
Dear Fellow Shareholders:

When we wrote this letter at this time last year, we could not have predicted the magnitude of the global pandemic and the changes and challenges that followed. The disruption to the way we live and work was immediate and far-reaching. The economic environment, and therefore our clients' needs, shifted rapidly. And our business model, which thrives on creativity and collaboration, both of which are fostered by in-person interactions, was challenged as we suddenly were working from nearly 1,800 "offices" around the globe. Video interactions replaced in-person meetings with our colleagues and clients, and the threat to the health and wellness of our people—the foundation of our firm—increased in ways never seen before. Ensuring the health and wellbeing of our people became a constant priority for us as leaders of the firm.

In the first half of 2020, market expectations were low as economic indicators were weak and there were many unknowns about the science and trajectory of the virus. As the year progressed, however, the prospects for a recovery emerged, fueled by unprecedented monetary and fiscal stimulus and scientific advances. In short, 2020 was a year of consequential and rapid change—and was without doubt, the most volatile and challenging year in our 25-year history.

We are incredibly proud of our team for rising to meet the many challenges of this year. Our firmwide investments over the past decade, including broadening our capabilities and client footprint, as well as upgrading our technology platform, positioned us well for the sudden shift in environment. Our team's entrepreneurial spirit allowed us to pivot quickly to meet client needs at the outset of the downturn—from liquidity and debt management, to restructuring and capital raising advice. We focused on the most significant issues facing our business and the businesses of our clients—many of which had not been experienced before. As the prospect of an economic recovery emerged, our team pivoted back seamlessly to help clients on M&A and other strategic priorities.

We found new ways to stay connected and support each other despite being apart physically. We recognized that there were millions worldwide without the support we were so fortunate to have, and we reached out in our communities to help. The renewed focus on racial injustice over the summer made it clear that as a firm, we needed to elevate even further our commitment to Diversity, Equity and Inclusion (DE&I). Additionally, sustainability became an increasingly important priority for our firm, our clients and the communities in which we live and work. We are focusing on real action to do more and be better in these areas.

As we reflect on the past year, we are reminded of the importance of our Core Values that have guided us since our founding 25 years ago. They make up the foundation of our firm and our successes to date. And they will sustain us as we continue to pursue our aspiration to be the most respected independent investment banking advisory and securities firm globally, competing with much larger firms in our business.

In this letter, we highlight some of our accomplishments in 2020—a year that proved the resilience of our people and the potential of our business. We demonstrated to our clients, and to ourselves, that we can add value in addressing strategic and operational challenges across the capital structure and in any environment—in other words, a truly "all weather" firm. And while the path forward will certainly not be linear, the versatility and exceptional talent of our team gives us confidence in the prospects for our firm as we continue our journey through the next 25 years.

THE YEAR IN REVIEW

2020 was a success by many measures. We delivered record financial results and improved our competitive positioning among our larger peers. We remained at the top of the M&A league tables for independent firms by a wide margin and we closed the Advisory market share gap with our largest competitors. In Equity Capital Markets (ECM), we had a breakout year. Our equity research team continued to provide differentiated insights and retained our top ranking among independent firms by *Institutional Investor*. Our research coverage of the virus, vaccines and therapeutics was additive and proved valuable, as evidenced by our clients' high demand. Our wealth management team continued their steady growth and assets under management exceeded \$10 billion at year-end. And our corporate groups kept the firm running and maintained "business as usual" in a virtual world.

By necessity, we slowed our initiatives in selected areas, most notably recruiting at the most experienced level. We simply could not maintain our standard rigorous recruiting pace in the face of travel restrictions and reduced in-person interactions. Instead, our focus was centered on the health and safety of our people, pivoting our services to clients' needs and adapting

our technology to support a mostly remote workforce. However, as restrictions lift, we are re-engaging on our recruiting efforts and we are confident that we are positioned to hire exceptional talent, which should in turn drive future growth.

In short, we could not have asked for a stronger effort and better results from our team. As in the past, our performance is best viewed from the perspectives of our most important stakeholders: our Clients, our People and Communities and our Shareholders. Following are some highlights of the year.

