

2021

# Sustainability Report

EVERCORE



# EVERCORE

## **A premier global independent investment banking advisory and securities firm**

dedicated to helping our multinational corporate, financial sponsor, institutional investor and wealthy individual clients achieve superior results through independent, trusted and innovative advice

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### **Client Focus**

Invest in long-term relationships with our clients through independent, trusted and innovative advice to help them achieve superior results

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### **Integrity**

Strictly adhere to the principle of doing the right thing at all times and in all circumstances

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### **Excellence**

Relentlessly strive to achieve the highest standards of quality

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### **Respect**

Treat all people with the utmost dignity, respect and appreciation

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### **Diversity, Equity and Inclusion**

Develop and sustain a strong culture of inclusion which embraces diversity and creates opportunity for all employees

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### **Investment in People**

Attract the most talented people and inspire them to reach their highest potential through a deep commitment to career development

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### **Partnership**

Promote a culture which encourages honest debate, yet demands collaboration and uncompromising teamwork

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and Co-CEOs

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SASB Framework

# Letter From Our Co-Chairmen and Co-Chief Executive Officers



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

We are pleased to share with you Evercore’s inaugural Sustainability Report. We invite you to learn more about the Environmental, Social and Governance (ESG) principles behind who we are as a firm and as a business. In this report, we outline our roadmap for building a sustainable future. This includes a dedicated investment in our people, a diverse workforce, a robust governance and compliance framework and an awareness of our impact on the environment. Each of these elements will ensure our long-term success and prosperity.

Roger Altman founded Evercore in 1995 based on the need and demand for a values-driven firm, grounded in high morals and guided by a set of Core Values. We have remained steadfast in our commitment to these principles for more than 25 years, and we will continue to be through our next phase of growth.

The past year was not without its challenges. A global pandemic, ongoing egregious social injustices and widening racial and economic disparities reminded us of the fragility of our society. It also showed us the power of our collective contributions when we listen to each other and focus on the common good.



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

Our consistent focus on ESG matters has made us more resilient, more agile and more capable of responding to challenges during difficult periods like this one. As we respond to these challenges, we are reminded of what we have long-known to be true – being a good corporate citizen is not only the right thing to do, but it is also good for business. It is clear that being a successful business today means more than just being profitable. Success requires responsible action and meaningful contributions to our communities, the environment and the world around us.

As we look toward our next phase of growth, building an inclusive and equitable culture for all and a resilient future for Evercore continues to be a top priority. Tactically, this means integrating ESG considerations into what we do each day. This is part of our responsibility to our Clients, our People, our Communities and our Shareholders and is essential to our role as a good corporate citizen. We are proud to lead Evercore and proud of what we have all accomplished together thus far, but we know this is just the beginning. Looking ahead, we pledge to be responsive to all of our stakeholders, seek out opportunities to leave a positive impact on our communities and our planet and push forward to demand and drive meaningful progress.

A handwritten signature in black ink, appearing to read 'R. Schlosstein'.

Ralph Schlosstein

A handwritten signature in black ink, appearing to read 'John Weinberg'.

John Weinberg

# Introduction

## Prioritizing sustainability is essential to keeping Evercore strong, resilient and able to effectively meet future challenges and opportunities.

At Evercore, we believe addressing ESG matters is fundamental to running a successful business. Our integrated approach to sustainability is important to our culture and work environment – and a key tenet of our approach to our work with clients. We also believe that a dedicated investment in our people, a diverse and inclusive culture, a robust corporate governance framework, strong risk

management oversight and minimizing the impact of our business on the environment are all critical to operating our business responsibly. These core considerations drive our business decisions, which in turn position our firm for long-term sustainability and enable us to deliver value consistently to **our Clients, our People, our Communities and our Shareholders.**

### ABOUT THIS REPORT

We are pleased to introduce our inaugural Sustainability Report. We strive for clarity and transparency in all of our communications and look forward to sharing additional future updates with our stakeholders. Disclosures in this report are informed by the Sustainability Accounting Standards Board (SASB) for the Investment Banking & Brokerage industry, covering business ethics, risk management, employee diversity, equity and inclusion (DE&I) and integration of sustainability factors into our business. We look forward to obtaining feedback from our stakeholders and building on the various initiatives outlined in this report as we continue to develop our practices and disclosures in the future.

# Evercore at a Glance

Evercore was founded in 1995 on the premise that clients would be best served by an investment banking advisory firm free of conflicts and with a strong commitment to **excellence, integrity** and **confidentiality**. We are dedicated to helping our clients achieve superior results through trusted independent and innovative advice on matters of strategic significance to boards of directors, management teams and shareholders, including mergers and acquisitions, strategic shareholder advisory, restructurings and capital structure. We also assist clients in raising public and private capital and deliver equity research and equity sales and agency trading execution, in addition to providing wealth management services to high net worth individuals and institutional investors. As of March 31, 2021, our firm had more than 1,800 employees in 11 countries and is headquartered in New York City with offices and affiliate offices in major financial centers in the Americas, Europe, the Middle East and Asia.

Our firm has grown to be the #1 firm in advisory revenues among independent firms and #4 among all firms, in both instances for the past three straight calendar years. Our success is the result of our strong client relationships, the quality of our people, the breadth of our capabilities and services, our thought leadership and our transaction execution skills.

## CORE VALUES

Client Focus	Diversity, Equality and Inclusion
Integrity	Investment in People
Excellence	Partnership
Respect	

“ If you found a business and want it to stand for something beyond making money, you need principles larger than that. We believed from the beginning in quality and integrity, high behavioral standards and a different internal culture. And, we have stuck to these beliefs.”



**ROGER ALTMAN,**  
Founder and Senior Chairman,  
on founding Evercore in 1995

## OUR BUSINESS

### Investment Banking

- M&A Advisory
- Capital Advisory
  - Equity Capital Markets
  - Debt Advisory
  - Private Placements
  - GP/LP Primary and Secondary Transactions
- Restructuring and Balance Sheet Management
- Activist Defense and Shareholder Advisory
- Premier equities franchise
  - 44 industry sectors covered and ~790 stocks under coverage
  - Differentiated macro research product
  - High-quality distribution and corporate access capabilities
  - Complements market leading independent advisory business (consistent with regulatory requirements)

### Investment Management

- Track record of strong client retention and client referrals
- Named a top U.S. Registered Investment Advisor in 2020 by *Barron's*, *the Financial Times* and *Financial Advisor*
- \$10.2 billion in AUM from EWM at 12/31/2020

## WHO WE ARE

### Evercore By the Numbers: Consistently Delivering for Our Clients, Our People, Our Communities and Our Shareholders

**#1**

in Advisory Revenues Among Independent Firms and **#4** Among All Firms for the past three straight years<sup>1,2,3</sup>

**208%**

Underwriting Revenue Growth in 2020

**13%**

5-Year Adjusted Net Revenue CAGR<sup>4</sup>

**#1**

Research Provider Across Independent Firms since 2014, and **#2** on a Weighted Basis Among All Firms<sup>5</sup>

**39**

Institutional Investor-Ranked Research Analysts<sup>5</sup>

**\$10.2B**

AUM from EWM at 12/31/20

**8.7%**

Advisory Market Share Among All Firms in 2020<sup>1,2,3</sup>

**24%**

5-Year Adjusted EPS CAGR<sup>4</sup>

**26.4%**

5-Year Average Adjusted Operating Margin<sup>4</sup>

**5**

Consecutive Years of Weighted Average Share Count Reduction

**129%**

5-Year Total Shareholder Return<sup>6</sup>

**\$1.6B**

Capital Returned to Shareholders Since 2016

**35%**

SMDs Internally Promoted as of December 31, 2020

**40%**

Of Independent Directors are Female

**4**

Employee Networks Make Up Global Diversity Council

Source: M&A data sourced from Refinitiv; Fee data sourced from Company reports and SEC filings

1. FY 2020 Advisory rank is based on reported quarterly results for all firms
2. Total fee pool includes Advisory revenues from BAC, C, CS, DB, EVR, GHL, GS, HLI, JPM, LAZ, MC, MS, PIPR, PJT, ROTH and UBS. Independents' fee pool includes Advisory revenues from PJT, EVR, GHL, HLI, LAZ, MC and ROTH
3. EVR's FY 2020 Advisory rank uses EVR Advisory revenues presented on a gross basis as described in the Q4 2020 earnings release
4. Adjusted Net Revenues, EPS and Operating Margin are non-GAAP measures. A reconciliation to the equivalent U.S. GAAP figures is available in Appendix A.
5. Institutional Investor survey released in October 2020
6. Assumes dividends are reinvested

## WHERE WE ARE

### Broad Geographic Footprint Diversifies Revenues

**50+**

Countries Where Clients are Served

**~1,800**

Employees Worldwide<sup>1</sup>

**18**

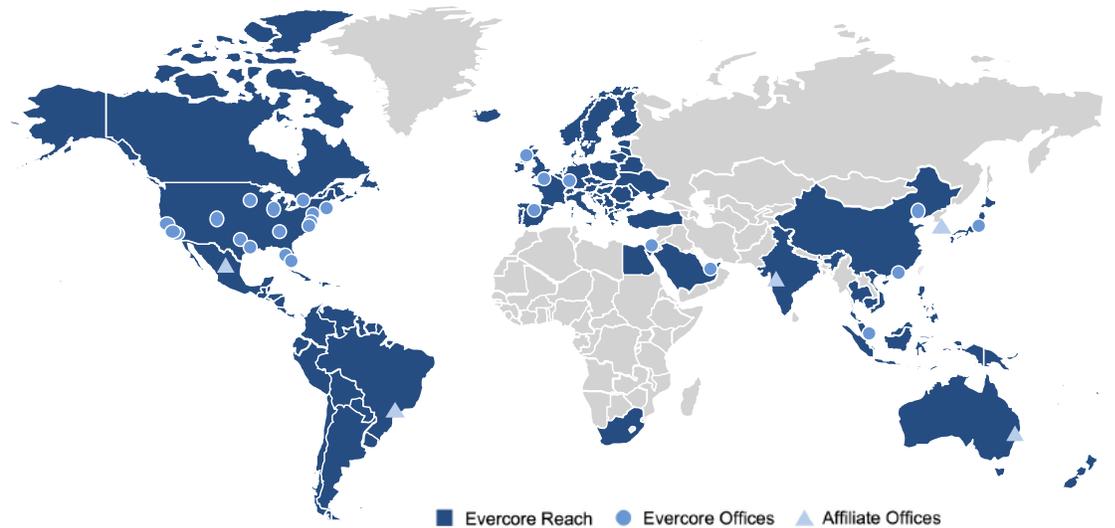
Advisory Offices Globally

**11**

Countries with Evercore Offices

**107**

Advisory SMDs Globally<sup>2</sup>



#### Americas

Atlanta	Minneapolis
<b>Boston</b>	<b>New York</b>
<b>Chicago</b>	<b>San Francisco</b>
<b>Dallas</b>	São Paulo*
Denver	Tampa
<b>Houston</b>	<b>Toronto</b>
Los Angeles	Washington, DC
<b>Menlo Park</b>	West Palm Beach
Mexico City*	Wilmington

#### Europe/ Middle East

**Aberdeen**  
**Dubai**  
**Frankfurt**  
**London**  
**Madrid**  
**Tel Aviv**

#### Asia/ Australia

**Beijing**  
**Hong Kong**  
Mumbai\*  
Seoul\*  
**Singapore**  
Sydney\*  
**Tokyo**

Bold text denotes Advisory office

\* denotes Evercore Affiliate and Strategic Alliance offices

1. Count is as of March 31, 2021

2. SMD count is as of April 27, 2021, and reflects committed new hires and known SMD departures and transitions

# Our Sustainability Pillars

Sustainability is incorporated into our approach to business, strategy and corporate governance. We do not believe sustainability itself can be easily separated into distinct or disparate parts. However, for the purposes of this report, we have identified four categories (our “Sustainability Pillars”) that are most relevant to our business and stakeholders. We regularly review sustainability matters to determine their ongoing relevancy to our business and to identify new topics for consideration.

