



Hamilton Lane®

Safeguarding Futures

2021 Sustainability Report

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About Hamilton Lane

Hamilton Lane (NASDAQ: HLNE) is a leading private markets investment management firm providing innovative solutions to sophisticated investors around the world. Dedicated exclusively to private markets investing for 29 years, the firm currently employs more than 440 professionals operating in offices throughout North America, Europe, Asia Pacific and the Middle East. Hamilton Lane has approximately \$657 billion in assets under management and supervision, composed of approximately \$76 billion in discretionary assets and approximately \$581 billion in advisory assets, as of December 31, 2020. Hamilton Lane specializes in building flexible investment programs that provide clients access to the full spectrum of private markets strategies, sectors and geographies. For more information, please visit www.hamiltonlane.com

A LETTER FROM MARIO GIANNINI, CEO



For nearly 30 years, Hamilton Lane has proudly helped our clients and their beneficiaries achieve more financially secure futures. We believe

responsible and sustainable investing is a global business imperative and is key to building long-term value in a rapidly-changing and increasingly complex world. Nations, communities, and individuals are all demanding that companies prioritize environmental, social and governance (ESG) issues, as well as advance more diverse, equitable and inclusive workplaces. No investment sector today can afford to sit on the sidelines of these issues, and that certainly holds true for the private markets.

As a global leader in our asset class, Hamilton Lane has consistently been at the forefront of industry changes, often helping to influence and drive them. And our commitment to responsible and sustainable investing practices is no exception. In fact, one needs to look no further than our mission statement – **we enrich lives and safeguard futures** – to see that the notion of investing responsibly is core to our culture and values. To accomplish this, we select investment partners who we believe share our values and those of our clients. **We do the right thing.** Responsible investing makes good business sense as it integrates the desire for reducing risk with the goal of creating better outcomes for all stakeholders.

Challenges Create Opportunities

At the time of this writing, societies around the world continue to grapple with the COVID-19 pandemic, and the accompanying health and economic challenges. Many societies are also facing uprisings driven by systemic racial inequality and injustice. Record-breaking natural disasters and extreme weather events, brought about by climate change, are growing in frequency, devastating environments around the world. As global citizens, we are faced with choices about how to address these challenges. Civil unrest is transforming into powerful movements aimed at driving real change in support of social justice, and gender and racial equality. Climate change realities have led to growing environmental awareness and activism focused on arresting and reversing the damage. As private market investors, we are committed to seeking investment opportunities that aim to contribute to solutions without compromising returns.

The year 2020 brought unprecedented challenges, anxiety and heartbreak. It also brought resilience, camaraderie and compassion where demonstrations of humanity were evidenced in countless ways.

Thinking about our own Hamilton Lane community, I am beyond proud of how we faced this difficult year. Of particular note, employees banded together to personally donate a meaningful amount of capital for our COVID-19 Relief Fund. The money raised was given to several organizations employing and supporting front line workers and first responders around the world. As our employees were undoubtedly struggling with their own unique challenges in the wake of the pandemic, they still stepped up collectively to do their part to help safeguard the lives and the futures of those putting themselves most at risk.

Despite the unprecedented circumstances, our employees' commitment and dedication to our clients never wavered. In fact, I believe our people showed the very best of who they are as individuals and who we are as an organization.

The year 2020 brought unprecedented challenges, anxiety and heartbreak. It also brought resilience, camaraderie and compassion where demonstrations of humanity were evidenced in countless ways.

Our Renewed Commitment to ESG & Sustainability

Hamilton Lane has long been focused on ESG, and has been formally issuing our ESG Questionnaire to fund managers since 2010. Our Responsible Investment Committee (RIC) was established in 2012, and each of our investment teams factor ESG considerations into their investment processes. We raised our first dedicated Impact Opportunities Fund in 2019 and intend to continue expanding that platform in the future.

Last year, I had the privilege of announcing that Paul Yett – a long-tenured, senior member of our organization – assumed the newly-created position of Director of ESG & Sustainability. A near 25-year veteran of the firm, Paul is now focused on bringing more cohesion, consistency, and centralization to our efforts. Paul, along with our Global Head of Investments, Brian Gildea, now lead our RIC. Paul recently oversaw the creation of our inaugural ESG report and is actively growing our dedicated ESG team and resources.

Within our broader organization, the events of the past year have brought about honest conversations, deep reflection, and tangible developments. We continue to evolve our efforts and to expand our commitment to promoting and supporting a more diverse workplace and have recently adopted a new corporate value - "Promoting Equity and Inclusion from Within." In addition, our HR Department, in conjunction with the firm's Diversity, Equity & Inclusion Council, introduced "HL-All," a strategic plan to intentionally embed DE&I into our company values, culture, recruiting and retention practices. Simply stated, the more diversity we can bring to the private markets, the more our industry can thrive.

Later this year, we will be moving into our new headquarters in Conshohocken, PA, a suburb of Philadelphia. I am thrilled to share that the office is pursuing both LEED (Leadership in Energy and Environmental Design) and Fitwel certifications. We incorporated ESG considerations into our design and furnishing choices, and the office will offer increased spaces designated for personal wellness, mental health and well-being and employee connectivity. HL Green, an employee-led initiative formed in 2019, will continue to research and advise on opportunities for the firm to engage employees in practices that help protect the environment and promote sustainability both in the office and beyond.

Safeguarding Futures

At Hamilton Lane, we take seriously our goal of generating strong investment returns for our clients and their beneficiaries, while incorporating ESG and Sustainability principles into our investing practices. Our long-standing focus on ESG and sustainability has been reinvigorated in part because of the events of the past year, the growing importance such practices have for our clients, and our own genuine commitment to responsible investing.

Together, Hamilton Lane, our clients and our investing partners can have a meaningful impact on safeguarding the futures of all those who depend on us.



ABOUT HAMILTON LANE

The Hamilton Lane story began in Philadelphia in 1991 with just a handful of people and a mission to help investors access the private markets. Three decades later, we're an established, global investment firm and a recognized leader in our asset class.

Today, we specialize in building flexible investment programs that provide our clients with unique and differentiated access to the full spectrum of private markets strategies, sectors, and geographies – while also providing industry-leading client service. And since we've always believed in creating a company that puts clients and employees first, we think that makes good sense.

Speaking of our employees, we have some of the most committed, intelligent, and innovative professionals in the industry. They also happen to be very nice people who genuinely enjoy working with one another, so it's a winning combination.

We're a firm that takes seriously our goal of generating superior investment returns on behalf of our clients. We're also a group that appreciates a healthy dose of wit and sarcasm, as well as a company that celebrates diversity, champions responsible actions, and recognizes the value of infusing joy into what we do every day. There is a genuine spirit of collaboration and camaraderie here and an unwavering commitment to doing right by our clients – and by one another.

OUR MISSION & VALUES

We enrich lives & safeguard futures

- Do the right thing
- Integrity, candor and collaboration
- A spirit of competition that inspires innovation
- Pursuit of excellence
- Promoting equity and inclusion from within

We have been proudly helping our clients secure a better future for nearly 30 years. We are fortunate to count as clients many leading institutions from around the world, each bringing unique perspectives and priorities. For all of our clients, we have an obligation to maximize investment returns based on their unique profiles - incorporating risk tolerances, constraints and objectives, among other factors. At the same time, an increasing number of clients are seeking to align their investments with their values, and are focused on understanding how Hamilton Lane can do that for them.

