



CULTURE & CORPORATE CITIZENSHIP

Statement of Principles

Canyon is dedicated to promoting equality by cultivating and upholding a diverse, inclusive and supportive culture. We recognize that diversity of background, characteristics and perspectives is critical to innovative thinking which, in turn, is essential to generating differentiated returns in a highly competitive marketplace. We achieve this objective by creating a work environment that is free of any form of discrimination, values our differences and encourages our perspectives to be shared, thus maximizing the full potential of our workforce and contributing to the successful performance of our organization.

Canyon's culture is underpinned by five fundamental values: **Integrity, Trust, Respect, Inclusivity, and Excellence**. We believe that:



INTEGRITY

Integrity grounded by ethics and effectiveness, is the governing principle of our organization. We adhere to the highest ethical standards and practices, and hold ourselves accountable to them individually and as an institution. We measure our success through the resilience of our business and the longevity of our internal and external relationships.



TRUST

The best decision-making results from critical thinking and collaboration in an environment of trust. We commit to conducting transparent processes, and soliciting input from stakeholders across the firm. We evaluate our progress through active listening and objective reflection.



RESPECT

Respect is fundamental to a culture where each individual's perspectives and contributions are valued. We interact with civility, support, and openness, and recognize the achievements of our colleagues. We measure our success through the engagement, productivity, and retention of our team members.



INCLUSIVITY

Inclusivity creates a community where individuals can develop and thrive. We commit to cultivating an environment that nurtures intellectual curiosity, invites diverse perspectives, provides access to opportunities, and solicits the active participation of all team members. We evaluate our progress by the level of voluntary participation and the broadening of responsibility and leadership within the firm.



EXCELLENCE

Continuous learning in the pursuit of excellence is both an individual and collective responsibility. To all of our endeavors, we bring focused diligence, innovative problem-solving, and disciplined execution, with a vision for the future. We measure our success through the development of our capabilities and the strategic expansion of our business objectives.

DIVERSITY, EQUITY & INCLUSION POLICY



Firmwide Team Member Participation

Canyon requires each team member to review this Diversity, Equity and Inclusion Policy, and to incorporate the above principles into their everyday actions at the firm. Team members are also asked to acknowledge these principles. Canyon's Handbook includes anti-discrimination, anti-harassment, and anti-retaliation policies that all team members must follow. Canyon's self-evaluation and performance review process includes feedback specific to how team members are working to make Canyon a more inclusive environment and considers any individual efforts team members have taken to contribute positively to the firm.

DEI Governance

Canyon's Diversity, Equity and Inclusion efforts are led by the Director of Diversity, Equity, and Inclusion, who sits within the Human Capital group, and works closely with the COO with input from the DEI Committee, to develop short and long-term goals for our organization that include talent pipeline development, firmwide educational opportunities, team member engagement, community building and the tracking and measurement of our progress.

Canyon's DEI Committee is led by the Director of Diversity, Equity, and Inclusion, and is comprised of approximately fifteen team representatives from different departments and offices across the organization at all levels of seniority and tenure. Committee members serve a two-year term and meet on a regular cadence to discuss DEI related topics and initiatives, and to plan and execute events around our calendar of cultural observances.

Additionally, Canyon is a signatory to the Institutional Limited Partners Association (ILPA) Diversity in Action Initiative and the CFA Society DEI Code, having met the required criteria for each respectively.

Diversity & Equality in Hiring Practices

Canyon is committed to anti-discriminatory policies and prohibits unlawful discrimination, including on the basis of race, gender, ethnicity, sexual orientation, religion, disability, or age, as further detailed in Canyon's Handbook. Canyon also affirmatively seeks to develop and provide opportunities for all groups of people across various roles and levels of seniority, including through the identification and elimination of implicit bias and various efforts (including those described below) designed to increase the representation of individuals who have historically been underrepresented at the firm.

The firm sponsors nonprofit organizations and participates in conferences and other events dedicated to attracting and developing candidates from underrepresented backgrounds, and expanding the talent pipeline in finance. As part of our formal hiring process, Canyon requires recruiters to present comprehensive candidate slates for every job search that reflect the full range of available talent, and then works with these recruiters and the hiring managers throughout the

evaluation process to ensure that all applicants are given equal consideration. Canyon also works with non-traditional recruiting partners such as nonprofit organizations dedicated to developing diverse talent and creating access to professional opportunities. Additionally, the firm has implemented a candidate referral incentive program to tap into the personal networks of our team members to broaden our candidate pools.

Canyon has formalized our summer internship program with a structured recruitment and application process, including outreach to underrepresented candidates (for example, through dedicated nonprofit organizations and HBCUs). The goal is to ensure that the opportunity is accessible to students from all backgrounds and schools and that the candidate pool reflects the diversity of the available talent. This program is designed to contribute to the expansion and growth of the talent pipeline in finance and allows Canyon to establish relationships with prospective talent for the firm's future recruitment efforts.



Benefits & Pay Equity

Canyon considers and conducts reviews of our benefits programs and equal pay policies with an effort to attract and support all team members. In 2021 Canyon established a Compensation Committee and a Benefits Committee comprised of key individuals at the firm to review and weigh in on our compensation and benefits policies and practices.

In 2021, Canyon engaged a law firm and a third-party consultant to conduct a pay equity analysis for our US population (excluding partners and front office personnel). This entailed the analysis of 14 different data points for each team member to determine if there was any disparity in our pay practices between, gender, race, and age. If any disparities were to be identified, a second layer of data points would be sought to identify the problem areas. Canyon has used this study as a reference to ensure that there are no disparities in pay due to gender, race, and age within the organization and will repeat this exercise periodically to ensure our information is up to date.