The following Sustainability Pillars are most relevant to our firm today. They are based on extensive interviews and feedback from a variety of key stakeholders, including shareholders, clients, board members, senior executives, business and corporate group leaders, diversity networks and a wide range of employees. We also regularly monitor sustainability trends, disclosures and practices among our peers and recommendations from leading sustainability reporting and disclosure frameworks.

 <p><b>OUR PEOPLE</b></p> <p>We seek to attract, foster and maintain a diverse workforce, prioritize employee well-being and give back to the communities in which we live and work</p>	<ul style="list-style-type: none"> <li>Investing in Our People.....9</li> <li>Promoting DE&amp;I.....10</li> <li>Developing Talent from Within.....16</li> <li>Health, Safety and Wellness.....18</li> <li>Compensation and Benefits.....18</li> <li>Serving our Communities.....19</li> </ul>
 <p><b>OUR GOVERNANCE</b></p> <p>We pursue integrity, equality and transparency in all of our practices and reinforce our commitment to our Core Values</p>	<ul style="list-style-type: none"> <li>Our Core Values/Culture.....21</li> <li>Leadership.....22</li> <li>Risk Management and Compliance.....24</li> <li>Compensation and Equity Plan.....27</li> </ul>
 <p><b>OUR BUSINESS</b></p> <p>We integrate ESG considerations and responsible business practices into our work with clients across our businesses</p>	<ul style="list-style-type: none"> <li>ESG Integration.....29</li> <li>Investment Banking.....29</li> <li>Investment Management.....31</li> </ul>
 <p><b>OUR PLANET</b></p> <p>We examine the impact we have on the environment and strive for ways to improve our role as a responsible global citizen</p>	<ul style="list-style-type: none"> <li>Footprint.....33</li> <li>Our Offices.....33</li> <li>Travel.....34</li> <li>Initiatives.....35</li> </ul>

# Stakeholder Engagement

Our stakeholders include **our Clients, our People, our Communities** and **our Shareholders**. We consistently maintain an active dialogue with these groups to strengthen our company and ensure we continue to serve our core constituencies with the highest standards. Maintaining a regular and open line of communication enables us to best understand our stakeholders' most current interests and concerns, stay informed as interests change, anticipate and proactively address issues, adapt our business and governance practices as needed and mitigate risk.

## CLIENTS

Client Focus is a Core Value and has been since our founding. We remain deeply committed to developing long-term, trusted relationships with our clients and providing sound strategic, financial and capital advice so that they can achieve superior results in any market environment. Our commitment to helping our clients was especially evident in 2020, a year during which our clients faced unprecedented challenges and we were able to achieve strong results for them. We remain dedicated to our clients, and we are proud of our broad and diversified platform that enables us to focus on their specific needs and advise them in their most strategically significant situations.

## PEOPLE AND COMMUNITIES

We regularly solicit feedback from our employees globally about job satisfaction and other matters through firmwide town halls, meetings, surveys and written communications. The frequency of these communications increased during the pandemic as we wanted to keep our employees informed about the environment and it was important to stay connected. We also maintain a 24/7 confidential hotline, available to all of our employees in all of our locations in multiple languages should there be an issue they need to address confidentially. Investing in our people is a key priority area for us and includes developing talent, protecting and enhancing our culture and providing resources for our employees' health and wellness. Evercore's culture is one of our most defining attributes and we are constantly striving to enrich our own community, which includes fostering a supportive and inclusive environment.

As a firm, we care deeply about giving back to the communities in which we live and work. Through Evercore Volunteers, we have helped our community partners address immediate needs, from enhancing education initiatives to improving public spaces. We provide global volunteer opportunities to our employees, and through our charitable giving initiatives, we provide financial support to several nonprofit organizations. Our goal is to positively impact our communities. We seek out feedback regularly from our employees and partner organizations so we may continue to refine and expand our contributions to the communities we serve.

## SHAREHOLDERS

We formally engage with our shareholders through the earnings process and at our annual meeting of shareholders. In addition, we host several meetings with shareholders (both in-person and virtually) and frequently speak with investors and analysts at conferences and other industry forums and events. Our thorough shareholder outreach process is specifically designed to solicit feedback on governance, compensation and ESG matters, as described in more detail in our proxy statement.

ADVISED ON

**4 out of 10**

largest U.S. M&A transactions in 2020

HOSTED

**10** virtual firmwide Town Halls

between March 2020 and March 2021

GAVE

**\$850,000**

to organizations that fight for DE&I in 2020

REACHED OUT TO SHAREHOLDERS REPRESENTING

**>75%**

of unaffiliated shares during 2020



# Our People

# Our People

## INVESTING IN OUR PEOPLE

Our business is human capital intensive and built on the strong relationships we have with our clients and our ability to provide meaningful advice. As such, our long-term success is heavily dependent on our people. When it comes to our team, we aim to attract, develop, train, mentor, promote and retain the most talented professionals in our industry, or what we refer to as our "A+ talent." To support these objectives, we invest substantial time and resources toward recruiting individuals who will embrace our Core Values and enhance our business; rewarding and supporting employees through competitive pay and benefits programs; facilitating professional development opportunities through our talent development programs; and promoting a strong culture of DE&I throughout our organization.

With these guiding principles top of mind, our Co-Chief Executive Officers, Global Head of the Human Capital Group and other members of the Human Capital Group lead our day-to-day efforts on employment-related matters, including recruiting and hiring, onboarding and training, compensation planning, performance management and professional development. Our Board of Directors and its Nominating and Corporate Governance Committee provide oversight on certain human capital matters as well, including, for example, our DE&I initiatives.

Our business leaders and senior employees recognize that in our industry, the training, development, mentorship and retention of our more junior employees is essential to the long-term success of our business. Therefore, our focus on mentorship, skills training and leadership development is a vital component of our culture and is embraced at all levels across our firm.

~1,800

EMPLOYEES GLOBALLY

11 32 49

COUNTRIES NATIONALITIES LANGUAGES

WOMEN REPRESENT

34%

OF U.S. WORKFORCE

35%

OF OUR U.S. EMPLOYEES  
ARE ETHNIC MINORITIES

All data as of March 31, 2021



35%



of Advisory SMDs are  
**internally promoted** SMDs  
as of December 31, 2020

An approximately

65%



**increase** over the  
preceding five years

## PROMOTING DIVERSITY, EQUITY AND INCLUSION

### Overview

Diversity, Equity & Inclusion is a Core Value of our firm and a major priority area of our senior management and Board of Directors. Our values dictate that we develop and maintain a strong culture of inclusion that embraces diversity and creates opportunity for all employees. We believe that the diversity of our backgrounds and the variety of our experiences make our company stronger and our contributions to our clients and communities more significant. Our goal of attracting and developing the most talented professionals requires that we promote a work environment that is diverse, equitable and inclusive, and open to all people, regardless of race, gender, religion, sexual orientation or disabilities.

Our formal policies and procedures forbid discrimination on the basis of any criteria prohibited by law. However, we know that promoting DE&I is more than just the absence of discrimination, but the active recruitment and empowerment of professionals with diverse backgrounds and stories.

We recognize there is still more important work to do to address our DE&I objectives. And we know that it will require constantly looking inward with humility around what we can do better. We are committed to working diligently with transparency and accountability to our key stakeholders, especially our employees, as we continue to execute on our objectives.

### Highlights of Our Diversity, Equity and Inclusion Initiatives to Date

Our DE&I efforts have evolved significantly in recent years



In 2020 as part of our commitment to DE&I, we formed a steering committee tasked with making progress on our DE&I strategic objectives:

- Promoting greater diversity within Evercore, with strong representation of various groups across all levels;
- Building knowledge and understanding of key DE&I issues across the organization and cultivating broad accountability for driving progress;
- Ensuring our meritocracy is experienced similarly among all employees, with equitable access to opportunities; and
- Cultivating an environment where all diverse professionals feel unequivocally supported and fully integrated into the firm.

### **CEO **ACT!ON** FOR DIVERSITY & INCLUSION**

Our Co-Chief Executive Officers are signatories of the CEO Action for Diversity & Inclusion pledge, which includes leaders from more than 1,600 organizations in a united commitment to advance DE&I in our workplaces, communities and societies. In this pledge, they commit to:

- Continuing to cultivate our workplace to support open dialogue on complex, and sometimes difficult, conversations about DE&I
- Building a culture of allyship and inclusive leadership by strongly encouraging employees to participate in unconscious bias/DE&I education
- Sharing what is working and what is not in order to strengthen and improve our approach, programs and practices
- Continuing to create and share strategic DE&I plans with our Board of Directors as a way to drive accountability

### **Representation in Our Recruiting Process**

We know that our success as a firm is heavily dependent on building a diverse pipeline of talented professionals. Our recruiting practices have substantial influence on our workplace and our culture, so we have spent considerable time developing and executing programs to attract diverse talent, including women, underrepresented minorities, LGBTQ+ individuals and veterans.

#### **BUILDING THE PIPELINE**

We also are a firm that prioritizes “promoting from within” and mentoring and training talented individuals throughout a long career with Evercore. To identify and attract the very best talent in our industry, we operate a robust campus recruiting program. Part of this is targeting dozens of higher education institutions whose students hail from globally, culturally, economically and otherwise diverse backgrounds. Our internal diversity recruiting team has also amplified our campus recruiting strategy by helping to attract talent from a number of Historically Black Colleges and Universities and Hispanic Serving Institutions. Our application process is open to all university students.