\$657B

Assets Under Management & Supervision

700+

Clients and investors across 39 countries

440+

Employees

51%

Women or global minorities

17

Global offices



Firm Updates



Headquarters pursuing
LEED and Fitwel
Certifications

PEW·IN

International
LP of the Year
2020



INSTITUTIONAL
LIMITED PARTNERS
ASSOCIATION

Diversity in Action
Signatory



Principles for
Responsible
Investment



2019/2020
Transparency
Assessment

Our Journey to Sustainability

Over the last several years, ESG has become an increasingly important topic of conversation within the private markets. What started with screening and blacklisting of public equities has evolved into the view that investment decisions should be made with ESG issues having been considered.

2008

- HL becomes a PRI signatory

2010

- HL incorporates ESG into standard due diligence process

2011

- HL begins participating in PRI working groups

2012

- Responsible Investment Committee established
- ESG Policy Statement created

2016

- Diversity questions added to HL's standard DDQ

2017

- HL begins participation on PRI's PE Advisory Committee

2020

- ESG Policy Statement updated
- Director of ESG & Sustainability appointed
- HL's RFI on ESG and diversity updated

Investing Responsibly

Hamilton Lane's Responsible Investment Committee ("RIC") was established in 2012 and is responsible for oversight, strategy and guidance on all ESG matters, including our ESG policy. The seniority of the RIC represents the importance of responsible investing and effective ESG risk management at Hamilton Lane.

The RIC meets regularly to determine relevant updates to our corporate policy and to ensure continued thought development. RIC members are also present at every investment committee meeting to monitor investment compliance with the corporate ESG policy. The RIC meets separately when an investment has significant ESG risk and/or when compliance with corporate policy is not straightforward.

The RIC has a few roles:

- to act as Hamilton Lane's bridge between market developments as they relate to ESG and responsible investing (such as PRI and TCFD) and the investment teams' process of ESG risk management within Hamilton Lane;
- to develop our corporate ESG Policy Statement;
- to approve investments for Hamilton Lane's Impact Fund; and
- to hold our investment teams accountable to our corporate policy.

RESPONSIBLE INVESTMENT COMMITTEE



Paul Yett
Director of ESG & Sustainability



Brian Gildea
Head of Investments



Ana Lei Ortiz
Managing Director, Relationship Management



Dave Helgersen
Managing Director, Direct Equity Investments & Co-Head of Impact Fund



Jackie Rantanen
Head of Product Management & Co-Head of Impact Fund



Katie Moore
Managing Director, Relationship Management



Miguel Luiña
Principal & Global Head of Venture Capital and Growth

Safeguarding Our Investors & Beneficiaries



Creating a Better Tomorrow

We believe that ESG issues can affect the performance of investment portfolios, and that investing responsibly and maintaining accountability can have a positive impact on improved financial performance and value creation. Hamilton Lane's commitment to ESG starts at the top, with our executive team setting clear expectations that our investment activities reflect our core values, especially "Do the right thing."

Responsibility for oversight, strategy and guidance on ESG rests with our RIC, while responsibility for ESG integration rests with the heads of each of our specialized investment teams.

ESG Integration

Since 2008, we have worked to institutionalize our approach to responsible investment, and today we fully integrate ESG into all of our due diligence processes. As part of our standard process, our investment teams rate GPs on their approach to ESG considerations. This allows us to help our clients understand how GPs are performing, while also allowing us to identify the areas in which to engage with the managers. Our proprietary rating system seeks to benchmark GPs to best practices, which means that the standards we expect from our GP partners are continuously increasing. Included in our overall approach to ESG is our ongoing focus on diversity, equity and inclusion both at the GP and underlying portfolio company levels.

This process is both qualitative and quantitative, and final recommendations are based on whether an investment satisfies each part of the process. Further, we work with GPs as well as with our clients to help them develop their own ESG policies and procedures. By incorporating ESG factors across our investment process and increasing the level of available information, we aim to help our clients better understand and meet their responsible investing objectives.

Monitoring & Reporting

We engage with GPs in an effort to increase both the levels and standards of ESG reporting across the industry. We leverage our technology platforms to collate and analyze the data we receive, and we work with our clients to meet their own ESG reporting needs. Annually, we report on our progress to the PRI and, most recently, are proud to have received an A+ rating in Indirect Private Equity for the 2019/2020 reporting cycle. Post-investment, we monitor GPs and their developing portfolios to ensure adherence to ESG policies and commitments.

Internal Education

We actively educate members of our firm, specifically our investment teams, on ESG matters. This includes ensuring each member of the team receives adequate and ongoing training regarding Hamilton Lane’s developing views and evolving best practices. As a leading, global player in the private markets, staying abreast of developments in ESG is of the utmost importance to Hamilton Lane. We believe it is our responsibility as global citizens to push this sector of the industry forward. The challenges that face our society require us to think beyond the simple exclusionary investment practices that ESG was built upon and look toward innovative ideas and practices to help bring about change and protect the capital that is entrusted to us.

The Evolution of ESG Due Diligence

Risk management has been a core part of our investment due diligence process since our inception 30 years ago. In the mid-2000s, ESG emerged as its own category in the financial markets. Shortly after, we too began to incorporate ESG as a separate risk category into our underwriting processes and have continually made improvements along the way.

In 2008, we became a signatory to the United Nations Principles for Responsible Investment (“PRI”). In 2010, we formally integrated ESG into our investment diligence process as a separately-defined risk category, on which we report to the investment committee within each final investment report. We do this by including ESG questions in our Request for Information (“RFI”).

In 2015, Hamilton Lane was recognized as an ESG leader by PRI and invited to contribute to the

build out of the PRI’s *LP Responsible Investment DDQ*. At the same time, our investment team rolled out a separate ESG RFI, in conjunction with the *LP Responsible Investment DDQ*. We also developed and launched our initial version of our General Partner ESG Rating System.

Since 2015, Hamilton Lane’s approach to ESG during the underwriting process has continued to evolve. Questions related to Diversity, Equity & Inclusion now feature as part of our screenings, meetings and site visits. We added nine ESG questions to the information we request from GPs prior to screening any new investment opportunity. We also participated in PRI conversations around ESG-related fund terms, given our investment-focused lawyers are quite experienced at negotiating and executing complex ESG side-letters on behalf of our clients.

<p>In 2020, we further improved on our ESG approach to underwriting</p>	<p>➤ Built and started utilizing a new RFI around both ESG and Diversity, Equity & Inclusion to increase the granularity of our data collection from GPs</p>	<p>➤ Refined our ESG data tracking process, including building out separate ESG Due Diligence and Diversity Due Diligence sections of our deal CRM, DealCloud</p>
<p>➤ Evolved approach by our secondary team to ESG underwriting, increasing granularity around ESG analysis in final investment reports, presented to Investment Committee and Responsible Investment Committee members</p>	<p>➤ Introduced an inaugural Annual ESG Request to all managers within the Hamilton Lane portfolio</p>	<p>➤ Introduced an updated version of our fund investment final report format that includes enhanced ESG reporting and analysis to Investment Committee members and clients, including an evolved ESG rating system as well as more granular reporting around what underlies the ESG rating</p>

SAFEGUARDING OUR INVESTORS & BENEFICIARIES

Looking ahead, our work is far from done. We have projects underway focused on leveraging technology to improve our ESG underwriting and risk-assessment process.

