



DATA AGGREGATION, ANALYSIS & BENCHMARKING: DIVERSITY, EQUITY & INCLUSION (DEI)

Presentation to Office of the General Treasurer State of Rhode Island

July 26th, 2023



LENOX PARK SOLUTIONS

MEETING AGENDA

July 26th, 2023

- I. *Introductions, Data Aggregation, and Impact Score..... 5 Minutes*
- II. *Survey Results..... 20 Minutes*
- III. *Q & A 5 Minutes*



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ABOUT LENOX PARK



LEADING THE WAY IN DEI USING TECHNOLOGY & DATA SCIENCE

FinTech company offering collaborative software and data analytics on RoundTables™

Lenox Park Solutions (“LPS”) aims to **Democratize access to capital** in the investment management industry by empowering allocators and managers and their decision-making process with **Technology** and **Data Standardization** that leverages what we know to be the difference-maker in getting deals done – **Collaborative Relationships**

Lenox Park believes **Technology** and **Data Standardization** are the best tools to drive efficiency, and to fix the traditional Asset Manager and **Investment Sourcing** model, which is **inefficient** and **broken**

Two Primary Business Lines that sit within our proprietary RoundTables, platform (“RT”)

1) Data Analytics and Reporting

- Houses our **Lenox Park Diversity Impact Score (“LPI”)**
- Includes our Data Aggregation Capabilities (Surveys)

2) Collaboration Technology

- Represented by **Peer Organized Domains (“PODs”)**
- Includes our Co-Investment, Primary, and Secondaries marketing tools, as well as other Use-Cases

Executive Management Team



Jason Lamin
Founder & CEO



Christopher Finley
Co-Founder & CFO



Amber Kizilbash
COO



Asset Management must coalesce around an industry standard, and our firm is uniquely positioned to continue leading the way

- Over a decade of experience in the **Emerging & Diverse Managers** space
- Lenox Park and its professionals have cultivated **significant credibility among all participants in Asset Management**, including the approximately 2,800 Limited Partners, Asset Management firms, Broker / Dealers and other firms that have been invited into our RoundTables™ ecosystem
- Having sent approximately **8,000 DEI surveys to vendors on behalf of our Clients** (5,700 to vendors of Public and Corporate Pensions), few firms, if any, have similar depth of experience and domain expertise

ROUNDTABLES™ DEI DATA AGGREGATION (SURVEYS)

Surveys Overview

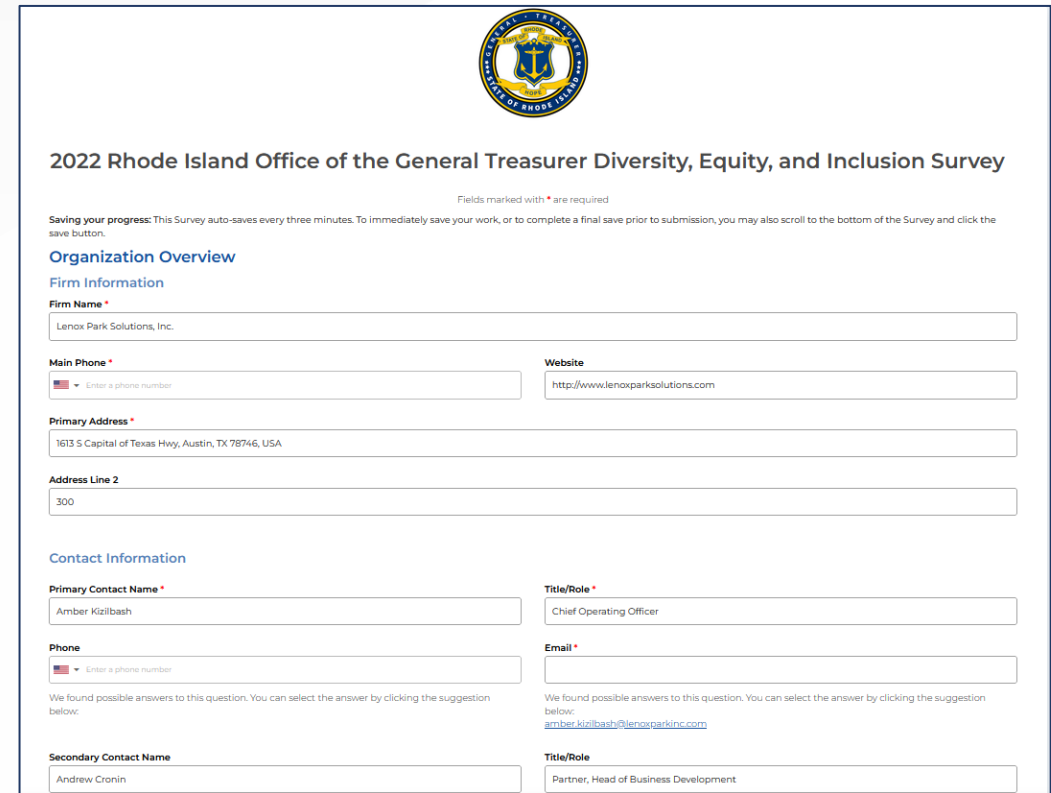
- RoundTables™ is a **secure, cloud-based platform** that enables multiple individuals to collaborate seamlessly to contribute information
- Our standard **DEI Template Survey** uses the best elements of technology and data science to efficiently gather necessary data to calculate the **Lenox Park Diversity Impact Score (LPI)**


Dynamic Conditional Questions

- RoundTables™ Surveys allow for dynamic conditional questioning which adapt to the Organization's chosen services, providing several layers of categorization, later used **for benchmarking purposes**
- The survey is **easily customizable** to reflect key information required by the survey host
- The dynamic nature of the survey reduces complexity for the user and ensures accuracy across all firms

Pre-population and Smart Error Elimination

- RoundTables™ Surveys allow users to easily complete surveys by pre-populating data from previously submitted surveys
- RoundTables™ Surveys assist in reducing user-error entries with data processing tools that improve the quality of the survey results





2022 Rhode Island Office of the General Treasurer Diversity, Equity, and Inclusion Survey

Fields marked with * are required

Saving your progress: This Survey auto-saves every three minutes. To immediately save your work, or to complete a final save prior to submission, you may also scroll to the bottom of the Survey and click the save button.

Organization Overview

Firm Information

Firm Name *
Lenox Park Solutions, Inc.