In 2020, our summer analyst class for our Advisory businesses was comprised of

 **113** STUDENTS

representing

 **48** DIFFERENT SCHOOLS

To broaden our recruiting reach, we collaborate with organizations in the U.S. and U.K. which connect us with diverse and underserved populations. These partners include the Bright Network, SEO, the Toigo Foundation, Jumpstart Advisory Group, the Forté Foundation and #10000 Black Interns. We also offer a pre-MBA program that has helped recruit diverse employees.



### ADVOCATING FOR WOMEN

Historically, women have been underrepresented in the financial services sector. We have worked hard to help remedy this imbalance through aggressive recruiting, career development and employee support programs. We have partnered with a specialized firm to recruit female lateral hires and have since extended that program to include traditionally underrepresented minorities as well. And, in partnership with our Women’s Network, we host an array of programming for women at our firm throughout the year, and in particular around Women’s History Month in March, which we celebrate as a firm. While we realize there is still a significant amount of work to be done, we are proud of the improvements we have made over the past several years to increase the representation of women at our firm.

### PROVIDING FINANCIAL SUPPORT

To diminish some of the financial barriers that can adversely affect optimal and diverse recruiting, we were the first non-bulge bracket firm to offer scholarships to summer and full-time analysts and associates, including our Rising Junior Diversity Scholarship, Exceptional Senior Diversity Scholarship and MBA Fellowship.



Since we made our “30% Club Pledge” in 2015 to increase female representation at the firm, the percentage of recruited women for full-time U.S. Advisory analyst jobs has more than doubled, reaching 31% for our 2021 recruiting class. Since 2015, the number of women among our recruited U.S. Advisory full time associates has increased to 34%; an increase from 24% in 2015.



In 2021, our U.S. Women’s Network hosted our inaugural **U.S. Women’s Conference**, which was attended by over 200 people. The theme was “Courage, Confidence and Conviction” and the full day event included sessions around presentation skills, wellness and strategies for a successful career.



## TRAINING AND MENTORSHIP

As part of our focus on improving the representation of historically underrepresented groups throughout the organization, we are focused on professional development of employees at all levels. One key component of this initiative is formal training and mentorship programs for underrepresented employees and regular trainings with all of our employees on DE&I issues. Our Global Diversity Council and its Diversity Networks (discussed below) have hosted a multitude of events and programs for their members and allies, including roundtables with prominent leaders from both outside of and within our own organization. We also strive to cultivate a culture of informal mentorship as well that benefits all of our employees. We know that mentorship will be a critical component in meeting our DE&I goals.

## BUILDING AN INCLUSIVE CULTURE

Our Global Diversity Council comprises our four Diversity Networks and supports and advances the unique needs of each of these employee groups. We acknowledge and welcome intersecting identities across all lines of difference. Our networks are active in cultivating informal and formal opportunities for allyship, partnering in our firm's recruiting efforts, and building programs around mentorship, sponsorship and career development for their respective constituencies. Our groups are also focused on developing and retaining talented individuals. All employees are encouraged to join diversity networks either as members or allies.

Our Diversity Networks hosted

>25

EVENTS  
IN 2020



MOST OF THEM  
VIRTUALLY



**EDUARDO MESTRE,**  
Chair of the  
Global Diversity Council

“As a firm, we are in the business of providing our clients solutions through innovative and strategic advice. The best way to solve the hardest problems is to assemble a team of talented professionals with diverse backgrounds, experiences and perspectives. Our success depends on our ability to cultivate an atmosphere that nourishes and develops this talent. It is remarkable to see how Evercore has continued to make significant investments in broadening the representation of diverse and female professionals. As the Chairman of Evercore's global advisory business, I consider supporting the development and advancement of women and diverse individuals at the firm to be one of the most important aspects of my job.”





**EVERCORE**  
EMEA Women's Network

Our **Women's Network** is a community dedicated to supporting and engaging the women of Evercore in furthering their pursuit of professional and personal achievement. The Women's Network has also sponsored a mentorship program for our Investment Banking business, and has hosted a number of events for all members and allies.

The Women's Network partners with external organizations to engage female candidates from various MBA programs and undergraduate schools, and works to ensure that women bankers are included in Evercore events. The Network hosts an annual Women's MBA Day and Women's Sophomore Symposium featuring senior leaders and offering opportunities for networking.

*"We have a culture of entrepreneurial teamwork which only succeeds if we can each bring our authentic selves to work. Our Women's Network delivers on this through an understanding that no two careers are the same. What matters is a platform to perform, a fair scorecard to succeed and a community behind you."*



**MAREN WINNICK**  
Senior Managing Director, U.S. Advisory  
Co-Lead of Women's Network



**EVERCORE**  
EMEA TURM Network

Our **Traditionally Underrepresented Minorities (TURM) Network** supports the racial, cultural and ethnic diversity of our employees and advocates and raises social awareness to build a more vibrant and inclusive community.

TURM has created a mentorship program specifically focused on traditionally underrepresented minorities. As part of this initiative, our TURM employees participate in small group training programs and networking sessions, led by mentors.

*"People of color are not monolithic in views, opinions or life experiences, but we tend to all share a feeling of professional isolation in our industry that historically has not embraced diversity. The TURM Network helps foster community and works with leadership to create a more inclusive environment that celebrates diversity."*



**ROBERT ANDREWS**  
Managing Director, Evercore ISI  
Co-Lead of TURM



**EverProud** is a network of LGBTQ+ employees and allies that champions LGBTQ+ diversity, equity and belonging at Evercore by promoting an inclusive environment where everyone is treated with dignity and respect. EverProud believes that our clients are best served when our employees can be their true, authentic selves, and is committed to making Evercore the employer of choice for top LGBTQ+ talent in our industry. Our EverProud group has been a leader in our employee outreach and education efforts, working with our employees generally on how to be an ally.

EverProud sponsors our Out for Undergrad Business Conference and Reaching Out MBA Conference to introduce the Evercore brand to LGBTQ+ student populations and increase our LGBTQ+ candidate pipeline. EverProud supports a targeted recruiting effort to interested students and highlights top candidates to the campus recruiting teams for inclusion in events and interviews.

*"EverProud, the firm's LGBTQ+ Network, helped me to maintain a sense of community during the pandemic. I am glad to be part of a network that amplifies diversity, equity and inclusion at the firm. Some of my strongest working relationships started in this network."*



**MICHAEL BECK**  
Managing Director, EWM  
Co-Lead of EverProud



Our **Veterans Network** is dedicated to ensuring that veterans are positioned to succeed as members of the Evercore team and that the organization fully benefits from the unique experiences and skills of veterans.

The Veterans Network and its dedicated recruiting team ensure that veteran candidates are referred to network members and are included in events and interviews. In 2021, the Network is hosting an Evercore Veterans Event, specifically for networking to introduce former military to our firm's senior leaders.

*"The Veterans Network focuses on recruiting, developing, empowering and promoting Veterans to successfully matriculate through the junior and senior management ranks at Evercore. We believe the transferable skills inculcated through military service as well as core values that Veterans bring, make them uniquely well-postured to be highly valued culture-carriers in the collaborative fabric that makes Evercore both a trusted advisor and a great place to work."*



**KELLIANNE KELLY**  
Vice President, U.S. Advisory  
Member of Veterans Network

## Allyship

Engagement with our Diversity Networks is not limited solely to their members. We are proud that in addition to the over 350 members across our diversity networks, we have over 800 allies who are committed to providing a safe space for our Diversity Network members and support them with advancing their missions throughout the firm. All senior leaders of the firm are allies and regularly participate in events hosted by our Diversity Networks. The broad-based support for our Diversity Networks is a testament to the lived nature of our Core Values and of the culture of respect and inclusion we have worked hard to create.

## Accountability

At the highest level of our Firm, our Co-Chief Executive Officers are committed to the advancement of our DE&I objectives. Our Board of Directors has access to our management team and also receive regular reports from the Co-Chief Executive Officers and the Global Head of the Human Capital Group on employee matters, including recruitment, development, retention and DE&I issues. These matters are addressed in the strategic updates to the Board at regularly scheduled meetings and also arise periodically during detailed discussions of other matters. As discussed more specifically in the "Governance" section of this report, each of our Board's three standing committees has oversight of various aspects of our human capital programs and practices, with our Nominating and Corporate Governance Committee primarily responsible for oversight of DE&I matters.

More than just the Board of Directors, our employees also hold us accountable. We solicit and incorporate feedback from employees through formal and informal surveys and provide regular updates on the progress of firmwide initiatives at periodic town hall events.



We recently completed a diagnostic assessment of DE&I at Evercore in which we engaged more than 1,000 of our employees to better understand perceptions and experiences around inclusion, both at an enterprise and individual level. Using the feedback from our firmwide survey, we paired that diagnostic assessment with an analysis of historical employee data and subsequently launched a series of targeted discussions with leaders across the Firm, all designed to further refine our DE&I initiatives. In addition, we are developing a new firmwide DE&I training curriculum based on feedback from employees, focus groups and discussions with leaders across the organization. As part of our commitment to transparency, we hosted a virtual DE&I Town Hall to share findings from the survey and actionable next steps.

## DEVELOPING TALENT FROM WITHIN

### Overview

We are acutely aware that the long-term value of our recruitment practices is dependent on the strength of our professional development programs. As such, we are highly focused on providing best-in-class talent development programs that keep our employees engaged and supported through all stages of their careers. We have a variety of evolving lifecycle-focused approaches to educate, train, mentor, protect and promote our people, regardless of experience level or job function.

### Onboarding

All new Evercore employees begin their journey at our firm with our robust orientation program. This gives us an opportunity to share our culture and Core Values with our employees beginning in their first days at the Firm. It is also important that our employees understand how we conduct business at Evercore, our governance practices and where they can find answers to the questions they have at Evercore.

Our orientation programs address matters covered in our Code of Conduct and Ethics and Employee Handbooks, such as:

- Business conduct, ethics, compliance and reporting expectations and provisions
- Employee benefits and resources
- Employees' rights to privacy, freedom of association and collective bargaining
- The company culture and approaches to safety, tobacco, alcohol, drugs and workplace conduct
- Protection of confidential information
- Equal opportunity, harassment and DE&I programs
- Telecommuting, disability accommodation and alternative work arrangements
- Restrictions regarding securities trading
- Provisions regarding public statements and workplace relationships (family or romantic)
- Provision of annual performance evaluations
- Compensation, promotion and disciplinary practices

### Our Apprenticeship Model



There is no substitute for on the job training. From the outset, our junior employees work alongside senior bankers to learn the ins and outs of industry-defining transactions.