DELIVERING FOR OUR CLIENTS

INVESTMENT BANKING

Our team remained steadfast in our commitment to our Core Value of Client Focus in 2020. Despite operating in a virtual world, our team found creative ways to collaborate and problem-solve for clients as needs changed rapidly and opportunities arose. At the outset of the global pandemic, many of our clients' strategic initiatives, particularly their M&A plans, were paused. Instead, companies focused on cost control, capital spending reductions, liquidity, debt covenants and the resilience of their balance sheets.

In this environment, our Restructuring and Debt Advisory teams found new opportunities and won large assignments, ranking #2 in the league tables for the number of announced U.S. transactions in 2020. The team's work went well beyond in-court settlements and they provided advice that kept clients out of court, as well as advice on liability and balance sheet management. In many cases, we helped clients raise additional debt capital at historically favorable terms. Our ECM business capitalized on the very strong equity issuance market that evolved as prospects for a recovery became evident. This business experienced a true step-up in 2020, in large part due to our continuing focus and investment in this important growth area. Our ECM activity was broad-based and included IPOs, follow-ons, convertibles and SPACs. Notably, we played a more significant role on average in the more than 100 equity and equity-linked transactions that we completed. In our sponsor-focused Capital Advisory business, our teams closed more funds virtually than any other firm in the industry and advised on more than \$30 billion of transactions. Strong demand for our market-leading activism advisory advice continued. Our Defense and Shareholder Advisory team advised on the defense of the largest U.S. hostile takeover attempt and successfully advised on the defense of the two largest U.S. proxy fights.

On the M&A side, as activity re-emerged, our teams were involved in many of the most prominent deals of the year. We sustained our #1 league table ranking among independent firms for dollar volume of announced M&A transactions, both globally and in the U.S. We finished the year advising on four of the 10 largest U.S. M&A transactions of 2020. Our market share of reported Advisory fees increased to 8.7% and we continued to narrow the gap between us and the three largest global investment banks as measured by advisory revenues.

Our hard work, collaboration and creativity led to outside recognition as well. *The Deal* recognized us in multiple categories including "Deal of the Year," "Energy & Industrials Deal of the Year," "Most Innovative Deal of the Year," "Healthcare, Pharma & Biotech Deal of the Year" and "TMT Investment Bank of the Year."

In addition, institutional investors sought out the research insights from our premier equities franchise, Evercore ISI. Our team of top *Institutional Investor*-ranked macroeconomic and fundamental analysts provided valuable insights across sectors, and there was heightened demand for our research on macroeconomic issues and the science of COVID-19 and vaccines. In addition to maintaining our excellent research product and finding creative ways to communicate with our clients, we continued to expand our coverage sectors. This includes research on the carbon/clean energy transition, COVID-19 vaccines, and most recently, the internet. *Institutional Investor* once again recognized us as the top-ranked independent firm in U.S. Equity Research—a testament to our team's ability to stay focused and come together while not in-person. In all, Evercore ISI claimed a firm-record 39 individual positions and 36 team positions, and Ed Hyman was awarded the #1 position in Economics, a recognition he has earned 40 times.

INVESTMENT MANAGEMENT

Evercore Wealth Management, our investment management business, continued to grow in 2020 and surpassed \$10 billion in assets under management for the first time. This is even more impressive given how much this business has historically relied on in-person interactions and relationships with clients, which were nonexistent for the majority of 2020. Nonetheless, our team also found creative ways to communicate with clients and we provided important investment advice as clients navigated the unique challenges of planning for the future in an uncertain year. Performance was strong, too, and the Core Equity Fund outperformed the S&P 500 Index by 600 basis points. And *Barron's* again recognized us among the top RIAs in the U.S.

DELIVERING FOR OUR PEOPLE AND COMMUNITIES

As we mentioned at the start of the letter, our people, the core of our business and the foundation of our success over the past 25 years, carried our firm through this unprecedented year. We are proud of the focus, effort and resilience our people demonstrated during this challenging year. They were responsible for how well we served our clients, sustained our firm, helped each other and led our initiatives to give back in our communities.

This year, it was more important than ever to uphold our commitment to support and develop our team through both the professional and personal challenges presented by the environment. This included talent development and wellness initiatives as well as volunteer opportunities to help our communities in need. Our robust talent development program continued in a virtual world, including building out our suite of learning programs and further strengthening our culture of apprenticeship and mentorship. Our “EverWELL” program, which provides programming around both physical and mental health and wellness, was especially important and helpful. Through this program, we frequently communicated to our employees the resources that were available and hosted several “Wellness Weeks,” which offered resources around physical and mental wellbeing.