Main Phone * Enter a phone number **Website**
http://www.lenoxparksolutions.com

Primary Address *
1613 S Capital of Texas Hwy, Austin, TX 78746, USA

Address Line 2
300

Contact Information

Primary Contact Name * Amber Kizilbash **Title/Role *** Chief Operating Officer

Phone Enter a phone number **Email ***

We found possible answers to this question. You can select the answer by clicking the suggestion below:
amber.kizilbash@lenoxparkinc.com

Secondary Contact Name Andrew Cronin **Title/Role** Partner, Head of Business Development

LENOX PARK DIVERSITY IMPACT SCORE (“LPI”)

LENOX PARK DIVERSITY IMPACT SCORE (LPI)

The **Lenox Park Diversity Impact Score** is an assessment methodology created by Lenox Park Solutions. The Score is a standardized DEI measure that can be used to measure demographic representation across organizations, in any industry.

LPI measures a comprehensive set of DEI components, including Ownership, Leadership & Management, and Total Staff or Workforce, and aims to achieve three critical objectives:

- 1) **Establish a Standardized Metric** that assesses DEI in a comparable format across a wide range of firms, including Asset Managers, Portfolio Companies, and Suppliers - a standard that reduces resources required by allocators during diligence or monitoring, and by the asset managers, portfolio companies, and suppliers, who need only provide DEI demographic data to a single platform. The metric also adapts to changing definitions and perspectives over time, and provides a transparent roadmap with a scoring methodology that all firms (not just those with diverse ownership) can reference to improve, participate in, and be held accountable to around their DEI efforts
- 2) **Offer metrics that add to and complement Ownership statistics** towards a truly comprehensive method of assessing DEI, by incorporating other important elements, including firm Leadership and Total Workforce data; enhanced statistical measures such as duration of ownership, and transparency; and the discretionary ability to consider evenness in diversity using the Normalized Herfindahl-Hirschman Index (HHI) as a supplement to our standard representation methodology. Allowing more components allow for all suppliers and asset managers to be evaluated, regardless of their ownership percentage metrics
- 3) **Establish Meaningful DEI Benchmarks** that meet industries and firms where they are *today, but also reflect reality*, with respect to DEI by offering statistics across multiple categories, including Asset Class / Industry, AUM, Firm Size, Geographic Region, Revenue / EBITDA, and sub-categories of gender and ethnicity that reveal relative performance in selected peer sets

The composition of the Score is based on a 1-10 scoring methodology, with 5 points devoted to each of Gender and Ethnicity, across the areas of Ownership, Leadership & Management, and Total Staff. All of these components can be displayed individually, and relative to relevant peer sets.

LPI Score Detail



Sample LPI Score Calculation

SAMPLE ASSET MANAGER

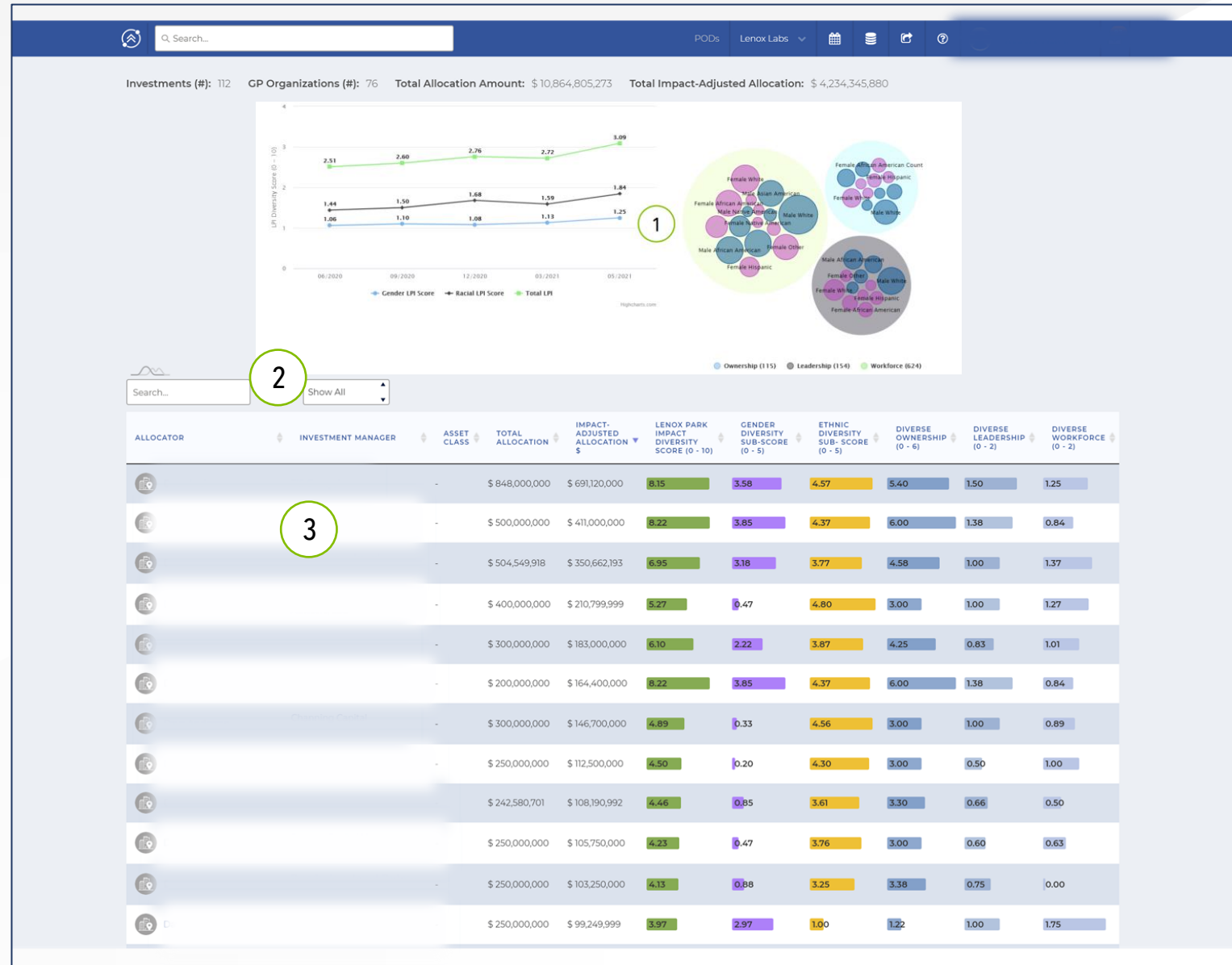
LPI Score Sub-Component	Gender Diversity (0-5)	Ethnic Diversity (0-5)	Total (0-10)
Ownership Count (0-1)	0.25	0.10	0.35
Ownership Equity % (0-1)	0.50	0.05	0.55
Ownership Equity Duration (0-1)	0.25	0.08	0.33
Leadership (0-1)	0.12	0.23	0.35
Total Workforce (0-1)	0.35	0.18	0.53
Total	1.47	0.64	2.11