We take third-party assessments of our recruiting and training programs seriously and are proud of the recognition we have received

Evercore has finished in the *Vault* rankings of Best Companies to Work For:

**#2** IN INVESTMENT BANKING AMONG ALL FIRMS FOR THE 4TH YEAR IN A ROW

In addition, we are ranked

**#1** FOR FORMAL TRAINING (UP FROM #3 IN 2020)

and have the

**#1** INVESTMENT BANKING INTERNSHIP PROGRAM, A POSITION WE HAVE HELD FOR EACH OF THE PAST 3 YEARS

We rank in the

**TOP 5** IN 15 DIFFERENT CATEGORIES

<b>"M&amp;A BLACK BELT" PROGRAM</b>	<ul style="list-style-type: none"> <li>Led by senior bankers to deliver perspectives and expert insights on core areas of the investment banking business</li> </ul>
<b>"UNDERSTANDING OUR BUSINESS" SPEAKER SERIES</b>	<ul style="list-style-type: none"> <li>Led by business and corporate group leaders to educate our corporate group employees on various aspects of Evercore's business</li> </ul>
<b>"PATH TO PARTNER" SPEAKER SERIES</b>	<ul style="list-style-type: none"> <li>Led by Evercore business leaders on the career progression to SMD</li> <li>Targeted towards Advisory VPs and MDs</li> </ul>
<b>EXTERNALLY PROVIDED TRAININGS</b>	<ul style="list-style-type: none"> <li>Non-U.S. junior bankers participate in Technical Excellence and other third-party provided sessions</li> <li>U.S. junior bankers participate in "Training the Street" programs</li> <li>Across the firm, we partner with external vendors to provide skills based trainings on topics such as presentation skills and negotiations</li> </ul>

### Professional Development

As a result of our far-reaching recruitment programs and robust career development initiatives, we have steadily improved our internal talent representation over the past decade. We consistently review our professional development programs to ensure that employees have opportunities to expand their knowledge base, develop new skills and advance their careers.

### Feedback and Reviews

In addition to the informal feedback inherent in the mentorship process, we provide regular, formal feedback to employees as part of their annual reviews. Employees generally receive a comprehensive 360 degree annual evaluation that presents feedback critical for their professional development, including quantitative and qualitative inputs to identify areas of excellence, advancement opportunities and areas of improvement.

We are also interested in feedback from employees on a range of issues. Our mentorship programs provide opportunities for senior leaders to solicit informal employee feedback that can ultimately drive organizational change. More formally, we undertake employee surveys to obtain feedback and input on a regular basis. We supplement these with various focus group exercises, interview programs and exit interviews, as well as with input from our Diversity Networks and other internal groups.



## HEALTH, SAFETY AND WELLNESS

The success of our business is dependent on the wellbeing of our people. Accordingly, we are committed to making the health, safety and wellness of our employees a priority.

We provide our employees and their families with access to a variety of innovative, flexible and convenient health and wellness programs, as discussed in more detail in the Compensation and Benefits section of this report. These programs support our employees' physical and mental health by providing tools and resources to help improve or maintain their health status and offer choice, where possible, so that our employees can customize their benefits to meet their needs.

Physical and mental wellbeing took on added importance in 2020 because of the global pandemic. As a result, we have implemented new safety measures in all of our offices and made other significant changes to comply with government regulations. This included, in March of 2020, a transition to the majority of our global workforce working remotely. In formulating our return-to-office protocol, we continue to monitor the impact of the pandemic, as well as policies and guidance from governmental authorities and health agencies. We are hopeful that we will be able to begin to return to the offices later this year.

As we have worked predominantly remotely for more than a year, we have sought increasingly creative ways to connect with our employees, including virtual events, virtual town halls and simultaneous participation in safe outdoor activities.

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### EverWELL

In addition to the comprehensive benefits packages offered to employees, we are particularly proud of our **EverWELL program**, which offers various resources on everything from stress management to nutrition to financial wellness. In 2020, approximately 85% of benefit-eligible employees participated in wellness events, including biometric screenings, online personal health assessments, meditation sessions and nutrition seminars.

## COMPENSATION AND BENEFITS

Our compensation structure, including our comprehensive benefit packages, is designed to attract, motivate and retain the most talented professionals in our industry. We have consistently sought to closely align pay with performance. Our broad-based equity program allows us to use equity compensation to more closely align the interests of our shareholders with those of employees. We have also analyzed pay equity at all levels of the organization to advance our DE&I objectives. The details of our overall compensation philosophy and programs are discussed in more detail in our proxy statement.

Our benefits plan is designed to provide competitive and comprehensive benefits while offering a program and options that consider individual needs. To advance our DE&I initiatives, and in response to employee feedback, we recently expanded our benefits package to include additional women's and family support benefits.

### Evercore Eligible Employee Benefits

- Paid holidays, vacation days, personal days and sick days
- Paid parental leave
- Women's and family healthcare services
- Flexible work arrangements
- Back-up child and elder care
- Paid marriage and bereavement leave
- Medical, dental, prescription drug and vision insurance
- Life and disability insurance
- Enhanced healthcare navigation and claims advocacy
- Retirement benefits
- Comprehensive Employee Assistance Program
- Commuter benefits
- Health club membership discounts
- Identity theft protection
- Other corporate benefits

# SERVING OUR COMMUNITIES



We measure our success not only by our client and financial achievements, but also by our contributions to the communities in which we operate and serve. Through our Evercore Volunteers program, we implement our firmwide community service initiatives, which connect our employees with our community partners to address immediate needs, support education initiatives and improve public spaces. We have also facilitated and encouraged employee-directed philanthropic efforts. For example, in 2020, we created a social justice donation matching program to spread our DE&I impact more broadly, resulting in the largest charitable donation in Evercore history.

More broadly, we support volunteerism with partners including New York Cares, PENCIL, New Alternatives for Children, Let's Get Ready, the Fuller Center for Housing of Greater New York and Save the Children (EMEA). Specific employee activities include coat collections, toy and book drives and neighborhood beautification projects. In 2020, most of our community service events were conducted virtually, including resume and college essay reviews, virtual coat and toy drives and fundraising opportunities. We look forward to a "return to normal" when we can be in-person and leverage the power of our people and numbers to have a dramatic impact on our communities.



In 2020, we conducted our largest to date firmwide charitable giving initiative totaling **\$850,000** TO ORGANIZATIONS THAT SUPPORT DE&I INITIATIVES





# Our Governance

# Our Governance

## OUR CORE VALUES AND CULTURE

Simply put, our governance starts with our Core Values. Our business model centers on our relationship with our clients, our people, our communities and our shareholders. To cultivate those relationships, it is essential that we clearly define who we are as an organization and embody our Core Values in all that we do.

Consistent with our Core Values, we aim to promote sound governance. But we understand that it is not enough to just have sound policies and procedures. We also need a strong and healthy culture throughout our organization that reinforces and rewards adherence to these policies. Our leaders are intensely focused on this and on creating an open, inclusive and respectful culture that encourages escalation of issues and prevents retaliation against anyone who reports an issue or assists with an investigation. They are committed to continuing to create an environment where all employees are held to the highest ethical standards and live our Core Values in everything that they do. They are constantly and clearly communicating this message to our employees.

<b>Client Focus</b>	Invest in long-term relationships with our clients through independent, trusted and innovative advice to help them achieve superior results
<b>Integrity</b>	Strictly adhere to the principle of doing the right thing at all times and in all circumstances
<b>Excellence</b>	Relentlessly strive to achieve the highest standards of quality
<b>Respect</b>	Treat all people with the utmost dignity, respect and appreciation
<b>Diversity, Equity and Inclusion</b>	Develop and sustain a strong culture of inclusion which embraces diversity and creates opportunity for all employees
<b>Investment in People</b>	Attract the most talented people and inspire them to reach their highest potential through a deep commitment to career development
<b>Partnership</b>	Promote a culture which encourages honest debate, yet demands collaboration and uncompromising teamwork

## LEADERSHIP

Our robust governance framework begins with our Board of Directors and management, is overseen by our Corporate Group and is ultimately lived by our roughly 1,800 employees worldwide. All of our governance practices are designed to ensure we remain transparent and accountable and continue to measure our success by the highest standards possible.

### Board of Directors

Our diverse and experienced Board of Directors brings a wealth of expertise and skills that have served Evercore's business well. The Board's primary role is to oversee the Co-Chief Executive Officers and other senior management, and provide general oversight of the company, including focusing on the ethical operation of our firm. In addition to its general oversight responsibility, the Board is also responsible for performing a number of specific functions, including, among others, reviewing and monitoring fundamental financial and business strategies, approving major corporate actions, monitoring Evercore's financial position and reporting, risk management oversight and monitoring our policies and compliance systems.

Our Board is comprised of 13 directors, 10 of whom are independent under the applicable NYSE rules and company guidance. A lead independent director presides over meetings of our non-management directors. Additional roles include working with our Co-Chairmen and Co-Chief Executive Officers to develop and approve board agendas and meeting schedules, conducting executive sessions with the non-management members of the Board, leading Board and Committee evaluations and otherwise serving as a liaison among our non-management directors. We consistently refresh the membership of our Board and Committees, as appropriate, and have added four independent directors since 2018 – three of whom are women, and one of whom is also African American. Currently, 40% of our independent directors are women. In 2020, our Board met with increasing frequency in light of the COVID-19 pandemic, and our directors each attended 100% of their Board and Committee meetings.

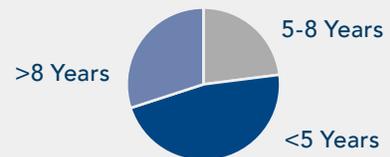
We are committed to continuously improving and enhancing all aspects of our firm, and that extends to our Board and its committees as well. Each committee conducts its own annual evaluation to consider, among other things, structure, leadership, oversight needs and emerging skills required to guide the company.

## GOVERNANCE BEST PRACTICES

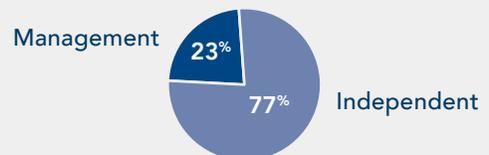
- One share, one vote (no dual class capitalization)
- No controlling shareholder
- Annual director elections
- No super majority voting standards for M&A and charter amendments
- No "poison pill"
- Majority voting resignation policy
- Annual "say on pay" votes
- A steadily refreshed board, 40% of whose independent members are diverse by gender
- Board members with sustainability expertise and a shareholder perspective
- A lead independent director who works with our Co-Chairmen and Co-CEOs to develop and approve Board agendas and meeting schedules, conducts executive sessions with our independent directors, leads Board and Committee self-evaluations and serves as a liaison amongst our independent directors
- Independent directors conduct regular executive sessions without the presence of management
- Annual director self-evaluations

Currently, 40% of our independent directors are women, one of whom is African American.

