on camera) and/or how they showed their workspace. For example, for protected classes, the level of comfort in displaying their identity at home versus in the office may vary greatly. For some employees, when their personal spaces became the backdrop of their day-to-day work environment, aspects of their lives which may not have previously been shared openly in the workplace—such as their family structures, cultural identities, or disability-related accommodations—may have been exposed. McKinsey & Company notes that to foster inclusivity in remote-working environments, leaders should establish direct lines of communication with all remote workers to see what support they might need, such as virtual corporate-branded backgrounds to help employees feel comfortable with the remote work environment.² We recommend that leaders establish these lines of communication as we have seen firsthand at Segall Bryant & Hamill the value of this communication in supporting employees.

Has your company changed the way they deliver diversity and inclusion initiatives in a remote environment (if applicable)?



Lockdowns and a remote work environment forced companies to change the way they delivered D&I training. Two-thirds of companies represented in our surveys adapted to the new normal and changed their delivery of D&I initiatives, which makes sense given that we survey companies to dig deeper into a subset that we believe qualify for inclusion in our Workplace Equality strategy. Conversely, a recent survey by the Institute for Corporate Productivity (i4cp) found that over a quarter of companies surveyed put all or most of their D&I initiatives on hold during the pandemic, a much higher number than the equality-minded companies we tend to survey.³ Companies that understand the importance of D&I have stepped up during the pandemic to continue their focus on these important values.

The results of our 2020 Workplace Equality survey showed that, within the companies we screen and despite the challenges presented by the COVID-19 pandemic, many companies continued their commitment to equality and to creating a more diverse and inclusive work environment, trends which we expect to continue. The survey reinforces Segall Bryant & Hamill's view that equality and diversity and inclusion are important corporate values, not only to our firm, but to corporate America as a whole.

About the survey. Segall Bryant & Hamill's Workplace Equality strategy focuses its investments on equality-minded companies. Part of our screening methodology involves surveying employees at public companies. The survey responses are anonymous and kept in strict confidentiality. If you would like to participate in next year's survey, please email jroberts@workplaceequalityindex.com. We would also like to thank Dr. Katina Sawyer, Assistant Professor of Management at the George Washington University School of Business for her continued collaboration on our Workplace Equality Survey.

To learn more about our survey results and Workplace Equality strategy, please reach out to us at contactus@sbhic.com.

SEGALL BRYANT & HAMILL

540 West Madison Street
Suite 1900
Chicago, IL 60661

Phone (312) 474-1222
Toll Free (800) 836-4265

www.sbhic.com

¹ Source: <https://www.mckinsey.com/business-functions/organization/our-insights/the-boss-factor-making-the-world-a-better-place-through-workplace-relationships>.

² Source: <https://www.mckinsey.com/featured-insights/diversity-and-inclusion/how-the-lgbtq-plus-community-fares-in-the-workplace>.

³ Source: Institute for Corporate Productivity March 25, 2020 survey, available at www.i4cp.com.

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