The egregious social injustice we witnessed in 2020 caused understandable stress and anxiety for many of our colleagues. Our Global Diversity Council and its four networks remained active in programming, including hosting over 25 virtual events and supporting our employees throughout the year. The social injustice in 2020 also motivated us to re-examine our commitment to DE&I as a firm—an initiative we launched more than five years ago. That effort has delivered results, particularly for women. Since 2015, the number of women among our recruited U.S. Advisory full-time associates increased to 34% from 24%. And in our 2021 incoming analyst recruiting class, 31% are women, an increase from 13% in 2015. There is tangible improvement here, but we know we have more work to do when it comes to DE&I. As we embark on this next year and the next 25 years, we are redoubling our efforts here with the objective of integrating DE&I into everything that we do.

A few examples of the action steps we took as part of our recommitment include: we updated our Core Values to include “Diversity, Equity and Inclusion” as a standalone Core Value; we completed a diagnostic assessment of our DE&I position with the assistance of an external diversity consultant and redefined our DE&I initiatives; and in early 2021, we signed the *CEO Action for Diversity & Inclusion* pledge, joining a group of leaders from more than 1,600 organizations in a united commitment to advance DE&I in our workplaces and communities. We look forward to participating with this group and becoming strong practitioners of DE&I at our firm.

The pandemic, and the challenges it created, provided a sharp reminder of both our good fortune and the challenges faced by others in our communities. It was no surprise that our employees rallied in support of giving back through our “Evercore Volunteers” program. Our teams around the world participated in long-standing fundraising events, supported our partner organizations through virtual events and gave at record levels. And we supported new initiatives to combat social injustice. Of particular note, in July, our TURM (Traditionally Underrepresented Minorities) Network organized our largest firmwide charitable giving initiative to give to organizations that fight for diversity, inclusion, equality and social justice. Our employees contributed approximately \$350,000, and that combined with a commitment of \$500,000 from the firm, provided \$850,000 of support to these organizations. We are proud that our people continued to show their commitment to helping our communities. And as the economic recovery progresses this year, we collectively look to raise the bar in how we can give back with the most impact.

Lastly, while the pandemic may have slowed our recruiting efforts of experienced hires, we did not allow it to impair the development and advancement of our talented team. It is important for the growth of our firm that we continue to develop our talent, both internally and externally. We conducted our annual analyst and associate recruiting cycle, including our summer internship program, virtually. Despite the new setting, we were able to provide rising collegiate and graduate students with valuable exposure to our firm and profession. We recruited new team members across the entire firm, including three SMDs, 11 MDs and 160 analysts and associates. Our 2021 talent goals are off to a good start with three SMD talent additions so far, the promotion of three SMDs and 170 promotions across levels and business groups globally.

DELIVERING FOR OUR SHAREHOLDERS

Our shareholders benefited from the steadfast focus on clients, dedication to our firm and the character in overcoming the unforeseen challenges of the year that our people demonstrated. In 2020, Adjusted Net Revenues of \$2.33 billion grew 14% year-over-year, Adjusted Operating Income of \$639.3 million grew 28% year-over-year and Adjusted Earnings Per Share of \$9.62 grew 25% year-over-year. In addition, we expanded our Adjusted Operating Margin by nearly 300 basis points year-over-year to 27.5%.

We continued to return capital to our shareholders. We increased our quarterly dividend by 5% to \$0.61 per share, though we delayed our annual increase to our quarterly dividend from April to October as we evaluated the financial effects of the pandemic and got more clarity on our financial position for the year. In total, we returned \$265.4 million of capital to our shareholders and reduced our share count for the fifth consecutive year.

We finished the year with a strong balance sheet, which reflects the strength and momentum of the recovery in the latter part of the year. Our financial position is strong as we hold 100% of the liquid assets required to satisfy liquidity and regulatory capital requirements and to fund our obligations relating to deferred compensation awards. Ultimately, the actions taken in 2020 to strengthen our balance sheet put us in a position to consistently return free cash earnings not needed for investments in future growth or to fund future compensation obligations, continuous with past practice.