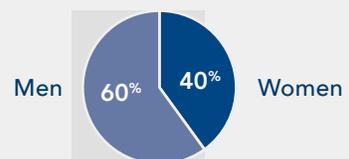
### DIRECTOR TENURE



### DIRECTOR INDEPENDENCE



### INDEPENDENT DIRECTOR GENDER DIVERSITY



## Board Committees

To assist in the administration of its functions, our Board has formed three standing committees: an **Audit Committee**, a **Compensation Committee** and a **Nominating and Corporate Governance Committee**. The Board has adopted a charter for each of the three standing committees to address the composition and function of each. You can find these materials on our website under the “For Investors” tab.

### AUDIT COMMITTEE

The Audit Committee assists our Board in fulfilling its responsibility relating to the oversight of: (1) the quality and integrity of our financial statements, (2) our compliance with legal and regulatory requirements, (3) our independent registered public accounting firm’s qualifications and independence, (4) the performance of our internal audit function and independent registered public accounting firm and (5) risk management and compliance with our Code of Business Conduct and Ethics.

Each of the members of our Audit Committee is “financially literate” within the meaning of the listing standards of the NYSE, and our Audit Committee includes two “Audit Committee Financial Experts” as defined by applicable SEC regulations and NYSE listing standards.

The Audit Committee also plays a crucial role in certain day-to-day governance practices. For example, pursuant to its charter, the Audit Committee is responsible for establishing procedures for the receipt, retention and treatment of confidential complaints, and the Chair of the Audit Committee is contacted directly in connection with calls to our 24/7 confidential hotline.

### COMPENSATION COMMITTEE

The Compensation Committee assists our Board with the oversight of our compensation programs and the compensation of our executives and engages in periodic conversations with our Co-Chief Executive Officers regarding matters of management succession planning. The Compensation Committee plays a key role in making sure our overall compensation structure achieves our strategic objectives and creates the proper incentives for our leaders to manage the firm for sustainable long-term growth. Each member of our Compensation Committee is an independent director.

## NOMINATING AND CORPORATE GOVERNANCE COMMITTEE

The Nominating and Corporate Governance Committee assists our Board in fulfilling its responsibility relating to corporate governance by (1) identifying individuals qualified to become directors and recommending that our Board select the candidates for all directorships to be filled by our Board or by our shareholders, (2) overseeing the evaluation of the Board, (3) developing and recommending the content of our Corporate Governance Principles and Code of Business Conduct and Ethics to our Board and (4) otherwise taking a leadership role in shaping our corporate governance.

As described in its charter, the Nominating and Corporate Governance Committee has a responsibility to oversee management’s efforts to communicate, promote and embed Evercore’s Core Values within our organization, review actions in furtherance of corporate social responsibility and review efforts by management to enhance DE&I in the workforce and implement the firm’s ESG programs.

### Management

Our Board members have access to our management team, which includes the senior leaders of the firm. Our Co-Chief Executive Officers are responsible for executing on the strategic initiatives approved by our Board, as well as the promotion of and adherence to our Core Values throughout our organization, including our corporate governance framework, policies and procedures.

Our General Counsel, Chief Financial Officer and Global Head of the Human Capital Group are responsible primarily for ensuring that our corporate governance framework, policies and procedures are appropriate and administered properly throughout our organization on a day-to-day basis. They are supported by professionals throughout our legal, compliance, finance, human capital, information technology and internal audit functions, including our Chief Compliance Officer, Treasurer, Controller, Chief Technology Officer, Chief Information Security Officer and Head of Internal Audit.

Our Management Committee is responsible for helping to develop and implement our corporate strategy and manage our operations. It is comprised of the Co-Chief Executive Officers, the global leaders of our businesses and the leaders of our Corporate Group, which are the Chief Financial Officer, General Counsel and the Global Head of the Human Capital Group.

## RISK MANAGEMENT AND COMPLIANCE

### Risk Management

Risk management is a major priority. Our risk management program is designed to mitigate the business and financial risk to Evercore and the markets in which we operate. Risk management is a partnership between our businesses and the corporate group and it is embedded throughout our company and integrated into our Investment Banking and Investment Management businesses. We assess and address risks through a system of internal controls, compliance programs, management structures, audit procedures and a variety of other standards, practices and policies. Our objective is to manage our business, and the associated risks, in a way that serves the interests of our clients and shareholders while at the same time protecting our firm.

As in prior years, our risk assessment objectives remain the same:

- Identify and prioritize risks that have the potential to most significantly impact our operations and reputation
- Ensure that risk mitigation reductions programs and processes are appropriately aligned and scaled

Risks are assessed comprehensively on an annual basis by the business and corporate groups and are evaluated from multiple perspectives.

### Responsibility for Risk Management

#### BOARD OF DIRECTORS

At the Board level, our Audit Committee is primarily responsible for oversight of Evercore's risk management program, although our Nominating and Corporate Governance Committee and Compensation Committee are also responsible for managing specific risks within their purviews. On at least a quarterly basis, management provides the Audit Committee with an update on its execution of our risk management program. At least quarterly, management also updates the Audit Committee on any new and significant risks facing the business or potential regulatory changes that could impact the business. Our risk management review is conducted with the full Board in attendance at least annually, and non-management Board members are invited to attend committee meetings, whether or not they are members. Board members also have regular access to senior executives, including our Co-Chief Executive Officers, Chief Financial Officer, General Counsel and Global Head of the Human Capital Group, to discuss risk matters as they might arise.

During 2020, in light of the significant operational and business challenges and opportunities presented by the global pandemic, our Board met with increasing frequency in full session to consider, among other things, the changing market environment, Evercore's financial position and matters relating to the implementation of the remote working environment and efforts to maintain our firm culture.

Our Board met in full session ten times during 2020 – a 67% increase from 2019 – and our Board's standing committees held a total of 18 additional meetings (nine Audit Committee, six Compensation Committee and three Nominating and Corporate Governance Committee meetings). Each of our directors attended 100% of the Board meetings and meetings of the Board committees on which he or she served.

Our policy is that all of our directors, absent special circumstances, should attend our Annual Meeting of Stockholders. All of our incumbent directors attended our 2020 Annual Meeting of Stockholders.

### MANAGEMENT

Our senior management, including our Co-Chief Executive Officers, Chief Financial Officer, General Counsel and Global Head of the Human Capital Group, have responsibility for executing enterprise-wide risk management. They collectively work closely with members of our legal, compliance, finance, human capital, IT and internal audit functions to monitor and manage risk and shape our policies and procedures. In addition, each of our business unit leaders is responsible for various aspects of risk management associated with their businesses, and they participate in quarterly disclosure meetings with our disclosure committee to discuss specific risks faced by their business units.

### Compliance

Compliance is not just about policies, procedures and rules. It is critical for us to be able to deliver the best results for our clients and shareholders. In order to ensure a compliant culture, we look to hire individuals who are not just excellent at what they do, but who also exhibit the highest levels of integrity and continuously strive to do the right thing. This is the foundation of our culture of compliance and our expectations are clearly laid out in our Code of Conduct and policies that apply to all of our employees. This approach is supported by our strong compliance systems and controls, including our continued investment in technology and other resources for our compliance systems.

## CODE OF CONDUCT

Our employees receive training on our compliance and security policies and procedures at the time of their hiring. We provide subsequent annual trainings and tests designed to ensure awareness and competence regarding risks and threats, and we expect our employees to be familiar with the contents of the policies and procedures applicable to their business activities.

We take great care and pride in our relationships with regulators. We maintain an open and transparent relationship with regulators, which allows us to better understand the issues they are focused on and gives us the opportunity to keep them apprised of our business. Our business and legal and compliance executives regularly engage with regulators through exams, industry reviews, meetings, reports and responses to periodic requests. We seek out and incorporate their feedback in ways that have helped us enhance and further develop our compliance programs, processes and written procedures.

Our Code of Business Conduct and Ethics sets out essential guiding principles for workplace conduct, compliance with applicable laws and regulations, anti-discrimination, conflicts of interest and workplace health and safety, among other things. **Each of our employees is required to affirm annually that they have reviewed our Code of Business Conduct and Ethics.**

## ANTI-BRIBERY, ANTI-CORRUPTION, ANTI-MONEY LAUNDERING

Our business is regulated in several jurisdictions and is dependent on maintaining a relationship of trust and confidence with our clients and regulators. We recognize that corrupt and illegal practices, such as bribery and money laundering, would pose significant risks to our business and reputation, erode the trust our clients have placed in us and would undermine the cooperative and transparent relationship we seek to maintain with regulators.

Accordingly, we have developed robust anti-bribery, anti-corruption and anti-money-laundering policies and procedures. Our compliance function has primary responsibility for monitoring and enforcing these policies and procedures, with assistance from our other corporate groups, as appropriate. Our employees are required to complete certain compliance, anti-corruption, anti-bribery and anti-money laundering training annually, which includes training on compliance with the Foreign Corrupt Practices Act and equivalent laws and regulations in other relevant jurisdictions.

## CONFIDENTIAL INFORMATION AND SECURITIES TRADING

The nature of Evercore's business exposes our firm and our employees to highly confidential information, both our own and that of our clients. It is critical to our long-term success that we maintain the trust and confidence of our clients, and that means treating their confidential information with the same degree of care and confidentiality that we treat our own. **We have adopted a "need to know" standard for all confidential information and have implemented policies and procedures designed to protect confidential information.** Our employees are further subject to confidentiality agreements and we conduct frequent trainings on proper treatment of confidential information.

We also maintain a personal securities trading policy, which prohibits our employees from trading based on knowledge of material, non-public information. Unless an exception has been granted by our Compliance function in extraordinary circumstances, trading by employees of Evercore shares are permitted during an open window only. With respect to other securities, employees are required to seek and receive pre-approval prior to any securities transactions. Our compliance function oversees the administration of our personal securities trading policy.

## INTERNAL AUDIT

Internal Audit, an independent function, tests and evaluates our firm's risk governance and management, as well as its internal control processes. This function brings a systematic and disciplined approach to evaluating and improving the effectiveness of our firm's governance, risk management and internal control processes. Among other things, Internal Audit is responsible for reviewing the reliability and integrity of financial and operating information, reviewing our systems to test compliance with policies, plans, procedures, laws and regulations, and establishing systems of internal control to ascertain whether they are functioning as designed. The Head of Internal Audit reports to the Audit Committee.