Education & Raising Awareness

Canyon believes that education is critical to ensuring an inclusive and equitable work environment. The firm has engaged an independent consultant to design and facilitate a bespoke firm-wide "Culture and Inclusion Awareness" workshop. The purpose is to educate team members on the fundamental elements of creating an inclusive culture, recognizing unconscious bias and implementing strategies to counter it, and to facilitate positive, open discourse among our team members. All team members are required to go through this interactive training.

"Canyon Connects" is a firmwide speaker series that serves as an educational platform that engages our team members as educators, informing our workforce about our investment strategies and asset classes, fund and organizational structures and the role each department plays in executing our objectives. It also serves to highlight cultural observances and raise awareness of topical issues affecting our society by hosting external guest speakers to share their perspectives. The segments are broadcast live, recorded, and posted on the intranet where team members can access and watch them at their leisure.

Canyon has established an internal "Calendar of Cultural Observances" to commemorate some of the cultural holidays that reflect the rich diversity of our workforce such as Black History Month, International Women's Day, Pride Month, Military Appreciation Month, International Day for Persons with Disabilities, among many others. For each of these occasions, we plan educational, social, and volunteer initiatives across our offices to raise the awareness and engagement of our team members.



Professional Development & Team Building

Canyon reimburses team members who wish to seek outside resources to develop skills relevant to their roles, and to help them advance their careers at the firm. Each department is also provided with an annual budget to support team-building events outside of the office in order to give team members an opportunity to get to know each other and to engage apart from their daily professional roles.

Canyon has launched an internal mentorship program known as "Canyon Office Hours" in which senior leaders and other key individuals serve as mentors, dedicating blocks of time to meet with colleagues who self-select into the program to discuss professional development and work-related matters. This opportunity is open to all team members and also serves as a platform to organically cultivate collegian relationships and personal connections across departments.

Additionally, Canyon has partnered with an independent consultant to deliver a formal leadership and career fitness program specifically for women at the firm to promote professional growth and advancement, and to improve retention.

Affinity Groups

Canyon has formally launched our first affinity group to create community and a safe forum of engagement for our women colleagues known as "CREW" (Connect, Respect, Empower Women). It is led by a steering committee of volunteers who plan and sponsor social and educational events and initiatives, some of which are open to all members of the firm, including men.



Corporate Social Responsibility (CSR)

Since its inception, Canyon has encouraged charitable giving, volunteerism, and community engagement as core elements of the firm's Corporate Social Responsibility strategy. "Canyon Gives Back" is a program that allows Canyon team members an opportunity to serve our local communities in a number of ways. Each team member is given two paid volunteer days off annually to devote to their personal charitable activities. For certain causes or in times of crisis the firm organizes donation

matching campaigns to provide aid and support to affected communities and to amplify team member contributions. Also, the firm partners with local charitable organizations to organize group volunteer days for Canyon team members. Such nonprofits have included the Posse Foundation, Junior Achievement, Habitat for Humanity, Heal the Bay, among many others. "Canyon Gives Back" events are open to all team members, and participation is encouraged at all levels of seniority across the firm.

Additionally, Canyon has established strategic partnerships with nonprofit organizations dedicated to specific areas where we seek to further our impact. These include education and research, sustainability and the environment, providing access to undeserved communities, and diversity, equity, and inclusion in finance. The initiatives range from promoting financial and investment literacy and diverse talent pipeline development to providing access to clean water and sanitation to struggling communities. Canyon's Corporate Social Responsibility and Diversity, Equity, and Inclusion efforts are designed to be mutually reinforcing of each other with the overall objective of serving the needs of our clients, our organization, and our broader communities.

Internal Communication



Canyon seeks to ensure that team members are kept informed of the firm's work in DEI and CSR and are aware of opportunities to become involved. To this end, the intranet was revamped to include a "Culture" page that is specifically dedicated to providing transparency into the firm's initiatives with regular updates on related programming and events. The DEI Committee also sends out regular email announcements and publishes a monthly newsletter called the "Canyon Community Digest" to share recent news and individual and firm achievements, and to highlight

upcoming events on the calendar in an effort to cultivate team member interest and engagement. Additionally, firmwide "All Team Update" calls are held frequently with participation from a broad range of team members to provide status reports on various initiatives and developments.

Key Performance Indicators & Reporting



Canyon is committed to increasing the diversity of our workforce. Canyon team members are encouraged to fill out a voluntary self-identification survey so that we can maintain accurate data on the demographic composition of our organization for our internal and external records and reporting.

Tracking qualitative and quantitative data metrics around DEI enables us to establish a baseline, to measure our progress, to identify areas for growth, and to inform our future initiatives and efforts. The main key performance indicators we examine are the overall diversity of the organization, our promotions, our hires and our attrition statistics. This data is collected at the organizational and department level. We also solicit anecdotal feedback from our team members through the annual performance self-evaluation questionnaire which includes questions related to their participation in Canyon's DEI efforts. This information is aggregated, shared, and discussed with senior leadership, managers, members of the DEI Committee, and other stakeholders on an annual basis.

Canyon also participates in DEI surveys and open forums sponsored by industry stakeholders with the purpose of exchanging information and furthering our collective efforts to promote diversity, equity, and inclusion in the finance sector.

As outlined above, these efforts and initiatives are designed to create an inclusive culture where all members of the team experience a sense of belonging, are supported and equipped with the professional development tools to thrive and succeed, are invited to participate in the firm's activities, and are valued for their individual contributions to the overall success of Canyon. We believe this is critical to performance. Furthermore, we seek to promote Diversity, Equity and Inclusion in our industry and to support our communities through engagement with stakeholders who share our values.