However, for Hamilton Lane, ESG is about much more than data collection, tracking and analysis. As one of the largest investors and allocators of capital within the private markets, we believe we must continue to play an active role. Therefore, we seek to be proactive in driving forward the standards for ESG risk-mitigation within our asset class.

Hamilton Lane is forthcoming and communicative with General Partners (regardless of whether we are invested with them) around ESG best practices. For those managers with whom we are invested, we are actively involved in driving their ESG risk-mitigation practices and will decline an investment if those practices do not meet an appropriate risk-mitigation threshold for ESG risks specific to the General Partner's strategy. Post-investment, we continue to discuss ESG risks and risk-mitigation improvements with managers through our many Advisory Board seats, annual meetings, one-on-one update meetings and ad-hoc calls. We are proud that we are often the first point of contact for our managers in identifying areas of improvement for their approach to ESG risk-mitigation, and endeavor to provide clear, concise and actionable feedback.



Operational Due Diligence

The “G” in ESG is crucial to Hamilton Lane’s operational due diligence efforts and to our mission to identify and mitigate operational risks before we commit our client’s capital to an investment opportunity.

Those who have spent time working in operational due diligence (ODD) in the private markets understand the critical importance of evaluating an investment manager’s governance practices. Without proper governance, an organization could, at one point or another, experience some level of operational failure. The appropriate evaluation of a firm’s governance includes not only a review of their policies and procedures, but a meeting with the individuals in charge of each operational area of the firm to show they are qualified for their roles and empowered to properly oversee their respective functions.

ODD in 2020

In 2020, ODD meetings, like most everything else, went virtual. Fortunately, at Hamilton Lane, we maintain many long-standing relationships across the private markets. Our operational diligence team leveraged these relationships and our various technology systems to adapt our processes, enabling us to operate seamlessly in today’s virtual world.

Screen-sharing capabilities allowed us to view additional diligence questions and documents typically only available on site, while virtual tours enabled us to assess a manager’s physical space. In addition to these adjustments, we began assessing additional cybersecurity measures that were often added as a result of a fully-remote workforce. While cybersecurity was a key focus area even prior to the pandemic, it is even more crucial today.

The Evolution of Operational Due Diligence

Our global ODD team consists of nine individuals with diverse backgrounds and skill sets. This team has been empowered with separate voting rights on each of the firm’s fund investment opportunities, which means that Hamilton Lane will only proceed with investments that are approved by both our Investment Committee and our Operational Due Diligence Team. Each review completed by our ODD team results in a full report documenting each risk area and any existing mitigating factors, our recommendations to each manager and our proprietary risk-rating system.

We reviewed approximately 150 managers this year alone, which provides us a multitude of data points, including governance-related matters such as oversight committees and representatives. We use this data to benchmark managers against each other in order to understand how managers line up and which are outliers – both positively and negatively – across all facets of their operations.

At the end of the day, our goal is to work with managers in order to effect change that alleviates the risks our ODD team identifies, both for the benefit of our investors and the managers. Investing in the private markets generally implies a long-term relationship, and one where both parties have a very vested interest in addressing operational challenges, procedures and preparedness. We believe that the adjustments we’ve made to our process in the last year should only strengthen our relationships, and have created opportunities for innovation and advancement that we foresee continuing into the future.

Cybersecurity Spotlight

Cybersecurity is fundamental to our operations at Hamilton Lane. Information Technology and Cybersecurity programs are evolving constantly and, as the world changes, we need to adapt. When we pivoted to fully remote work in March 2020, we adjusted the way we implemented our security programs to be a better fit for a virtual environment. Over the past several months, we invested heavily in improving our remote access, single sign on, and multi-factor authentication capabilities. These upgrades were combined

with our existing security policies and toolkits in an effort to help protect and keep secure critical business apps and client information.

In addition to cybersecurity measures, and with our entire global workforce operating remotely, we took the opportunity to review and digitize what had previously been manual processes, make significant improvements to our collaboration tools and habits, and deploy several new solutions across the organization.

Hamilton Lane’s impact investing approach leverages the firm’s platform and access to seek attractive returns while generating meaningful and measurable impact

Impact Fund Overview

We’ve been actively executing on impact investment programs since 2001 and launched our first dedicated Impact Fund in 2019, with commitments of \$95 million



The fund benefits from the same **rigorous underwriting, shared intelligence, data and resources** as our other investment platforms, all while using an impact lens



As of December 2020, the fund consists of **11 active, global investments that span a wide range of industries**, and we continue to seek to put capital to work with the ultimate goal of realizing attractive returns and meaningful impact



We invest in businesses, both directly and alongside or through fund managers, with a focus on the core impact sectors of **Healthcare, Energy & Environment, Community Development and Financial Empowerment**



These 11 investments encompass **14 of the 17 United Nations Sustainable Development Goals (SDGs)**



We engage with asset owners, government bodies and independent advisers to discuss issues surrounding impact investment and ESG. Hamilton Lane is an influencer member with Pensions for Purpose in the UK, which provides a forum for discussion of latest thinking.

CASE STUDIES

Hamilton Lane Impact Fund Investments on the front lines of the COVID-19 pandemic



Investment Overview

Hamilton Lane Impact Fund invested in Benevity, which provides corporate social responsibility and employee engagement software to facilitate online giving, corporate matching, volunteering, and community investment. Through the use of its platform, the company has facilitated more than 32 million volunteer hours and more than \$5 billion of donations to date, including more than \$2 billion during our ownership. Since the start of its fiscal year, Benevity has driven donation volume growth on its platform by more than 70% year-over-year.

As many of the world’s most iconic brands rely on Benevity to power their corporate purpose, Benevity is uniquely positioned to provide insight into what some of the most responsive companies are doing to help during the pandemic. Overall, companies are taking a holistic approach and responding with a range of actions. Employee giving represents the largest response, but many companies are adapting their programs to include public giving, positive actions and virtual volunteer opportunities to engage their networks in multiple (any meaningful) ways.



Investment Overview

Hamilton Lane Impact Fund invested in AeroSafe Global, which develops and manufactures aerogels and aerogel-related materials for use in temperature-sensitive shipping applications, providing end-to-end cold chain logistics solutions to its customers, all in a reusable container that drastically reduces landfill waste. Since our initial investment, AeroSafe has won key contracts with several large pharmaceutical companies, which have grown contracted revenue significantly.

Recently, as the Covid-19 pandemic has continued to adversely affect populations around the globe, a number of these same pharmaceutical companies have partnered with AeroSafe to transport their promising Covid-19 vaccines, which must be kept at extremely cold temperatures during shipment and storage. AeroSafe is uniquely positioned as one of the only cold-chain logistics providers that can handle the extreme temperatures and stringent restrictions that come with these vaccines. Please refer to this [wired.com](https://www.wired.com) article for additional information.

LP Survey

We recently polled our global Relationship Management team to understand which of our clients have been voicing interest in ESG considerations or increasing their focus on different factors.

The results, while encouraging, show that interest in ESG is still highly dependent on region.

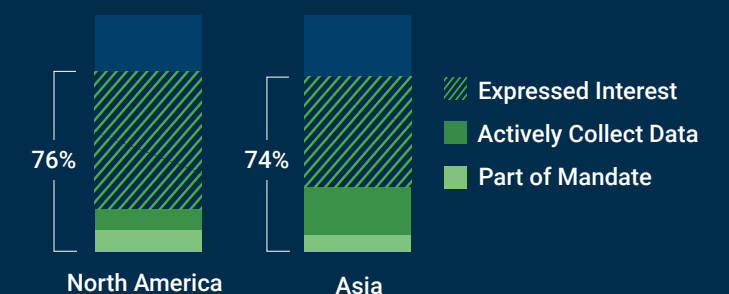
Europe/Australia ESG Integration

A full 100% of the client base in Europe and Australia expressed interest in broad ESG adoption, and roughly half actively collect ESG data or have ESG firmly built into their investment mandates.