## IT, CYBERSECURITY AND DATA PRIVACY

Managing IT and cybersecurity risks, including related data protection and privacy risks, is critical to the successful operation of our business. We have a Chief Information Security Officer charged with setting strategy and maintaining our Enterprise Information Security program. Our Chief Information Security Officer regularly meets with our Chief Compliance Officer and Chief Financial Officer to discuss emerging risks and the efficacy of our policies and procedures. Security related issues are escalated to our Chief Financial Officer or General Counsel and the Audit Committee of the Board, as appropriate. Our Chief Information Security Officer also regularly engages with business leaders, and security partners on cyber threats and risk management.

Our Information Security program is mapped to the National Institute of Standards and Technology (NIST) Cybersecurity Framework to improve our ability to identify, protect, detect, respond and recover from cyberattacks. To ensure our program continues to address evolving threats, annually, we engage an independent third party security firm to perform a cybersecurity risk assessment. This assessment informs program enhancements and the Audit Committee's oversight function. We also regularly perform technical assessments designed to test our ability to prevent and detect cyberattacks.

Our Enterprise Information Security policy serves as the foundation of our program. Employees are required to comply with all policies, which address key areas of information security such as acceptable use of technology and data, ongoing monitoring practices, data protection and data loss prevention, vendor risk management, incident response, confidentiality and privacy protections, and suspicious activity reporting.

We conduct annual cybersecurity awareness trainings as well as periodic cybersecurity awareness videos with messages from key leaders across our global firm. Additionally, each quarter we perform firmwide phishing tests to assess the competency of our personnel for detecting cybersecurity threats. Recently, our Board of Directors participated in a cybersecurity tabletop exercise focused on responsiveness to cyber attacks. This is all part of our firmwide effort to educate our employees to be vigilant and confident in speaking up when they detect threats.

We are subject to various data privacy rules across jurisdictions. For example, we are subject to the EU's General Data Protection Regulation (GDPR) and maintain a variety of policies and procedures designed to comply with the GDPR and its Data Subject Request protocol. Our GDPR Privacy Notice applies to our business contacts, suppliers, and professional advisors, parties with whom Evercore conducts business (including clients and counterparties and potential clients and counterparties) and investors and any associated individuals. In addition, although most of our investment banking clients are not individuals, our investment management business, Evercore Wealth Management, provides a Commitment to Your Privacy for its clients.

## WHISTLEBLOWER PROTECTION

Our confidential hotline is available 24/7 to all of our employees in all of our locations in each of the languages used by employees. Notifications concerning, and access instructions to the hotline, are posted on physical signs in our offices, on our intranet and internet sites, referenced in our Code of Business Conduct and Ethics and disclosed in our proxy statement.

We highlight our reporting hotline, our no-retaliation policy and the other reporting avenues available to employees when we are recruiting, onboarding and providing ongoing employee training. Multiple reporting avenues enable employees to report, or have conversations concerning issues they have noted, whatever or whoever the source of the concern and in whatever ways they feel most comfortable. This includes an ability to request that the third-party administrator of the hotline make information available to our Board of Directors, if appropriate.

The information accompanying our reporting line provides a long list of topics that can be reported via the hotline, including an explanation for our employees of how issues will be reported and to whom and when investigations will be conducted.

## CORPORATE POLITICAL ACTIVITY

Evercore does not make contributions to political parties or maintain a political action committee or PAC. As provided in our Compliance Manual and Written Supervisory Procedures, we will not make political contributions and will not host, sponsor or otherwise participate in any political fundraising activity. We will also not reimburse, compensate or otherwise incentivize employees for making political contributions. Our employees are prohibited from making political contributions or endorsements on behalf of Evercore and may be prohibited from using company resources (including, but not limited to, Evercore facilities or letterhead) to conduct campaign activities. Evercore employees who qualify as “Covered Associates” are further subject to additional restrictions on their personal political activities in order to comply with FINRA Rule 2030 and/or state and local pay-to-play rules and other regulations.

## CAPITAL ADEQUACY AND OTHER SUSTAINABILITY CONSIDERATIONS

Several of our businesses are regulated in certain jurisdictions. These entities, including our U.S. broker-dealer, Evercore Group, L.L.C., are in some cases subject to regulatory capital requirements. Our Finance function, and the responsible persons for our regulated entities, are responsible for thoroughly examining the capital adequacy of such entities and compliance with applicable regulatory requirements in these jurisdictions.

We are not a globally systemically important bank, and accordingly are not regulated as one. Other than the capital requirements described above, we are not subject to enterprise-wide capital requirements or stress testing procedures.

## COMPENSATION AND EQUITY PLAN

As a human capital intensive business, our compensation program is an important tool in our governance structure. It is a critical component in motivating and retaining our employees, promoting long-term thinking among leadership, aligning the interests of our employees and shareholders and driving compliance with our policies and procedures. Our compensation philosophy, and the decision-making processes of our Compensation Committee more generally, are described in detail in our proxy statement. We encourage you to read our proxy statement in full to understand how the Board and its Compensation Committee uses compensation as a governance tool to advance the objectives described above. In short, we pay for performance. The compensation of our executive officers is influenced by many factors, including the performance of our firm, the executive officers’ individual performance and their promotion of and adherence to our Core Values. Our compensation program incorporates numerous features that align our executive officers’ interests, as well as those of employees more broadly, with long-term goals consistent with our Core Values and value creation.

Our use of equity under our equity plan is broad-based. As such, **90% of all of the equity awards we granted in the past three years were issued to employees other than our named executive officers.** We believe that equity compensation, together with anti-dilutive actions, is critical to aligning the long-term interests of our employees with those of our shareholders. By broadly issuing equity throughout our organization, we encourage long-term thinking from our employees.



# Our Business

# Our Business



## INVESTMENT BANKING



## INVESTMENT MANAGEMENT

- Multi-disciplinary approach to energy transition
- Strong ESG advisory practice
- Sustainability integrated into research
- Leading clean energy research
- Inherent appreciation of sustainability and strong governance
- Mission to deliver long-term results

## ESG INTEGRATION

ESG is integrated into how we operate our business in the following ways:

- We are committed to developing long-term, trusted relationships with our clients and to helping them achieve superior and sustainable strategic and financial results
- We maintain an unwavering commitment to our Core Values and to attracting, developing, retaining, training, mentoring and promoting a diverse team of the most talented professionals in order to build a self-sustaining firm through our next stages of growth
- We are focused on growing our business over the long term and returning excess earnings not reinvested in the business to our shareholders through dividends and share repurchases, all within a responsible governance framework

For us, sustainability in operating our business begins with business selection. For example, in our Advisory practice, prior to accepting a mandate, our client-facing employees initiate a new business process that considers a number of factors, including conflicts, the nature of the transaction and our expertise. We also look closely at the business of potential clients. If there are any reputational, legal, regulatory or any other concerns we will conduct robust diligence on the client, including engaging a third party to assist us with the review, and escalate any concerns to our most senior leaders.

This approach has enabled us to become a trusted advisor to our clients on their most important strategic and financial matters. It provides us the opportunity to assist clients in understanding the sustainability issues that directly affect

their business and their industry. The same perspective is true for Evercore ISI, where we are increasingly responsive to the demand for research that incorporates sustainability considerations, and also for our Investment Management business, where our role as a fiduciary and our mission to deliver long-term results for clients necessitates an inherent appreciation of sustainability and strong governance.

## INVESTMENT BANKING

Sustainability issues play an important role in our strategic advisory, restructuring and capital markets advisory services. It is impossible to advise clients effectively without a thorough understanding of how the sustainability issues specific to both our clients and their industry are connected to the mandate for which we are engaged. Issues such as social justice, equitable pay, and environmental and climate impacts go hand-in-hand with more traditional advisory frameworks, and we have embraced the opportunity to offer our clients exceptional and complete services across the spectrum of independent advisory services and the capabilities we offer.

### Our multi-disciplinary approach

This is most apparent in the multi-disciplinary approach we have taken with respect to advising clients on the global energy transition. Effectively guiding our energy clients in today's environment, with particular attention to the environmental and climate-related impacts of traditional energy industry practices, requires a coordinated effort among our senior bankers from across various sectors.

To respond to this need, we have formed a focused team of senior bankers responsible for the coordination of our energy transition strategy and client services. This team serves as a resource hub for all of our bankers, providing a seamless approach between sectors and a coordinated effort to provide our clients best-in-class services. From technology to infrastructure, our bankers are connected and capable of providing creative solutions to meet our clients' specific energy transition needs.

We are also proud of the strong role our business plays in directly advising companies on ESG issues. Our clients are increasingly focused on sustainability and the fact that ESG factors are influencing the composition of their investor base, affecting their access to financing and capital and becoming part of activist investor campaigns. Our focus on ESG matters and its impact to corporate clients is perhaps most significant within our Shareholder Advisory practice, where we have built a market-leading practice identifying and addressing sustainability matters and their implications for our clients. ESG matters have also affected the outcomes of annual and special meetings and the completion of M&A transactions. We are able to help our clients focus on identifying and providing information that might be lacking from traditional investor relations advisors. In particular, we assist our clients with:

- **Shareholder Engagement:** Developing comprehensive strategies for engaging with shareholders, including index fund and governance constituencies
- **Governance and Board Advisory:** Benchmarking and developing our clients' governance frameworks, and identifying best-in-class governance structures consistent with strategic objectives
- **ESG Review:** Benchmarking ESG reporting relative to peers and best-in-class practices and review of our clients' sustainability publications relative to emerging disclosure standards



Since 2018, we have advised on **>30** transactions  
RELATED TO THE ENERGY TRANSITION

## Research

We have also responded to an increased demand from our research clients for sustainability-focused research. Just as it is impossible to provide advisory services to our clients without an appreciation of how they are affected by sustainability factors, it is difficult for our research analysts to provide quality independent research without a thorough understanding of how issues such as climate change and energy independence impact the industries and companies they cover. For many of the **44 sectors** and approximately **790 stocks** we cover, our research analysts incorporate sustainability, social and governance factors into their reports.

While these issues have become increasingly pertinent, they are not new issues for us; they have been a part of our fundamental research, analysis and advice since the inception of our business. Factors such as board composition, the design of compensation plans, the nature of anti-takeover provisions and the robustness and consistency of corporate disclosures provide us with oftentimes significant insights that inform our research. In addition to these governance issues, Evercore ISI's fundamental analysis has traditionally factored in significant macroeconomic policy, legal and regulatory risks and opportunities for our covered companies – and it is this blend of deep fundamental and macro analysis that our clients have come to rely on as they encounter paradigm-shifting investment decisions, many of which have sustainability components embedded within.