DEI IMPACT WEIGHTING PORTFOLIOS

DIVERSITY IMPACT

- Granularity of data gathered has allowed development of tools that bring accountability to Investment Portfolios and/or Vendors
 - Expands the pool beyond diversity designation thresholds, allowing all suppliers and managers to be held accountable
 - Provides a roadmap to areas for improvement for vendors / managers / companies and clients / allocators alike
- Ability to filter by asset class and other factors enables Investment Staff to better understand subsections of the portfolio and create meaningful peer sets for evaluation
- Drill-down on a vendor / manager's individual statistics and sub-scores, including their contributions to the DEI impact-weighted total portfolio at Gender and Ethnicity levels across categories of Ownership, Leadership, and Total Staffing



2022 DIVERSITY, EQUITY, & INCLUSION SURVEY RESULTS



SURVEY RESPONSE RATE AND LPI RESULTS OVERVIEW DATA

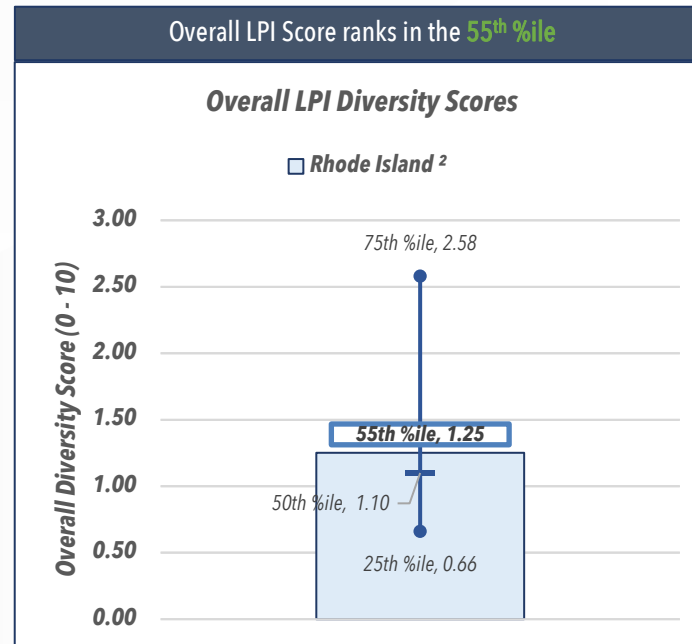
TOTAL SURVEY # RESPONDENTS

2022 Office of the General Treasurer State of Rhode Island Survey ('Survey') results:

- The Office of the General Treasurer State of Rhode Island surveyed all the Employees' Retirement System of Rhode Island ("ERSRI") active current 109 fund managers across its entire portfolio
 - **93** of all surveyed managers responded to the Survey
 - **85%** response rate; **11% points higher** when compared to the 74% RoundTables survey response rate average
 - 84 managers (**77% of the 109 surveyed managers & 90% of the 93 managers that responded**) submitted a response with sufficient LPI data

LPI PORTFOLIO RESULTS¹

The average LPI score of the 84 managers that responded with sufficient data is 1.25, ranking in the 55th percentile of managers in the LPI universe.