North America/Asia ESG Integration

Clients in North America and Asia-Pacific are also increasingly sensitive to ESG, with roughly 75% expressing interest or taking firm steps toward integrating ESG considerations into their investment and manager selection decisions.



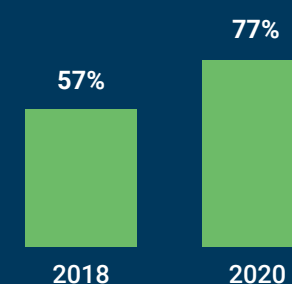
North American Interest in Social Factors

Digging a level deeper, clients in North America placed a greater focus on the Social factors, with more than half reporting that they have had serious conversations about board and employee diversity, and the broader societal impacts of the industries in which they are investing.



Climate Change Interest by Geography

In terms of focus on Environmental factors--such as climate change-causing greenhouse gas emissions, pollution, resource consumption, and waste management--North America trails Europe and Asia-Pacific.



By comparison, we conducted a similar survey in 2018, and across the board, the latest results should be considered heartening. In 2018, 57% of our client base across North America, Europe, Asia-Pacific and the Middle East were reported as having **brought up ESG in conversation** or had **incorporated ESG factors into their investment mandates**. In 2020, that figure increased to 77%.

Safeguarding Our Planet



ENVIRONMENTAL POLICY STATEMENT

We believe the actions we take today that affect our environment will impact all of us.

It is our collective responsibility to make thoughtful decisions that will safeguard our planet and preserve it for future generations. Companies that do this are likely more resilient and better positioned for growth. Greenhouse gas emission, pollution, natural resource consumption and waste management are all criteria that we evaluate and consider in our investment process. Furthermore, given the risks they pose to our planet and collective well-being, we do not directly invest in thermal coal or oil sands through our commingled products.

[Read our full ESG Investment Policy Statement](#)

Environmental Best Practices

Climate change and environmental degradation are among the largest challenges that face the investment industry – and humanity as a whole. A purely exclusionary approach is not sufficient to solve these problems, but rather a holistic one is required. As an influential voice in the private markets, Hamilton Lane seeks to identify managers and investments that incorporate environmental best practices, some of which include:

- › **An official Environmental Policy Statement at the managing company and portfolio company level** - This statement should set clear messaging and expectations from the top down.
- › **Robust environmental due diligence** - Managers must consider the material risks and opportunities that arise from an investment's impact on the natural world.
- › **A focus on reducing the carbon footprint of the management company and portfolio companies** - Material and measurable reductions demonstrate a commitment to a better future and create a favorable position for future regulation.
- › **Efforts toward compliance with Task Force on Climate Related Disclosure (TCFD)** - TCFD has become a widely accepted framework for monitoring and reporting the risks and potential opportunities caused by climate change. Better information may lead to better pricing.
- › **Monitoring and reporting of environmental key performance indicators (KPIs)** - Transparency with LPs and partners enhances accountability.

While we ask the same questions of each GP through our RFI, we recognize that risks vary by sector and deal and understand a suitable environmental risk mitigation strategy will depend on the associated risks of the manager's investment focus. Strategies such as energy, which have much higher relative material environmental risks, will receive added scrutiny in the due diligence process.

Thought Leadership

Education is a key component to creating more transparency in the private markets, and we've endeavored to contribute to the conversation through several thought leadership pieces over the years.



INSIGHTS

WHEN THE LEVEE BREAKS: SUSTAINABILITY, INVESTING & INNOVATION IN 2020

By Dave Helgerson, Managing Director

Many investors spent 2020 assessing where best to direct their capital in the midst of a global pandemic, increasingly worrisome evidence of climate change, and ongoing social unrest. It's not hard to notice the pressure against today's levees, leading many of us to prioritize investment themes more oriented around sustainability. How are investors adjusting? [Read the article.](#)



VIDEO

RESPONSIBLE INVESTING: PART 1

What is ESG and how can investors approach responsible investing in the private markets? Watch part one of our two-part Responsible Investing video series featuring Managing Director and Responsible Investment Committee member Ana Lei-Ortiz. [Watch the video.](#)



VIDEO

RESPONSIBLE INVESTING: PART 2

Although ESG adoption in the private markets has increased, we think there's still much more that can be done. Watch part two of our two-part Responsible Investing video series featuring Managing Director and Responsible Investment Committee member Ana Lei-Ortiz. [Watch the video.](#)

Real Assets Team Spotlight

We opened our Portland, Oregon location in 2017 and today the office is home to 10 Hamilton Lane employees, all members of our dedicated Real Assets investment team. Given the magnitude of the environmental and social justice events over the last year that directly impacted the West Coast of the U.S., and Portland specifically, we asked our colleagues to share their perspectives, as well as explain how we think about ESG considerations when it comes to real assets investing.

How has Hamilton Lane been impacted by ESG & how has it influenced our approach to investment selection?

Living in Portland, we’ve experienced first-hand how climate change and social unrest can impact our communities. Wildfires on the West Coast have only gotten larger and more frequent as hotter, drier, denser forest conditions have persisted on public lands. In the last 20 years, on average, the number of square miles burned annually across the West Coast has increased six-fold. **Climate change is real, and its consequences continue to reshape our communities.** In our state alone this year, it was estimated that as many as 40,000 Oregonians were forced to evacuate their homes, with more than 3,000 homes permanently destroyed, exacerbating an already severe health and humanitarian crisis. The Governor called it “the greatest loss of human lives and property due to wildfire in our state.”

We have also been at the epicenter of both constructive and destructive approaches to protesting racial inequality and other social injustices. The police killing of George Floyd sparked widespread demonstrations, and Portland witnessed 100 consecutive nights of protests, most of them peaceful, but some marred by violence and destruction of property.

Our experience this year with both climate change and social unrest has galvanized our internal commitment to ESG and strengthened our resolve to seek to invest with partners and in companies that demonstrate strong ESG policies and practices. As a real asset investor, many of the strategies we evaluate have direct environmental and/or

community consequences. We are aware that our investment decisions today will directly impact the future of our communities and the environment. With this in mind, we took the opportunity this year to further strengthen our long-standing focus on ESG and sustainability, specifically as it relates to the direct investment opportunities we may pursue.

How do we approach ESG considerations as part of our real asset investment due diligence process?

Hamilton Lane maintains a long-standing view on sustainable real asset investing, with the belief that sustainability does not necessarily mean compromised returns. Rather, we view sustainable investing as an opportunity to seek to protect against risk and generate resilient returns. Keeping this in mind, we have created a Real Assets ESG framework that has shifted from general ESG themes to more specific ESG risks that we evaluate across direct investment opportunities. Our framework allows flexibility in assessment in order to account for investment specific nuances, while still considering the larger ESG picture.