We are particularly focused on clean energy research, as it is a powerful global driver of activity that touches many sectors. These subjects are common topics of conversation with investing and policy thought leaders and the focus of many of our hosted events. We have leading researchers focused on the direction of the energy transition; the potential impacts of energy sources like hydrogen, liquefied natural gas, wind, solar and geothermal; and the role of utilities and regulators. In 2020, we released several hydrogen and carbon capture reports that were well received and highly regarded by our clients, with many noting that the evolution of our research product towards sustainable energy topics such as these were highly valued in their investment process. Additionally, our industry-leading survey work continues to incorporate themes such as sustainability, governance and social responsibility in order to actively align and inform our research with secular themes increasingly embraced by our clients and corporate management teams.

We have also been able to have a direct impact on the commitment to sustainability by certain companies we cover in our research franchise. For example, in 2019, we released “The Pledge for Oilfield Services,” which was adopted by several companies and required that oilfield services companies embrace disciplined spending and compensation practices and return surplus capital to shareholders.

As more ESG data becomes available, we are:

- Increasing our internal data analysis and data mapping (such as our proprietary energy chain mapping), including for ESG-related data
- Back-testing a variety of ESG variables to help understand their influence on ongoing corporate performance and other goals
- Working with data aggregators and frameworks such as SASB, Sustainalytics, Bloomberg, MSCI and others to extend our ESG analysis and publications
- Bringing leading ESG thinkers together to brainstorm, and, health and safety permitting, hosting ESG-based conferences and events in the near future

## INVESTMENT MANAGEMENT

Our investment management business is operated through Evercore Wealth Management, LLC (EWM), an investment advisor registered with the U.S. Securities and Exchange Commission, and Evercore Trust Company, N.A., a national trust bank, in a manner that has a natural alignment with the long-term sustainability interests of our clients.

As a registered investment advisor, EWM is obligated to act as a fiduciary. This means striving to achieve the best possible risk-adjusted returns for our clients, consistent with our clients’ investment objectives. Our business primarily serves high net worth families, endowments and foundations, delivering customized investment management, financial planning and trust and custody

services. Increasingly, we are helping these clients structure customized portfolios across a range of asset classes to focus on ESG and impact investment elements.

Sustainability considerations, particularly strong governance and long-term viability, naturally coincide with our objective to secure long-term results that are consistent with our clients’ investment objectives. Our Evercore Equity Fund, with \$297 million in assets under management as of March 31, 2021, while not an ESG-dedicated fund, considers strong governance in security selection and was ranked by Morningstar as a top fund for ESG factors, and by Sustainalytics in the top 2% for sustainability (out of 1,486 funds as of February 28, 2021).

Sustainability and ESG factors are an increasingly important consideration for many of our clients. For our investment management clients who are interested in specifically pursuing impact investment-based portfolios, we can adjust our core equity and fixed income strategies accordingly and work with carefully selected external managers to provide customized solutions for socially responsible investing that strive to deliver competitive rates of return to meet our clients’ impact investing goals.

In addition, we have also sought to be a thought leader for our clients on socially responsible investing and sustainability matters. We address socially responsible and impact investing in client education programs, webinars, and in our quarterly publication Independent Thinking. Recent topics have included an interview of leading law professors by Evercore Wealth Management’s and Evercore Trust Company’s Chief Executive Officer on the interaction and balancing of fiduciary requirements and impact investing. This thought leadership informs the services we provide to our clients and educates them on the nature of our role as a fiduciary. Our database of articles from our Independent Thinking magazine can be found on the homepage of our EWM website, <https://www.evercorewealthandtrust.com/>.



# Our Planet

# Our Planet

## FOOTPRINT

We are fortunate to have a smaller natural environmental footprint than other capital intensive businesses or retail-based financial institutions. However, we nonetheless prioritize being a good corporate citizen. From a direct environmental perspective, our “Evercore footprint” largely consists of **office space, travel** and the **resources** employees consume in the operation of our business.

Despite our smaller environmental footprint, we are focused on promoting practices to minimize the negative impact our business may cause to the planet. The foundations of our approach to responsible development originate with our Real Estate Strategy & Operations (RESO) team, which works in concert with representatives across our corporate functions to ensure that our building footprint and day-to-day operations are incorporating sustainable options where possible. The RESO group is principally focused on our construction and building operations, and we describe below some of the steps we are taking, along with partners and suppliers, to provide a world-class working environment for our employees that acknowledges and incorporates environmental best practices. We are aware of the commercial risks and opportunities presented by climate change. Our Core Values and our Code of Business Conduct and Ethics provide that we are to act as responsible corporate citizens and take into account policy issues of significance, including climate change, in the operation of our business.

## OUR OFFICES

2020 was a unique year for Evercore, as the vast majority of our employees operated from remote working locations for most of the year. In more normal times, our business is operated out of 31 offices around the world. We do not operate huge buildings, plants or other massive industrial spaces, nor do we own any of the facilities in which our people work, and, in only one of those facilities (our primary office in London) we are the exclusive tenant. However, we look for opportunities to make our use of office space as positive as possible.

### Office Space

When we look for office space, we take into account environmental considerations. Our global headquarters are located in New York City, and although we have historically operated out of several office spaces in the city, we are currently in the process of consolidating our local workforce into our corporate headquarters at Park Avenue Plaza, a LEED-

certified building. In London, our largest non-U.S. office, our buildings operate using 100% renewable energy. There, we have begun work with third-party service providers to collect and record information on our carbon and greenhouse gas emissions throughout EMEA. As we continue our expansion over the longterm, we are acutely aware of the advantages of choosing real estate with environmentally friendly operations, and expect that the general pace of our office expansion and construction/development work will be much smaller in the coming year when compared to our initiatives over the past several years.

U.S. Headquarters



LEED-CERTIFIED

London offices use

100%

RENEWABLE ENERGY

New York office /  
U.S. headquarters



Our successful collaboration with our construction partners and subcontractors, along with the work we have done with our landlord at our Park Avenue Plaza headquarters, has encouraged us to look for further opportunities in our existing office space around the world.

In connection with our renovation of our corporate headquarters, we sought out and became a signature project for Nontraditional Employment for Women (NEW). NEW partners with owners and construction firms to boost opportunities for women in the trades and builds inclusion in the industry. As a signature project, we targeted at least 15% tradeswomen representation throughout construction.

Our choice of office space is only part of our environmental focus. To that end, we commissioned an internal review of our construction program in 2019, with a particular focus on incorporating sustainability pillars into our relationships with our building partners and supply chain. This review led to the selection of a new construction partner with a strong record of sustainable development, construction and management of subcontractors. We are also conscious of how our decisions in preparing our office space for use by our workforce can have a positive or negative impact on the environment, and have employed environmental criteria in decisions regarding materials, suppliers and sourcing partners as part of our policy to improve our energy efficiency. We have also worked closely with our landlord at Park Avenue Plaza in designing new floors in an environmentally friendly manner, and have sought to

use energy-efficient equipment, including HVAC, lighting and other equipment wherever possible. We have installed occupancy sensors for our LED-lighting, which conserve energy when not in use, and have participated in NYSERTA incentives for supplemental air conditioning units. In our London office we have installed demand-based HVAC services for non-business hours, and we have installed energy efficient LED-lighting in our Frankfurt, Hong Kong and Singapore offices.



Our travel policies and practices in the future will be informed by the events of 2020, including the increased use of alternative communications tools and technology.

## TRAVEL

Our business is relationship-based, so it is necessary for our continued long-term success that we maintain strong connections with our clients. This often means we travel to meet our clients where they are so we can have face-to-face meetings. However, our travel practices were drastically impacted by the global pandemic and we experienced a significant reduction in business travel and expense. Our entire firm embraced new communications tools and technology that we expect will continue to reduce our reliance on business travel. We also anticipate that our travel needs and policies in the future will be informed by the events of 2020. We are beginning to explore ways to offset CO2 emissions as a result of our travel policies; although early in our analysis, we expect to include more specific guidance in our future sustainability materials.

While we recognize that in more “normal” times our travel expenses will increase from current levels, we have seen how the developments in video conferencing and other technology can reduce the need for certain in-person travel. We believe that while travel will always be necessary for our business, in the near future we have opportunities to decrease our reliance on air travel to conduct business. Our Private Funds Group, for example, has virtually completed multiple capital raises over the past year that required no in-person meetings, including several of the largest transactions dating to the start of the pandemic. For Evercore ISI, all of the marketing and management events we host moved to virtual, and our investment bankers pivoted effectively to virtual environments to close transactions throughout the pandemic. We expect that changes to our business travel requirements will continue to evolve, but know that our experiences over the past twelve months will positively influence our approach going forward.

London office





**LIZ STEVENSON**  
Head of RESO

“ In 2020, we learned a lot about efficiency and productivity in the way we work, and we will incorporate lessons learned moving forward.”

## INITIATIVES

Our RESO group is responsible for environmental management in our facilities. We have sought to advance environmentally favorable practices within our offices and have implemented the following initiatives:



Instituting new print management programs and printers which better manage our paper waste



Converting to plastic-free supplies when non-plastic alternatives are available, such as the use of glassware and biodegradable utensils in all of our U.S. office locations



Converting to the use of filtered rather than bottled water as part of an initiative to improve water efficiency



Installation of bicycle racks to encourage environmentally friendly commuting in certain offices



Managing various recycling efforts across locations, which are influenced by local laws, regulations and practices



Recycling building materials, such as acoustic ceiling tiles and carpets when remodeling

We look forward to advancing new initiatives and increasing the sustainability of our operations as we continue to grow globally.



# Conclusion

We are a company with more sustainability opportunities than risks. Our Core Values include integrity, which we define as the principle of doing the right thing at all times and in all circumstances. We believe pursuing sustainable business practices for our business is the right thing to do as a global corporate citizen.

Sustainability is all encompassing. It is not a series of disparate issues that manifest in silos. For example, in this report we discussed our work on the global energy transition. Our response to the global energy transition is not just a business or revenue-generating issue. Rather, establishing ourselves as a leader in providing a multi-disciplinary approach to the evolving energy landscape positions us well to recruit candidates who are increasingly interested in how their employers manage climate change and other sustainability issues. In turn, our reputation as a “go-to” employer will enable us to make progress on our DE&I objectives, which improves our ability to provide excellent service to our clients. Similarly, our robust governance practices impact more than just our compliance capabilities or shareholder relationships. They increase client confidence and preserve our reputation, both of which are essential to earning client trust.