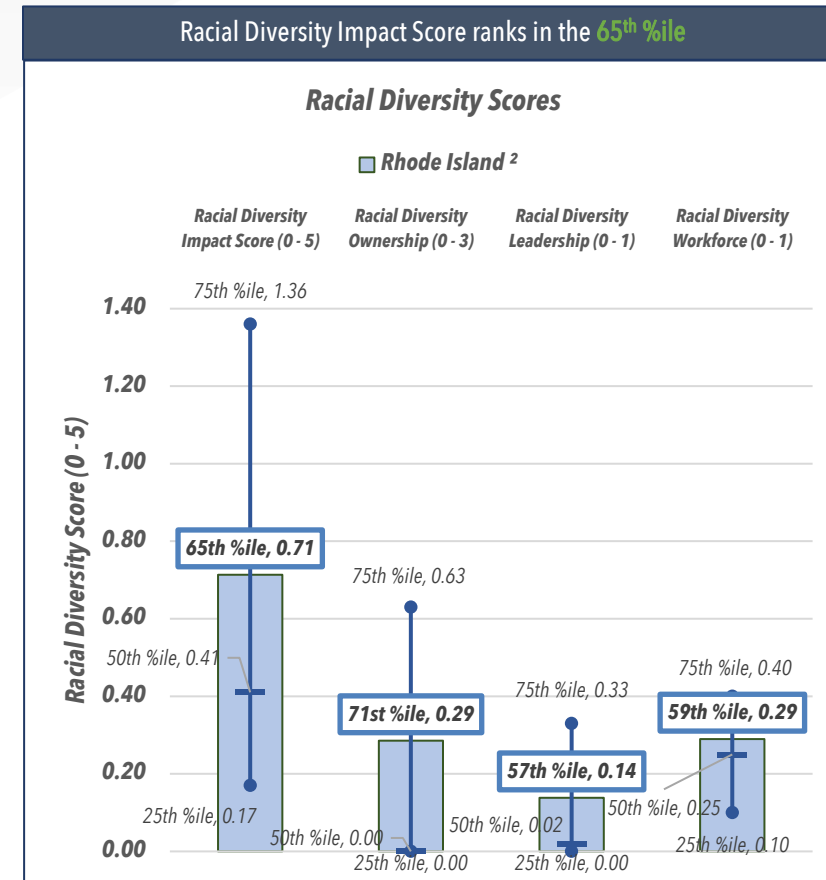
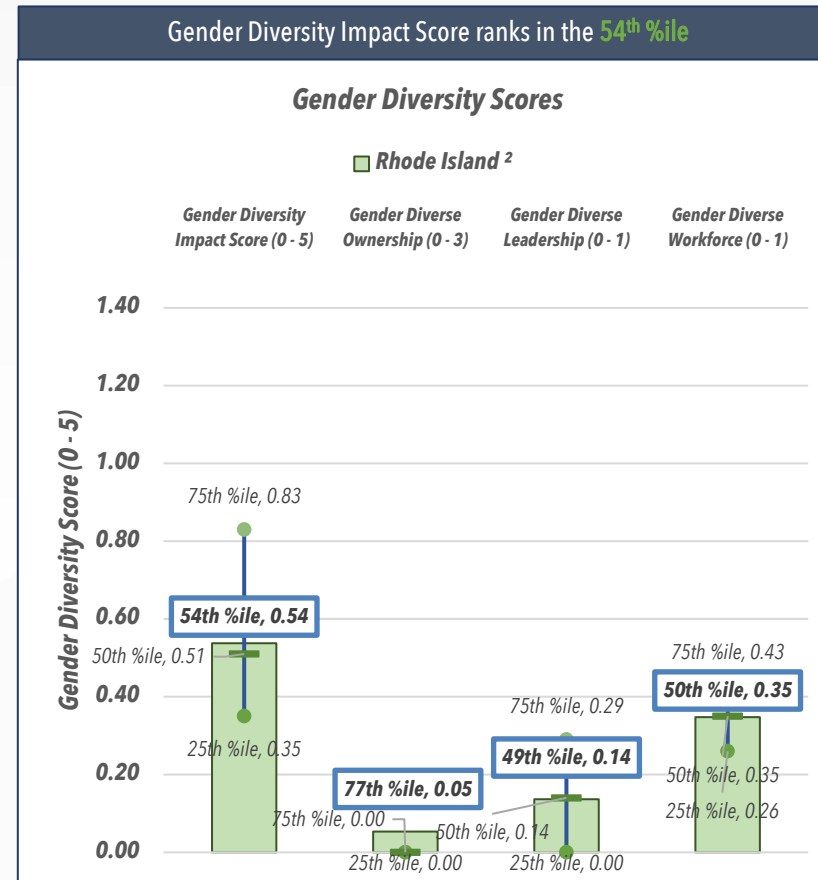
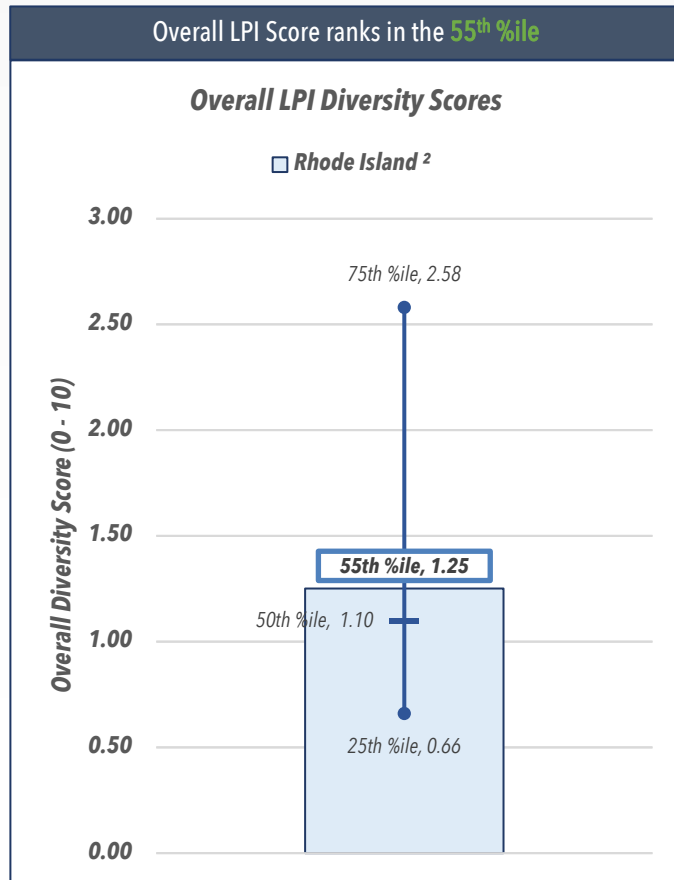
1. For the purposes of this Survey, Lenox Park relies on self-reported demographic information, and makes no attempt to verify any of the self-reported data, other than to ask that duly authorized respondents answer to the best of their abilities.
2. Calculated average is the mean of all manager scores. No weighting of scores is used relative to allocation amount / AUM in these statistics.

LPI DATA ANALYSIS

OFFICE OF THE GENERAL TREASURER STATE OF RHODE ISLAND LPI SCORE OVERVIEW

- The average LPI score of the 84 managers that responded with sufficient data is **1.25¹**, ranking in the 55th percentile of managers in the LPI universe.²

Rhode Island General Treasurer managers have the following rankings relative to the Asset Manager LPI universe²:



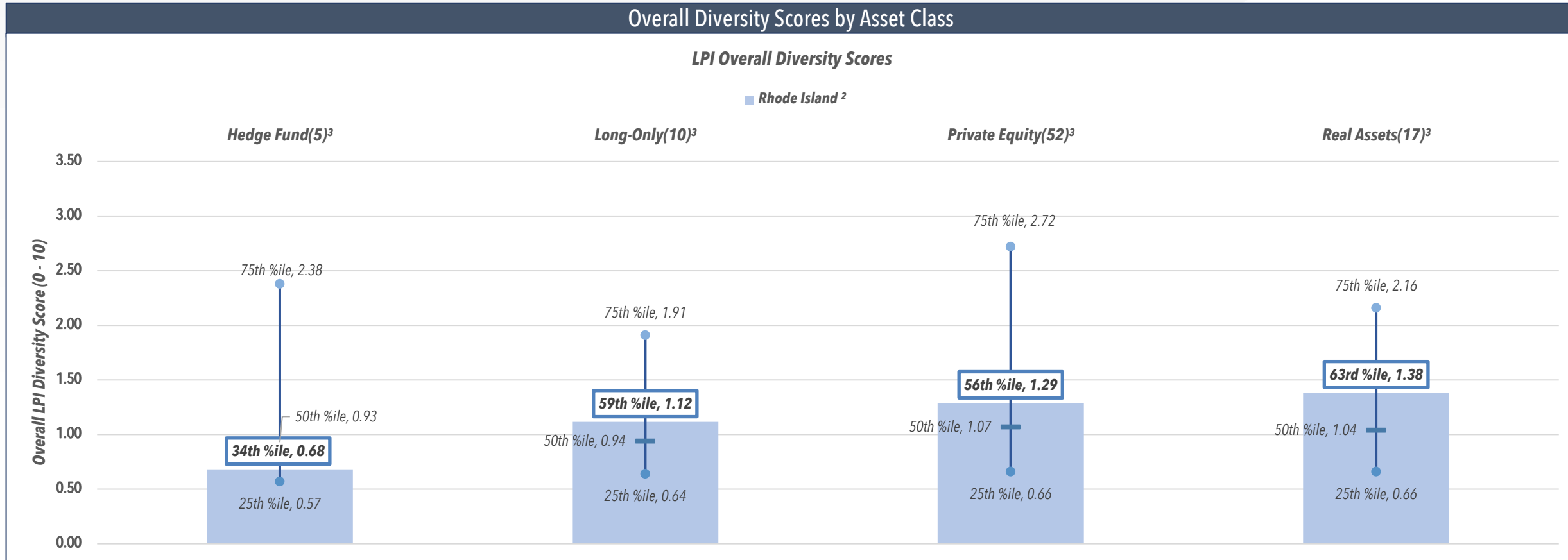
1. Calculated average is the mean of all manager scores. No weighting of scores is used relative to allocation amount / AUM in these statistics.