We seek to identify threshold ESG issues early on in our diligence process, as well as acceptable mitigating factors in more environmentally sensitive sectors. This process enables our team to make informed investment decisions based on risk, including negative externalities that may arise from ESG-related concerns. **In undertaking this analysis, we don’t want to merely be aware of these risks, but be positive agents for change in directing our partners to just and sustainable outcomes.**

Below is a simplified framework for how we incorporate ESG issues into our direct investment due diligence and decision making:

Environmental				
Climate Change <ul style="list-style-type: none">➤ Will the strategy/asset have a positive, negative or neutral impact on climate change?➤ What risk does climate change pose to the strategy/asset?	GHG Emissions <ul style="list-style-type: none">➤ How will the strategy/asset contribute to GHG emissions?➤ Will the sponsor/company management take any steps to offset emissions?	Resource Utilization <ul style="list-style-type: none">➤ How will the strategy/asset impact scarce environmental resources, including water supplies?	Waste Management & Pollution <ul style="list-style-type: none">➤ How will environmental waste be managed by the Sponsor/portfolio company teams?➤ How will the sponsor/portfolio co management teams minimize environmental waste?	Land Stewardship <ul style="list-style-type: none">➤ Will the strategy/asset result in any deforestation or permanent environmental degradation?➤ How will the sponsor approach environmental remediation for impacted land?
Social				
Human Capital <ul style="list-style-type: none">➤ How will the sponsor/company management recruit, train and retain a skilled workforce?➤ Living wage and benefit programs?➤ History of company turnover?	Health & Safety <ul style="list-style-type: none">➤ History of HSE events?➤ Training programs and HSE initiatives?➤ HSE response process?➤ Adherence to state, local and national labor laws➤ Seek to hire and retain service providers based on fair wages and benefits	Community Engagement <ul style="list-style-type: none">➤ Community reputation?➤ Community involvement and investment?➤ Approach to dealing with community concerns?➤ Clear strategy to improve and engage surrounding community	Employee Relations & Diversity <ul style="list-style-type: none">➤ Evidence of employee satisfaction?➤ Existing employment lawsuits related to harassment or discrimination?➤ Commitment to workforce diversity at junior and senior levels of the organization?	
Governance				
Governance <ul style="list-style-type: none">➤ Adherence to state, local and national laws➤ Clear code of conduct, ethics and compliance policies➤ Board oversight and enforcement	Responsible Procurement <ul style="list-style-type: none">➤ Anti-bribery and anti-corruption practices in procurement processes?➤ Commitment to living wage contractors?➤ Disclosure/vetting of any related-party contractor engagements?	Cybersecurity <ul style="list-style-type: none">➤ Data security and transparency on data collection practices	Conflicts & Alignment <ul style="list-style-type: none">➤ Conflict disclosure and resolution processes?➤ Independent board, LPAC/AB oversight for conflict resolution?	

After thoughtful investment selection, we continue to remain focused on ESG monitoring and assessment. As a part of our post-investment monitoring, we continue to keep our clients apprised of ESG-related issues and seek to ensure GPs’ adherence to ESG policies and commitments.

We are proactive in our approach and aim to continually improve and strengthen our ESG framework and standards. Early ESG-related risk assessment is integral to our investment process, as we strive to invest alongside responsible partners and seek returns from sustainable investments. Hamilton Lane believes it is our responsibility to identify real asset investments that we believe will have a positive environmental and social impact.



HLGreen is one of the firm's employee-led initiatives, the mission of which is to engage Hamilton Lane employees in practices that help protect the environment and promote sustainability in the office and beyond.

The initiative aims to employ a three-pronged approach:

- **Educate:** The HLGreen committee's goal is to teach Hamilton Lane employees about the importance of environmental consciousness, to provide actionable steps and activities to improve sustainability and to support the overall business goals of the firm, specifically the Impact fund.
- **Support:** Hamilton Lane's first corporate value is to 'do the right thing'. As a firm, we need to practice what we preach, supporting our broader corporate mission through aligning HL with environmentally friendly practices.
- **Improve:** Keeping the firm's corporate mission at the forefront, HLGreen helps to enrich lives and safeguard futures by encouraging HLGers to live greener lives and demonstrating how we can do our part to improve the planet for future generations.

HLGreen will aim to put sustainability into practice at the new headquarters by promoting the use of green products as a firm standard, and limiting single-use plastic across our operations. Recently, the HL Green team distributed reusable bottles to all employees and, considering the ongoing remote work environment, shared several suggestions for everything from home energy savings through the use of power strips, reduction of packaging waste for home deliveries, and additional waste reduction tips. Longer term, we intend to evaluate and better understand our operational carbon footprint with a goal toward reduction and, ultimately, carbon neutrality.

New Headquarters

After 20 years in the Philadelphia suburb of Bala Cynwyd, Hamilton Lane's corporate headquarters will be relocating to a newly constructed facility in Conshohocken, Pennsylvania in the first half of 2021.

Pursuing LEED Certification

Ensuring our commitment to both the planet and our employees, the office is pursuing LEED (Leadership in Energy and Environmental Design) and Fitwel certifications.

LEED is an extremely rigorous green building certification process issued through the U.S. Green Building Council (USGBC). LEED certification is a complex process that scrutinizes the entire construction process, including design, siting, pre-construction material disposal, procurement of materials, installation procedures, and much more. All of this is focused on minimizing a building's negative impact on the planet. The new Conshohocken headquarters is targeting a LEED Silver designation for Core and Shell Development.

Additionally, the Fitwel certification of the new headquarters demonstrates our commitment to the health and wellness of our employees. The certification focuses on increasing physical activity, providing healthy food options, promoting safety, and contributing to overall physical and mental wellbeing of those who work in the building.

Employee Wellness and Wellbeing

Constructed with corporate wellness, productivity and performance in mind, Seven Tower Bridge is a 260,000-square-foot office tower positioned along the Schuylkill River. Hamilton Lane plans to lease the top four floors of the building, which features floor-to-ceiling windows that enhance the available natural light and provide incredible views from every angle. The space was designed as an open-concept plan, with glass-enclosed offices occupying the center of each floor and cubicle neighborhoods situated along the perimeter. An emphasis on employee wellness drove design and amenity decisions, including the state-of-the-art fitness center and the integration of multiple communicating stairs to allow for vertical circulation and to promote physical activity.

An Accessible Neighborhood

Our new headquarters is situated in close proximity to public transit options, and within walking distance of bike and walking trails, as well as Conshohocken's many shops and restaurants. We are thrilled for our employees to take advantage of our new location – the walkability and accessibility of the neighborhood and the convenience of nearby public transit, hopefully inspiring some of our employees to consider an alternative means of transportation to and from the office.

We are excited to move to the new headquarters – and to be together again physically once we are safely able to do so – and look forward to discovering more ways that our new space and neighborhood can help to promote employee wellness and sustainable habits.

- **Materials for carpeting and ceiling/ wall paneling are free of harmful chemicals and are made of 35% and 60% recycled materials, respectively.**
- **All plumbing fixtures throughout the project are low-flow to reduce usage by 30% as compared with standard fixtures.**
- **All lighting fixtures utilize LEDs, and include intuitive controls such as daylight-responsive dimming and occupancy sensors to further decrease energy use.**
- **The attached parking structure will include charging ports for electric vehicles and the office is sited a three-minute walk away from a train station to encourage the use of public transit.**

Safeguarding Our Communities



Committing to Allyship

As a firm, Hamilton Lane acknowledges the systemic racism that oppresses billions of people around the world, and we recognize that we share in the responsibility to listen to our communities, to understand the issues and to act.

We are committed to offering attention, influence and resources to be part of the solution.