LOOKING FORWARD

Our performance in 2020 affirms the confidence we have in our future. We believe we are able to deliver more intensive support and advice to our clients and execute across an increasing variety of assignments. Clients, more than ever before, are embracing the broad advisory capabilities that we deliver with the independence, objectivity and excellence that have been our hallmark for the past 25 years. Our team remains committed to our Core Values and has the skills and experience to continue to deliver strong results. And we continue to find what we refer to as "A+ talent" who want to join our firm. As we look ahead to this year, we remain committed to delivering for our Clients, our People and Communities and our Shareholders in the following ways:

INTENSE CLIENT FOCUS AND COVERAGE

We will continue to provide outstanding advice and execution in all significant industry sectors, globally. Through various client-centric initiatives, we will continue to sharpen our focus and coverage of the significant client groups that rely heavily on our independent advice and are the most consistent users of our services. Here, further investments in talent and technology will enhance our success.

BROADENING CAPABILITIES TO SERVE CLIENTS

We will invest in further deepening and broadening our capabilities. Our ECM investments, which include SPACs and convertibles, were important contributors in 2020. They demonstrate the potential returns that we can achieve when we make careful long-term investments. We believe strongly that client relationships initiated here, and through investments broadly, will last over time when we serve clients with excellence and integrity.

RECRUITING TALENT

We will continue to seek out "A+ talent" to broaden and deepen how we serve our clients. Our hiring goals for 2021 are off to a good start. We welcomed Kristen Grippi in January as our new Head of ECM, Mark Mahaney in March as the Head of Internet Research and Juan Pedro Pérez Cózar in April as the Head of Evercore Iberia. We look forward to providing additional talent announcements throughout the year. And, of course, we will continue to focus on our DE&I commitments as we recruit for positions across the firm.

CULTURE, COMMUNITY AND COLLABORATION

We are planning on a safe transition back to working together in our offices and at our clients' locations. Our primary focus remains the health, wellness and safety of our team and their families. We know that the strong culture and sense of community at our firm occurs most naturally in our offices, together, and when we are able to see clients in-person. The coaching, mentoring and apprenticeship model that is vital to the development of our future leaders is at its best when we are physically together. Only then do we truly benefit from the spontaneity of idea generation and on-the-job coaching that is more difficult to realize virtually. While we know it will be a slow process with many variables still unknown, we are very much looking forward to bringing our team back together in-person later in the year.

SUSTAINABILITY AND ESG

Building a sustainable future is a key priority. It is important to our people, to the people we hire, to the clients that we serve and to the communities in which we live and work. And it is growing in importance to our shareholders. Sustainability needs to be more completely integrated into how we do our business and how we advise clients. This spring, we are pleased to be publishing our inaugural Sustainability Report in which we outline the programs and policies that make up our road map for building a sustainable future. As the report makes clear, we have made progress here and are committed to advancing this priority area as we grow. You will be able to find the report on our website.

OPERATING WITH FINANCIAL DISCIPLINE

If we can deliver in the above ways for our Clients and our People and Communities and we continue to operate with financial discipline, it will in turn lead to better outcomes for our Shareholders. We truly believe that our business operates better when we are all together, but there are many takeaways from our past year of working predominantly remotely, particularly around the way we travel. We will continue to seek ways to best optimize our non-compensation expenses, including using our experience from the past year with regard to the necessity and frequency of travel.

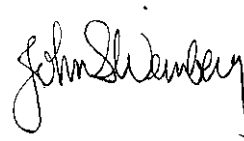
In closing, we thank our talented team for their ongoing dedication to our clients, their teamwork with each other and for embodying our Core Values. We thank our clients for their continued confidence in our services. We thank our Board of Directors for their leadership and support and, we thank you, our fellow shareholders, for placing your ongoing trust in us. We look forward to updating you on our progress during the year ahead.



Roger C. Altman
*Senior Chairman
and Founder*



Ralph Schlosstein
*Co-Chairman of the
Board of Directors and
Co-Chief Executive Officer*



John Weinberg
*Co-Chairman of the
Board of Directors and
Co-Chief Executive Officer*

Client Focus

Integrity

Excellence

Respect

Diversity, Equity and Inclusion

Investment in People

Partnership