2. Asset Manager LPI universe is defined as all manager LPI scores including Rhode Island's manager LPI scores; percentile calculations for LPI universe include Rhode Island's manager data for comparison purposes.

LPI DATA ANALYSIS

LPI PORTFOLIO RESULTS BY ASSET CLASS¹

The average LPI score of the 84 managers that responded with sufficient data is 1.25, ranking in the 55th percentile of managers in the LPI universe.



1. Asset Class categories are organized according to the RoundTables asset class categories with the guidance of the State of Rhode Island.

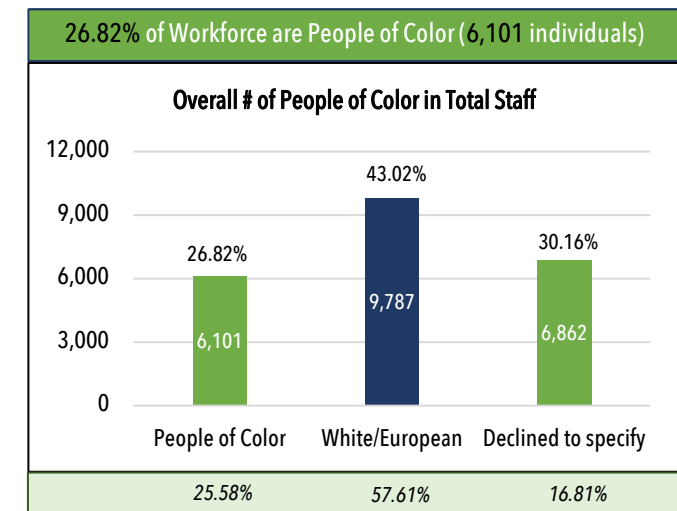
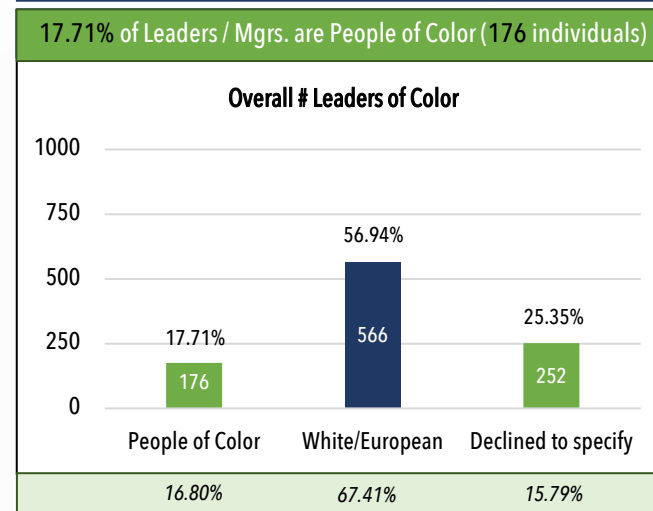
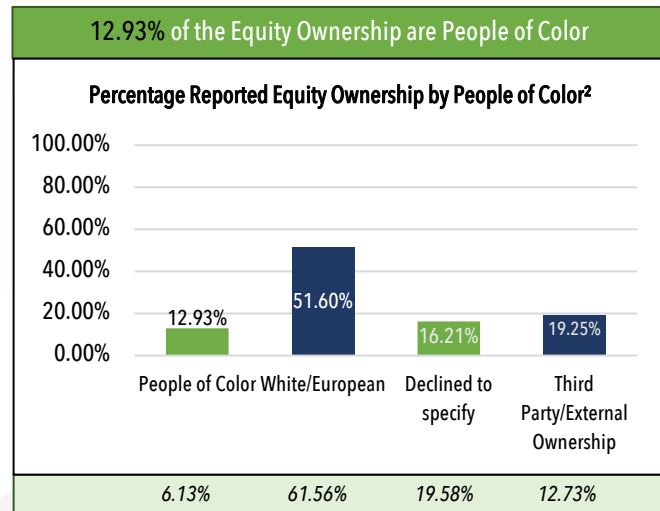
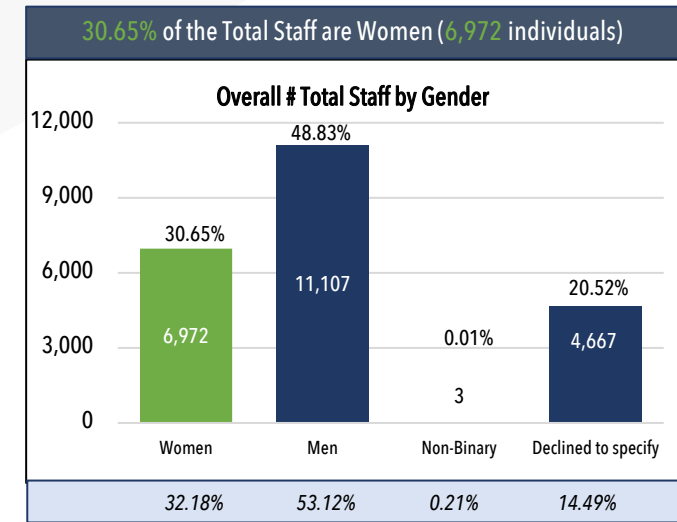
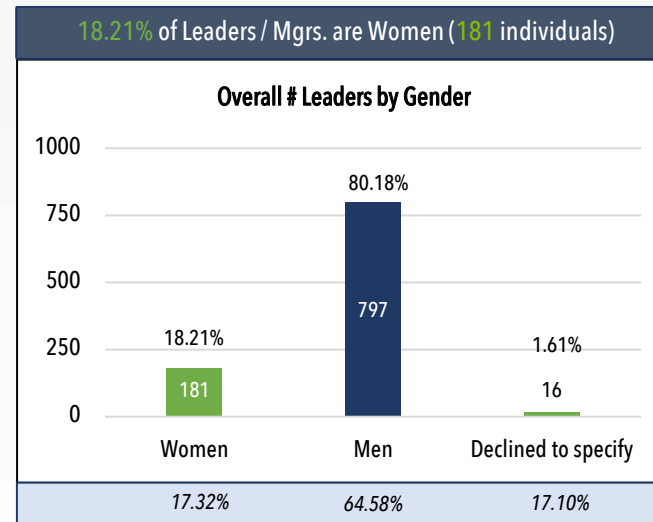
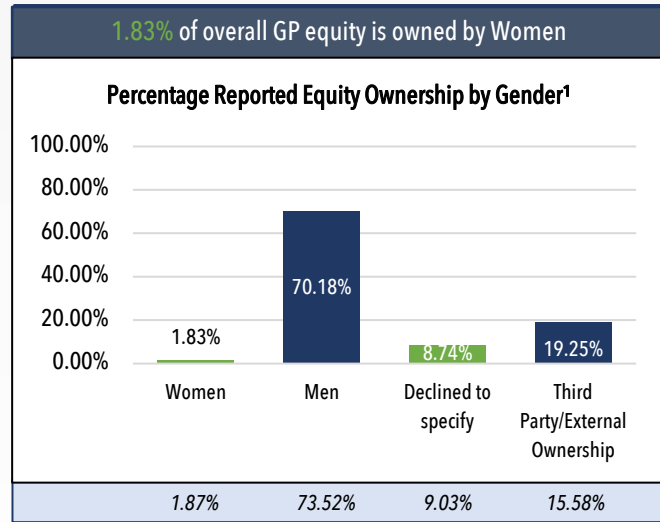
2. Calculated average is the mean of all manager scores. No weighting of scores is used relative to allocation amount / AUM in these statistics.