SAFEGUARDING OUR COMMUNITIES

Building a better future means joining together in our efforts through increased engagement and continued sharing of ideas, concerns and personal experiences. As one of our core values states, we strive to “Do the Right Thing,” a value we leaned on especially in 2020 as protests against social injustice and Black Lives Matter movements spread across the U.S. and around the globe. One of the first steps our organization took was to heed the advice of those leading the movements: That is, to begin listening and reflecting on our actions and opportunities for allyship. Then, and with the recognition that there would be much more work to do, we took some initial – but meaningful – action.

- › In an effort to further expand our commitment to promoting and supporting a more diverse workforce, we announced the adoption of a new corporate value – “**Promoting Equity and Inclusion from Within.**”
- › Our Human Resources Department, in conjunction with the firm’s Diversity, Equity & Inclusion Council, introduced a new strategic plan aimed at expanding upon existing efforts to intentionally embed diversity, equity and inclusion into the fabric of the firm’s values, culture, and recruiting and retention practices. The plan outlines **enhanced recruiting and retention efforts**, including an emphasis on ongoing training, accountability and inclusivity.
- › Employees were granted extra **VTO (volunteer time off) to use toward any activity in support of social justice movement.**
- › We began to identify ways in which our employees could listen to and learn from each other. Our **Diversity, Equity & Inclusion Speaker Series**, which launched in 2017 as a means to provide outside perspectives on DE&I issues, shifted its focus to activism and social justice, hosting speakers on topics such as corporate responsibility, general awareness of racism and implementing effective approaches to racial equality.

- › Our DE&I Council also launched a new series called **Social Justice Chats** (#SJChats), a series of employee-facilitated small group conversations about racial and social inequities, barriers and constructs.

These developments speak to Hamilton Lane’s acknowledgment of the present moment and important progress underway, as well as to our **long-standing commitment to advancing women and other underrepresented groups within the private markets industry.**



Investing in Our Communities

For Hamilton Lane, community means so much more than simply belonging to something; it means doing something together that makes belonging matter.



For more than a decade, we have been partnering with schools near our headquarters in Philadelphia to mentor and sponsor underprivileged high school students to help them develop and realize their full potential. Today we are an active sponsor and provider of internships to the **Philadelphia Cristo Rey work-study program**. The school enrolls over 500 students from low-income families in and around the region and, since its opening in 2012, has seen 100% of its graduating seniors accepted to four-year colleges and universities.



We are also a long-standing partner of **Big Brothers Big Sisters Independence Region** (BBBS Independence Region), having participated in the Beyond School Walls workplace mentoring program for the last 12 years. Hamilton Lane employees based out of our firm’s headquarters serve as mentors to students from the Mastery Charter School Shoemaker Campus in West Philadelphia. Over the life of our partnership, nearly 160 students have been mentored by Hamilton Lane employees. BBBS Independence is a donor-supported organization that enriches and empowers children to reach their highest potential through safe, one-to-one mentoring relationships.

! HL in Action

The mission of HL in Action is to facilitate and promote company-sanctioned volunteer opportunities that help employees feel connected to their communities and, by extension, our firm.

In the past, the HL in Action Committee frequently promoted in-person events for different charitable organizations. More recently, however, the committee challenged itself to devise alternative ways for employees to participate in volunteer events in a fully remote environment. The result was to promote several initiatives in support of essential and front-line workers and so many others in need throughout the pandemic – and to do so without compromising the health and safety of Hamilton Lane employees.

- **ACHIEVEability Sponsor-a-Child** - The purpose of ACHIEVEability is to permanently break the generational cycle of poverty for low income, single parent, and homeless families through higher education, affordable housing, supportive services, community and economic development, and accountability. For the past several years, HL employees have had the opportunity to participate in a sponsor-a-child gift drive, purchasing gifts for one or more children whose families would not otherwise be able to afford them. In a year like none other, HL individuals and teams pulled together, sponsoring a total of 107 children in the local West Philadelphia community – which equated to ordering, shopping, wrapping, and/or delivering ~\$5,300 in toys and gifts for children.
- **Comfort care items for Penn Presbyterian Hospital** - Employees donated comfort care items to patients at a hospital in Philadelphia.
- **Food deliveries for Lankenau Hospital** - Employee donations provided assorted meals to the emergency department staff at Lankenau Hospital for an entire week in the spring of 2020. This supported not only the hospital staff, but also a local restaurant that had been struggling due to lockdown restrictions.

ACHIEVEABILITY SPONSOR-A-CHILD

In 2020, HL employees sponsored **107 local children in need, providing more than \$5,000 in toys and gifts**

- **Food donations or financial donations for Thanksgiving** - Employees were able to either make a monetary donation to the Sunday Breakfast Rescue Mission, which helps the homeless and those who are struggling, or could provide essential food items to the Narberth Community Food Bank.
- **Food drive for Ardmore Food** - Employees provided essential food items to a pantry located near the company's headquarters in support of those struggling in the community.
- **Homemade cards for nursing home patients** - Employees and their families made cards for the patients at a local Philadelphia nursing home since the patients were not permitted to have any visitors due to COVID-19 restrictions.
- **Quarterly Call to Action** - A program rolled out during 2020, which focuses on a specific global issue. The Committee highlights different charitable organizations to which employees can donate and which span a range of humanitarian aid areas. Our most recent call to action focused on wildfire relief and rescue to heavily impacted areas of the United States' West Coast.



Big Brothers Big Sisters

For 12 years, Hamilton Lane has been a corporate sponsor of the “Beyond School Walls” mentoring program through Big Brothers Big Sisters (BBBS). The Hamilton Lane partnership with BBBS matches employees with students from Mastery Charter School Shoemaker Campus in West Philadelphia.

In this program, “Littles” as the students are called, are transported to Hamilton Lane’s offices every other week to meet and have lunch with their employee mentors or “Bigs”. Throughout our history with the program, we have made over 160 matches and it has been proven that students in the “Beyond School Walls” program show an increase in academic performance, feel more competent academically, are less likely to skip school, and feel that they would like to attend and finish college.

When the COVID-19 pandemic hit, the program was forced to shift to virtual meetings. It became apparent rather quickly that these sessions would be even more important to the Littles’ overall mental health, as they were all experiencing such an uncertain and confusing time.

At the time of this writing, the BBBS program participants meet on Zoom every two weeks, with the facilitators organizing online games and breakout rooms for each match.

Volunteer Time Off

Giving back to the community. We believe in making a positive impact by encouraging employee engagement and supporting local initiatives to enrich the communities in which Hamilton Lane and our employees operate. With that goal in mind, employees receive 16 annual, paid volunteer hours (“VTO”) for community service. Each of our offices has volunteered and provided financial donations to a host of non-profit organizations ranging from ongoing sponsorships such as Big Brothers Big Sisters and Cristo Rey High School, and annual financial donations to organizations in which Hamilton Lane has volunteered including: Philabundance and Manna on Main, both hunger relief organizations; Alex’s Lemonade Stand and Hero Up, childhood cancer research organizations; and Main Line Animal Rescue, an animal welfare organization.

In 2020, we also provided employees with an additional VTO day to commemorate Juneteenth (also known as Freedom Day, Black Independence Day and Emancipation Day). To honor the importance of this day, we encouraged employees to take time to listen, learn or take action to help fight racism and injustices in our communities. Since so many locations had varying levels of stay-at-home orders still in place during that time, we also shared various online learning opportunities for employees to participate in commemorating the day.

Matching Gifts Program & Hamilton Lane Charitable Giving Fund

In addition to Hamilton Lane's involvement in a number of charitable volunteerism activities, our employees also can take advantage of our Matching Gifts program. Launched in 2014, the Matching Gifts program gives employees an opportunity to double their monetary contributions to the charitable and philanthropic organizations of their choice. The program provides a one-to-one match to employee donations up to a certain amount. Since its inception, Hamilton Lane has matched more than \$50,000 in employee donations to over 90 organizations worldwide, spanning a variety of causes from humanitarian efforts to animal welfare.

Last spring, as the pandemic spread across the world and centuries' old racial injustice sparked a reinvigoration of the Black Lives Matter movement, Hamilton Lane employees sought out a way to promote change, healing and equity. In response, and in keeping with our firm's mission to enrich lives and safeguard futures, as well as our values, which include doing the right thing, acting with integrity, and promoting equity, we launched the Hamilton Lane Charitable Giving Fund with the support of the

Philadelphia Foundation. Through the Giving Fund, we are able to designate employee contributions to global organizations that are making a difference in the communities in which we operate.

Our 2020 fundraising campaign was specifically focused on supporting organizations and individuals on the frontline of the pandemic; helping people physically, financially or emotionally affected by the pandemic; and promoting racial and social justice.

Nearly all of our employees contributed to the Giving Fund's 2020 Campaign and several organizations around the world received sizable donations to support their general operations. The organizations fall under the following categories:

- **Education, Child Development and Special Needs Support**
- **First Responder Support**
- **Global Hunger, Medical, and Emergency Relief**
- **Medical Personnel and Research**
- **Unemployment Relief and Job Training**



The Hamilton Lane Charitable Giving Fund collected nearly **\$3 million from employees in order to support charities focused on COVID-19 relief efforts** and other communities facing challenges

SOCIAL POLICY STATEMENT

We believe all people, regardless of gender, sexual orientation, disability, race, ethnicity or nationality, are deserving of respect, inclusion, safe work environments and basic human rights. In our investment process, we evaluate and consider several criteria, including: Employee diversity, workplace conditions, supply chain practices, consumer protections and broader societal impacts. Furthermore, given the risks they pose to our neighbors around the world, we do not directly invest in companies with products or services related to controversial weapons (defined as chemical/biological, nuclear, cluster munitions and landmines), abusive lending practices or companies that could support child labor, human trafficking or forced labor across our commingled products.

Social Best Practices

The year 2020 will be widely remembered as one of tragedy, upheaval and transformation. We hope it will also be recognized as a year that enhanced awareness of social inequities, and provoked deep reflection and conversation among individuals, communities and companies around the world.

Hamilton Lane has long prioritized both our internal diversity efforts across our global teams and the health of the communities in which we invest and operate. We seek to partner with managers who share our dedication to these issues and exhibit best practices, including:

- **An official Diversity, Equity and Inclusion (DE&I) policy statement at the managing and portfolio company levels**
- **A focus on expanding diversity of decision-making within the managing and portfolio company management**
- **A diverse board composition**
- **Diversity mandates for hiring third-party service providers**
- **Monitoring and reporting of social KPIs**
- **Supplier due diligence**

Our clients continue to increase their focus and data collection efforts around DE&I considerations. We are committed to leading by example and will continue to evolve our processes and analysis in demonstration of our belief that diverse perspectives lead to more informed decisions.



Safeguarding Our Employees

Promoting Equity & Inclusion from Within

In today's world, humans are intertwined in a way unlike any other time in our history. Across the globe, nations, communities and individuals are all demanding that companies prioritize ESG and sustainability issues, as well as advance more diverse, equitable and inclusive workplaces. It is our view that the more diverse professionals we can attract to our asset class, the more our industry can thrive. We know that smart teams do great things, but diverse teams can do truly incredible things, and the way to affect change is to help create it.

That is why at Hamilton Lane, promoting diversity, equity and inclusion from within is one of our company values. We leverage our status as a global leader in the private markets to advance these initiatives in an effort to benefit our clients, our employees, our industry and our communities.

We are proud of our organization's history of embracing and championing diversity. That authentic commitment is demonstrated by the meaningfully diverse representation across our organization. Today, women and ethnically diverse employees comprise 51% of Hamilton Lane's total employee base and 44% of the firm's senior leadership.* Those figures are well above the averages for our industry.

And yet, the events of this past year have brought about more honest conversations, deep reflection and some meaningful progress. Earlier in 2020, we announced the adoption of a new corporate value - "Promoting Equity and Inclusion from Within." These words make clear what we hold to be true: Responsibility starts with us – and if we get that right, we all stand to benefit.

In another notable development of the past year, our DE&I Council together with our Human Resources team introduced a strategic plan to intentionally embed Diversity, Equity, and Inclusion into our recruiting and retention practices. We know that talent is everywhere, but that not all talent has access – and our goal is to provide a path for more diverse professionals to become part of the private markets industry.

We are guided by a genuine belief that in order to diversify – and therefore, improve – the composition of our asset class, we must advocate for, educate and include women and ethnically diverse candidates early and often. Our partnerships with organizations such as Girls Who Invest, Cristo Rey Philadelphia, and Big Brothers Big Sisters, as well as initiatives such as the Hamilton Lane Women's Exchange, our annual Undergraduate Women's Summit and our targeted campus recruiting program, are a testament to this belief.

In early 2021, Hamilton Lane became a signatory to ILPA's newly announced Diversity in Action Initiative. This effort focuses on foundational actions that LP and GP organizations are taking to advance diversity, equity and inclusion, both internally and throughout the industry more broadly. Hamilton Lane is honored to join our founding co-signatories in this important effort across our industry, and we remain committed to creating and maintaining an inclusive and collaborative workplace across the globe.

In addition to our recruiting and retention efforts,

we recognize that a true commitment to diversity requires a proactive and multi-faceted approach. We have multiple employee-led programs designed to help our colleagues with skill development, career progression and work-life balance, as well as to facilitate open dialogues around important topics such as race, inclusion and social justice.

- **Coffee Connects** - internal networking opportunities for Hamilton Lane women intended to facilitate building new relationships and sharing of experiences across the organization
- **DE&I Speaker Series** - interview series intended to promote and encourage the honest discussion of issues related to diversity and inclusion within our firm and broader industry
- **HLWE** - creating experiences designed to bring Hamilton Lane women together to support their development and success
- **Mentoring Program** - formal program designed to help employees foster relationships with more experienced colleagues and/or peers in different departments for professional and personal development and growth
- **SJChats** - employee-facilitated small group sessions discussing a variety of racial inequality and social justice topics

At Hamilton Lane, we remain fully committed to Diversity, Equity and Inclusion. Our success is because of our people – our colleagues across the globe who bring their authentic selves to work every day. We are not only private markets specialists, but we are artists, musicians, athletes, parents and so much more. It is that intersection of experiences that drives our culture and our unique spirit of competition that inspires innovation. Together, we believe diverse perspectives lead to informed decisions – decisions designed to benefit our clients, our employees, and our competitive edge.