3. Parenthetical figures denote number of Rhode Island's managers in each Asset Class. Asset Class LPI universes include Rhode Island's manager LPI scores; percentile calculations for LPI universe include Rhode Island's manager data for comparison purposes. Asset Classes may add to more than the total number of client managers due to multiple selection ability in Survey.

DEI DATA AGGREGATION RESULTS

GENDER & ETHNICITY REPRESENTATION

- The 84 managers that responded with sufficient data have a total workforce of **22,749**



1. Represents the normalized, overall average % of equity across all polled organizations owned by Women.
 2. Represents the normalized, overall average % of equity across polled organizations owned by Diverse Ethnicities.



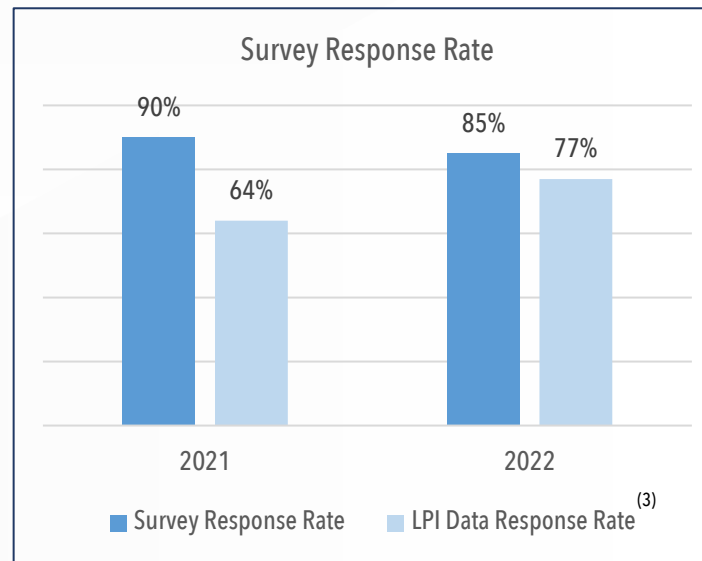
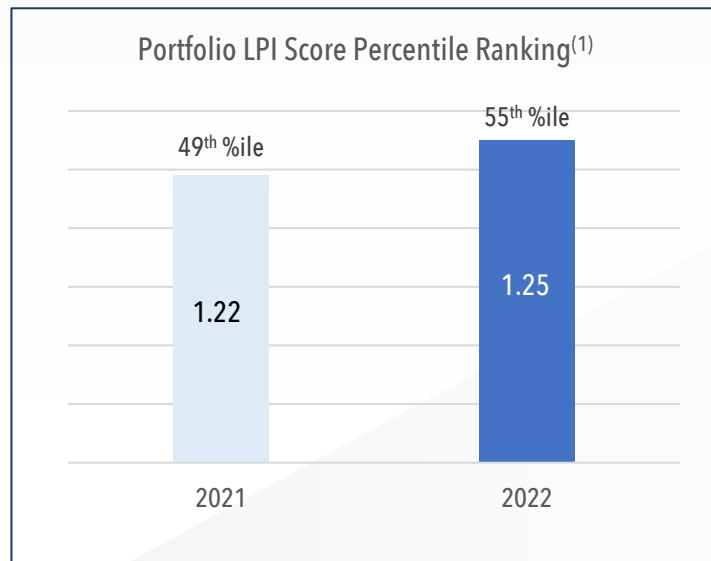
YEAR-OVER-YEAR HIGHLIGHTS

PORTFOLIO SURVEY RESULTS OVERVIEW

The General Treasury Investment Office of the State of Rhode Island completed its second Diversity, Equity, and Inclusion ('DEI') Survey powered by Lenox Park Solution's RoundTables platform in December of 2022. The portfolio improved across many crucial LPI metrics versus the first survey conducted in 2021. The following are highlights of the comparative analysis conducted on 2022 vs. 2021 results.

Comparative Survey Results Highlights

- ✓ Higher portfolio ranking relative to RoundTables⁽¹⁾: **+6 percentile points**, from the 49th %ile to the 55th %ile
- Survey response rate⁽²⁾: Decreased from 90% to 85%; however, there was an increased number of managers invited to participate in the survey from 104 to 109
- ✓ LPI Score Data response rate⁽³⁾: **+13 percentage points**, from 64% with an LPI Score to 77%



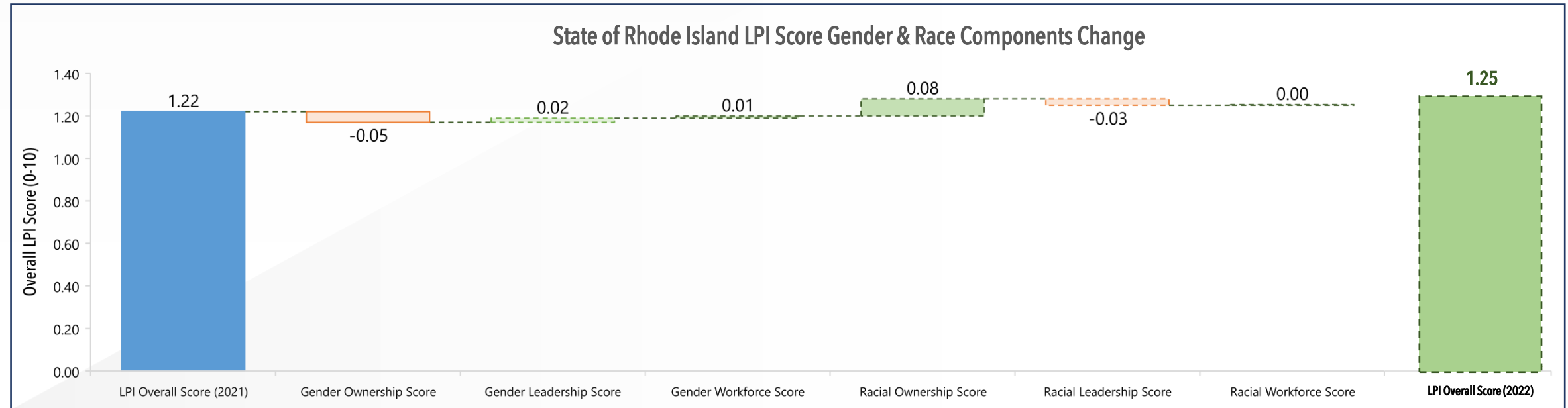
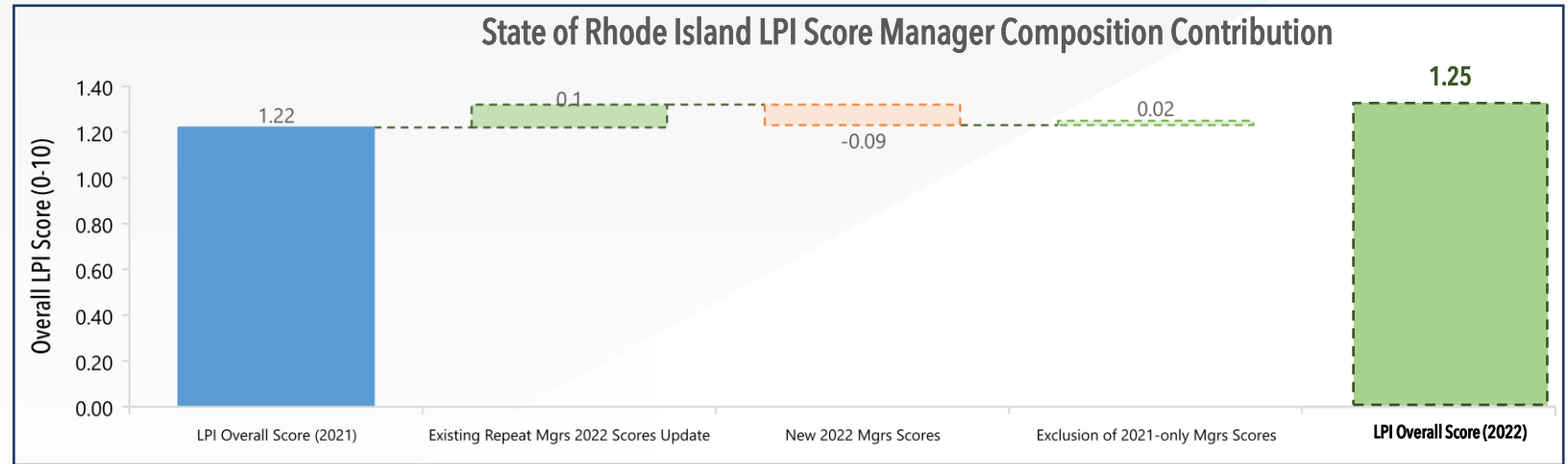
1. The State of Rhode Island Portfolio score is benchmarked against the RoundTables Universe.
2. Percentage of survey respondents out of the total number of managers asked to participate in the 2022 State of Rhode Island Survey.
3. Percentage of survey respondents that provided sufficient data to receive an LPI score out of the total number of asked to participate in the 2022 State of Rhode Island Survey.

YEAR-OVER-YEAR HIGHLIGHTS

PORTFOLIO LPI SCORE IMPROVEMENT ATTRIBUTION ANALYSIS

The 2022 manager portfolio survey results outpaced 2021 results across several metrics. Contributing factors include:

- **58 existing** managers that repeated in 2022 realized an avg. LPI score increase, from **1.26** to **1.37**
- **10** managers from 2021 were **not present** in the 2022 survey; these managers had an avg. LPI Score of **0.97**
- **26** new managers that Rhode Island added to their portfolio realized an avg. LPI score of **1.01**