Spotlight on Recruiting



- **#100blackinterns** Hamilton Lane's London team has partnered with an organization called #100blackinterns focused on changing the face of investment management. The firm will be hiring a candidate for Summer 2021.
- **Campus Recruiting Program** Our firm's 400+ employees matriculated from over 200 different universities. We're seeking to expand upon that network for our Analyst Development Program hiring with the goal of: 1) Increasing awareness of HL and 2) Broadening our talent pool search to enhance our organization's diverse hiring efforts.
- **Girls Who Invest** Since Summer 2017, Hamilton Lane has partnered with Girls Who Invest, a non-profit organization dedicated to increasing the number of women in portfolio management and executive leadership in the asset management industry. Each year the firm makes a financial commitment to Girls Who Invest and brings on two undergraduate students to intern on its Fund Investment Team.
- **Seizing Every Opportunity (SEO)** Hamilton Lane has developed a recruiting partnership with SEO and will look to bring two interns onboard during Summer 2021. SEO seeks to create a more equitable society by closing the academic and career opportunity gap for motivated young people from underserved and/or underrepresented communities.
- **Undergraduate Women's Summit** This annual event is co-hosted by the firm's Diversity Equity & Inclusion Council and the HL Women's Exchange as an opportunity for undergraduate women to learn about professional development, career pathing and the private markets. In the short term, the goal is to introduce young women to the private markets and to help them envision a career in financial services. Our long-term goal is more profound: To move the needle on female representation in senior private markets positions, both in the asset class in general, and at Hamilton Lane in particular.



SAFEGUARDING OUR EMPLOYEES

HL Well

The Hamilton Lane Wellness Committee (“HL Well”) is an employee-led organization that began in 2014 to promote healthier habits – of body, mind and bank account – among Hamilton Lane employees.

While 2020 proved a year like no other, we successfully adapted our wellness programs to a virtual reality, keeping the mental health and wellness of our employees and their loved ones top of mind given the multitude of stressors brought on by the pandemic. Importantly, our weekly meditation series continued – now hosted virtually and made available both live and through a recording. The HL Well committee emphasizes physical health as a powerful complement to mental health. Colleagues from around the world participated in our annual walking challenge with virtual teams racking up steps and weekly ranking reports encouraging some healthy heckling of the competition. We sponsored a team of runners from our home office to participate in the virtual Philadelphia Broad Street 10-Mile Run.



In prior years, we’ve hosted our benefits partners on site to provide education as to how to maximize our Hamilton Lane retirement and health benefits. This year, working with our partner, Virgin Pulse, we continued providing education to help ensure our employees were maximizing their benefits for employer-funded contributions to Health Savings Accounts and gift cards. HL’ers can earn rewards from major wellness or sports attire brands or cash in their HSA for milestones such as getting a flu shot, being tobacco free, hitting step goals, getting an annual physical and biometric screening.

We created a Slack channel to share health and wellness tips and other #HLRemoteLife activities that are keeping us sane in quarantine.

We can’t wait to get back to our normally scheduled events and programs, some of which were put on hold given social distancing and in-person event restrictions. In 2019, HL Well had sponsored a Hamilton Lane softball team (proud defending champions) and participated in football, basketball



and tennis leagues. We hosted summer yoga classes, reiki sessions and on-site massages, as well as our live meditation series. Sticking with the theme of competition, HL Well typically hosts an annual “Dip Off” around the Super Bowl in the U.S., a “Cheat Day Bake Off” and other fun, food-centric competitions. In each of these events, we’re proud to have participation across our global offices, with regional locations hosting their own competitions.

HL Women’s Exchange

Hamilton Lane Women’s Exchange (“HLWE”) is an employee-led organization founded in 2013. It serves the women of Hamilton Lane by creating networking and educational experiences designed to bring our female employees together to support their development and success by enabling them to learn from one another in a collaborative environment.

Over the past year, HLWE, like many other parts of the firm, had to adapt to a remote work environment. Faced with the unprecedented challenges the pandemic created - virtual schooling, remote work, among many other things - we recognized quickly that creating opportunities for connection was more important than ever. To facilitate that connection, HLWE created “Coffee Connects,” a chance for HL women to spend a few hours each month connecting over coffee or tea – or wine, depending on the time-zone. We saw

meaningful participation across teams, titles and geographies. Feedback has been overwhelmingly positive and HLWE intends to continue the program, even after we return to the office.

Coffee Connects represents one of several innovative initiatives to come from the past year. It’s a great example of the creativity and resilience that our employees continue to bring to work with them each day, despite the challenges we have all faced over the past year.

“I couldn’t imagine a better time to embrace this responsibility with exciting changes, challenges and opportunities to ensure we are a firm that continues to live by example, act as **leaders in action and thought around sustainable and responsible investing.**”

PAUL YETT, DIRECTOR OF ESG & SUSTAINABILITY



As Hamilton Lane celebrates its 30th anniversary this year, we are more encouraged than ever by the extent to which the global private markets are embracing the ideology of responsible

investing. The circumstances and events of the last year presented immense challenges to individuals around the world, and we often (and understandably) hear an audible release when people reflect on 2020 now being securely in the rearview mirror. And oh, what a year!

In the weeks and months since the global pandemic and waves of civil unrest drastically altered our lives, there is a question we have gotten over and over in various formats: What else will change and how? To be sure, the world in which we find ourselves today looks drastically different than it did only a year ago. While some developments are new, many others reflect the acceleration of trends that were previously underway. One such example is customers’ and stakeholders’ growing interest in understanding whether the organizations with which they interact are behaving as good global citizens. With today’s growing conscientious consumerism and intense focus on social justice and environmental issues, a corporation’s identity and purpose must embody tenets of ESG and sustainability or risk becoming obsolete.

And we at Hamilton Lane are no different. As one of the largest investors in the private markets and a leader in our space, our employees, clients and stakeholders want and deserve to understand our firm’s culture and values to ensure they align with their own. ESG, sustainability and responsible investing are already deeply embedded within our culture and our business practices. And yet, we are increasingly, and understandably, asked to articulate who we are and what we stand for. It is not enough to solely generate attractive returns; the paths we take to get to the results are equally important. And we too are evolving.

This report is intended to highlight the many facets of our organization that make us who we are. I am honored to work for an organization that embraces diversity, that cares about the climate and that supports the communities in which we each live and do business. For nine years in row, Hamilton Lane was recognized as a Best Place to Work in Money Management by *Pensions & Investments*. I believe the activities and accomplishments outlined in this report are major contributing factors to that recognition.

While we’re proud of the progress we’ve made to date, we are far from done. We will continue to challenge ourselves to improve further; we aspire to remain flexible and evolve with the markets. We recognize that we sit in a unique position to help GPs and LPs, as well as ourselves, better implement ESG and sustainable investing best practices. For Hamilton Lane, the future will bring an even deeper and more comprehensive integration of ESG into all that we do. We are looking into new technology solutions that offer more granularity for ESG risk assessment. Internally, we will continue to see our employee-led initiatives and strategic programs be creatively adapted to a fully remote or hybrid work environment to ensure our employees remain engaged and motivated. Across our global operations, we intend to evaluate and better understand our carbon footprint, with a goal toward reduction and, ultimately, carbon neutrality.

As for myself, after nearly 25 years with the firm, I am energized and excited in my new role as Director of ESG & Sustainability. I couldn’t imagine a better time to embrace this responsibility with exciting changes, challenges and opportunities to help ensure we are a firm that continues to live by example, to act as leaders in thought and action around sustainable and responsible investing. And yes, we may make mistakes along the way, but with the help of our employees, clients and all stakeholders, we will continually learn and improve. As we enter our 30th year of making it our mission **to enrich lives and safeguard futures**, we are committed to becoming even stronger stewards of our environment and louder and more influential voices for diversity, equality and inclusion in our industry and in our global communities.

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