1. Bar chart shows the State of Rhode Island's LPI Portfolio Avg. score

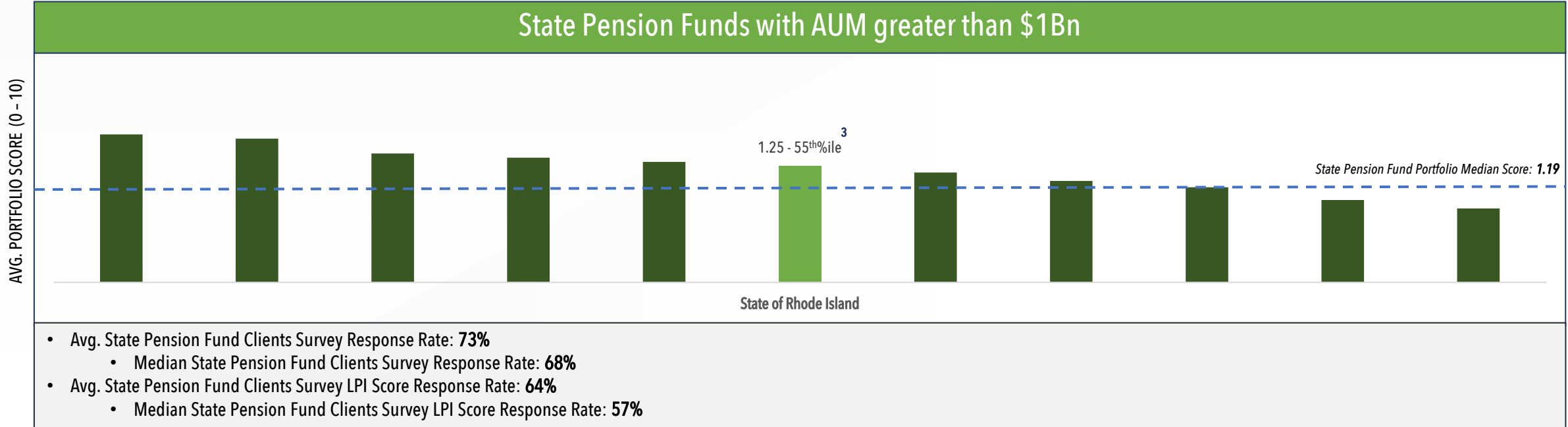
PEER BENCHMARKING ANALYSIS

1,2

LENOX PARK CLIENT PORTFOLIOS BY OVERALL LPI SCORE

There are 11 U.S. State Pension funds, including ERSI, that are currently subscribed to the RoundTables platform.

- ERSI's average Portfolio LPI score of 1.25 (55th percentile vs. the Asset Management Universe), ranks sixth out of the eleven state pension fund portfolios
 - ERSI's survey response rate of 85% is **12 percentage points higher** than average response rate among peer state pension fund portfolios
 - ERSI's survey LPI score response rate is 77% is **20 percentage points higher** than the average LPI score response rate among peer state pension fund portfolios



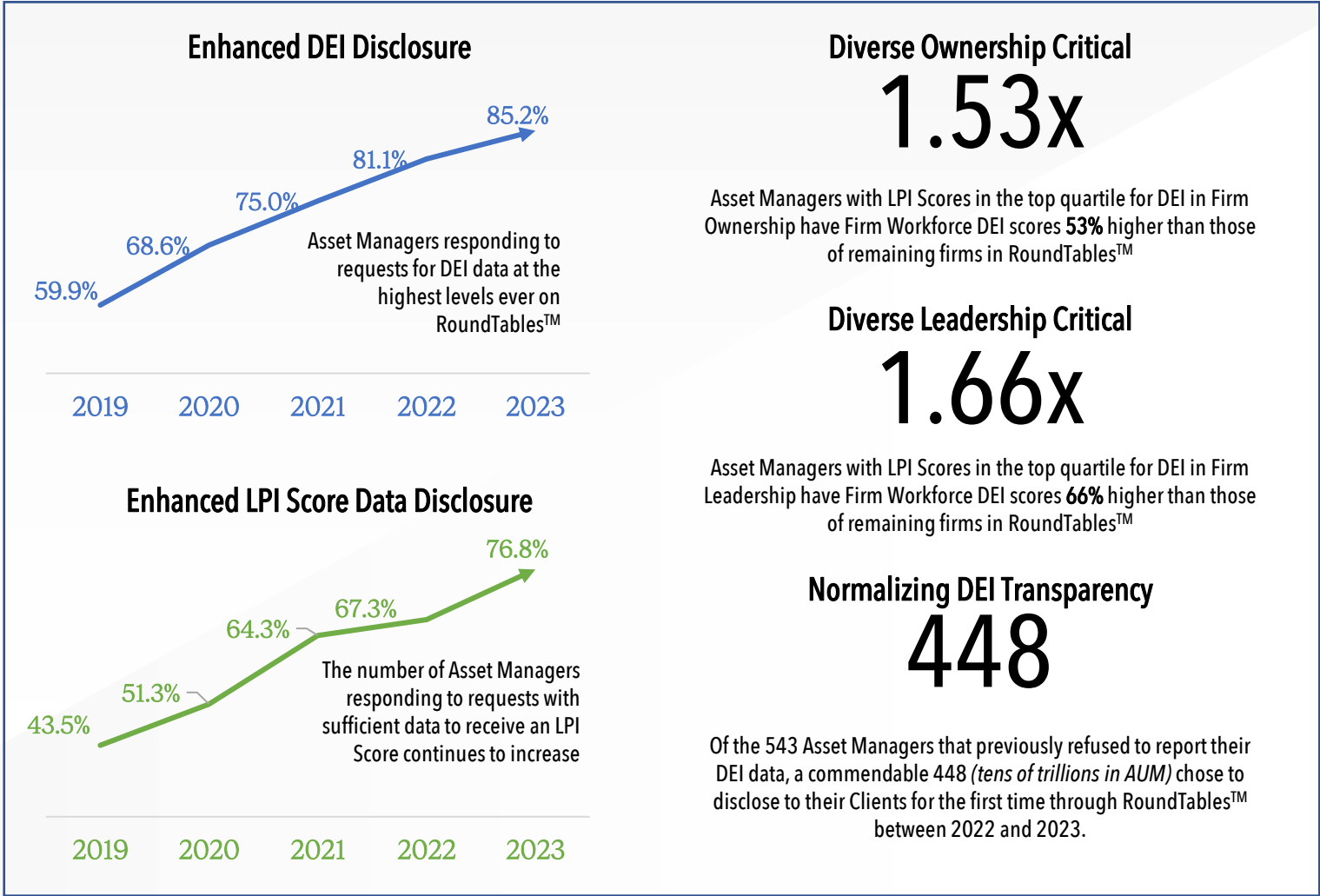
1. Avg. Response Rate: Average percentage of survey participants that provided a response to a DEI Survey.
 2. Avg. LPI Score Response Rate: Average percentage of survey participants that provided sufficient LPI score data in their DEI survey submission.
 3. Avg. LPI Portfolio Score Percentile Ranking: State of Rhode Island average LPI Portfolio score compared to the Asset Management universe on RoundTables™.

INDUSTRY TRENDS



KEY ROUNDTABLES PLATFORM STATISTICS

NOTABLE LPI SCORE RELATED METRICS



THANK YOU



LENOX PARK SOLUTIONS

PLEASE NOTE THAT WHILE THESE RESULTS REPRESENT RESPONSES GATHERED TO THE BEST OF OUR ABILITY. THE RESULTS ARE PROVIDED FOR INFORMATION PURPOSES ONLY, AND LENOX PARK SOLUTIONS DOES NOT GUARANTEE EXTRAPOLATION OF SIMILAR RESULTS FOR LARGER DATA SETS.