We are pleased to have the opportunity to share this report with you. We are constantly evolving our practices, policies and procedures to improve the impact we have on Our People, Our Governance, Our Business and Our Planet and will continue to share updates on our progress in future reports in the coming years and iterations of a Sustainability Report. We thank you for your interest in Evercore and value your input.



## SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) FRAMEWORK

This report is evidence of our commitment to provide disclosure consistent with the SASB standards. We have included the below disclosures related to the Investment Banking & Brokerage sector. We continue to evaluate the SASB framework and how we can provide more responsive information in the future.

CODE	ACCOUNTING METRIC	DISCLOSURE
<b>Employee Diversity &amp; Inclusion</b>		
FN-IB-330a.1	Percentage of gender and racial/ethnic group representation for (1) executive management, (2) non-executive management, (3) professionals, and (4) all other employees	Our People, pgs. 8-15
<b>Incorporation of Environmental, Social, and Governance Factors in Investment Banking &amp; Brokerage Activities</b>		
FN-IB-410a.1	Revenue from (1) underwriting, (2) advisory, and (3) securitization transactions incorporating integration of environmental, social, and governance (ESG) factors, by industry	Evercore at a Glance, pg. 4; 2020 10-K, pg. 36
FN-IB-410a.2	(1) Number and (2) total value of investments and loans incorporating integration of environmental, social, and governance (ESG) factors, by industry	We do not make material proprietary investments as part of our business activities.
FN-IB-410a.3	Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment banking and brokerage activities	Our Business, pg. 29
<b>Business Ethics</b>		
FN-IB-510a.1	Total amount of monetary losses as a result of legal proceedings associated with fraud, insider trading, anti-trust, anti-competitive behavior, market manipulation, malpractice, or other related financial industry laws or regulations	Material legal proceedings are disclosed in our 2020 Form 10-K (Item 3)
FN-IB-510a.2	Description of whistleblower policies and procedures	Whistleblower Protection, pg. 26
<b>Professional Integrity</b>		
FN-IB-510b.1	(1) Number and (2) percentage of covered employees with a record of investment-related investigations, consumer-initiated complaints, private civil litigations, or other regulatory proceedings	Material legal proceedings are disclosed in our 2020 Form 10-K (Item 3)
FN-IB-510b.2	Number of mediation and arbitration cases associated with professional integrity, including duty of care, by party	Material legal proceedings are disclosed in our 2020 Form 10-K (Item 3)
FN-IB-510b.3	Total amount of monetary losses as a result of legal proceedings associated with professional integrity, including duty of care	Material legal proceedings are disclosed in our 2020 Form 10-K (Item 3)
FN-IB-510b.4	Description of approach to ensuring professional integrity, including duty of care	Our Core Values and Culture, pg. 21

Systemic Risk Management		
FN-IB-550a.1	Global Systemically Important Bank (G-SIB) score, by category	Evercore and its affiliates are not designated a G-SIB
FN-IB-550a.2	Description of approach to incorporation of results of mandatory and voluntary stress tests into capital adequacy planning, long-term corporate strategy, and other business activities	Risks related to capital adequacy, pg. 27
Employee Incentives & Risk Taking		
FN-IB-550b.1	Percentage of total remuneration that is variable for Material Risk Takers (MRTs)	Compensation and Equity Plan (pg. 27); For further information on our compensation philosophy, see our most recent Proxy Statement
FN-IB-550b.2	Percentage of variable remuneration of Material Risk Takers (MRTs) to which malus or clawback provisions were applied	Compensation and Equity Plan (pg. 27); For further information on our compensation philosophy, see our most recent Proxy Statement
FN-IB-550b.3	Discussion of policies around supervision, control, and validation of traders' pricing of Level 3 assets and liabilities	We do not have traders who price Level 3 assets and liabilities.
Activity Metric		
FN-IB-000.A	(1) Number and (2) value of (a) underwriting, (b) advisory, and (c) securitization transactions	Evercore at a Glance, pg. 4; 2020 10-K, pgs. 36-37
FN-IB-000.B	(1) Number and (2) value of proprietary investments and loans by sector	We do not make material proprietary investments as part of our overall business activities.
FN-IB-000.C	(1) Number and (2) value of market making transactions in (a) fixed income, (b) equity, (c) currency, (d) derivatives, and (e) commodity products	Market making activities are not a material component of our overall business activities.

## APPENDIX A: U.S. GAAP RECONCILIATION TO ADJUSTED RESULTS (UNAUDITED)

Information in the following financial reconciliations presents the historical results of the Company from continuing operations and is presented on an Adjusted basis, which is a non-generally accepted accounting principles (“non-GAAP”) measure. Adjusted results begin with information prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”), adjusted to exclude certain items and reflect the conversion of vested and unvested Evercore LP Units and Interests, other IPO related restricted stock unit awards, as well as Acquisition Related Share Issuances and Unvested Restricted Stock Units granted to Lexicon and ISI employees, into Class A shares. Evercore believes that the disclosed Adjusted measures and any adjustments thereto, when presented in conjunction with comparable U.S. GAAP measures, are useful to investors to compare Evercore’s results across several periods and facilitate an understanding of Evercore’s operating results. The Company uses these measures to evaluate its operating performance, as well as the performance of individual employees. These measures should not be considered a substitute for, or superior to, measures of financial performance prepared in accordance with U.S. GAAP. These Adjusted amounts are allocated to the Company’s two business segments: Investment Banking and Investment Management. The differences between Adjusted and U.S. GAAP results are as follows:

**Assumed Vesting of Evercore LP Units and Exchange into Class A Shares.** The Company incurred expenses, primarily in Employee Compensation and Benefits, resulting from the vesting of Class E LP Units issued in conjunction with the acquisition of ISI, as well as Class G and H LP Interests and Class J LP Units. The Adjusted results assume these LP Units and certain Class G and H LP Interests have vested and have been exchanged for Class A shares. Accordingly, any expense or reversal of expense associated with these units, and related awards, is excluded from Adjusted results, and the noncontrolling interest related to these units is converted to controlling interest. The Company’s Management believes that it is useful to provide the per-share effect associated with the assumed conversion of these previously granted equity interests, and thus the Adjusted results reflect the exchange of certain vested and unvested Evercore LP partnership units and interests and IPO related restricted stock unit awards into Class A shares.

**Special Charges, Including Business Realignment Costs.** Expenses associated with impairments of Goodwill and Intangible Assets and other costs related to business changes, including those associated with acquisitions and divestitures, are excluded from the Adjusted results.

**Presentation of Interest Expense.** The Adjusted results present interest expense on short-term repurchase agreements in Other Revenue, net, as the Company’s Management believes it is more meaningful to present the spread on net interest resulting from the matched financial assets and liabilities. In addition, Adjusted Operating Income is presented before interest expense on debt, which is included in interest expense on a U.S. GAAP basis.

**Presentation of Income (Loss) from Equity Method Investments.** The Adjusted results present Income (Loss) from Equity Method Investments within Revenue as the Company’s Management believes it is a more meaningful presentation.

**Adjustments Associated with Business Combinations and Divestitures.** The following charges resulting from business combinations and divestitures have been excluded from the Adjusted results because the Company’s Management believes that operating performance is more comparable across periods excluding the effects of these acquisition-related charges:

**Amortization of Intangible Assets and Other Purchase Accounting-related Amortization.** Amortization of intangible assets and other purchase accounting-related amortization from the acquisitions of ISI, SFS and certain other acquisitions.

**Compensation Charges.** Expenses for deferred consideration issued to the sellers of certain of the Company’s acquisitions.

**Acquisition and Transition Costs.** Primarily professional fees incurred and costs related to transitioning acquisitions or divestitures.

**Fair Value of Contingent Consideration.** The expense, or reversal of expense, associated with changes in fair value of contingent consideration issued to the sellers of certain of the Company's acquisitions.

**Gain on Transfer of Ownership of Mexican Private Equity Business.** The gain resulting from the transfer of ownership of the Mexican Private Equity business in the third quarter of 2016.

**Gain on Sale of Institutional Trust and Independent Fiduciary business of ETC.** The gain resulting from the sale of the Institutional Trust and Independent Fiduciary business of ETC in the fourth quarter of 2017.

**Foreign Exchange Gains / (Losses).** Release of cumulative foreign exchange losses resulting from the restructuring of our former equity method investment in G5 in the fourth quarter of 2017, as well as from the sale and wind-down of our businesses in Mexico in the fourth quarter of 2020.

**Net Loss on Sale of ECB businesses.** The net loss resulting from the gain on the sale of the ECB Trust business and the loss on the sale of the remaining ECB business incurred in the third and fourth quarters of 2020, respectively.

**Income Taxes.** Evercore is organized as a series of Limited Liability Companies, Partnerships, C-Corporations and a Public Corporation and therefore, not all of the Company's income is subject to corporate-level taxes. As a result, adjustments have been made to the Adjusted earnings to assume that the Company is subject to the statutory tax rates of a C-Corporation under a conventional corporate tax structure in the U.S. at the prevailing corporate rates and that all deferred tax assets relating to foreign operations are fully realizable within the structure on a consolidated basis. This assumption is consistent with the assumption that certain Evercore LP Units and Interests are vested and exchanged into Class A shares, as the assumed exchange would change the tax structure of the Company. Excluded from the Company's Adjusted results are adjustments related to the impact of the enactment of the Tax Cuts and Jobs Act that was signed into law on December 22, 2017, which resulted in a reduction in income tax rates in the U.S. in 2018 and in future years. The enactment of this tax reform resulted in a charge to the Provision for Income Taxes for the fourth quarter of 2017 of \$143.3 million primarily resulting from the estimated re-measurement of net deferred tax assets, which relates principally to temporary differences from the step-up in basis associated with the exchange of partnership units, deferred compensation, accumulated other comprehensive income and depreciation of fixed assets and leasehold improvements. The tax reform also resulted in an estimated adjustment to Other Revenue for the fourth quarter of 2017 of \$77.5 million related to the re-measurement of amounts due pursuant to our tax receivable agreement, which was reduced due to the lower enacted income tax rates in the U.S. in 2018 and in future years.

During 2018, the Company's Adjusted presentation for current and prior periods was revised to eliminate the netting of client related expenses, expenses associated with revenue sharing engagements with third parties and provisions for uncollected receivables with their related revenue. The revised presentation reflects the expense and related revenue gross. The Company revised its presentation for these expenses in order to align with the treatment under U.S. GAAP. There was no impact on Adjusted Operating Income, Net Income or Earnings Per Share.

**ADVISORY REVENUE & NET REVENUES (DOLLARS IN THOUSANDS)**

	Twelve Months Ended December 31,					
	2020	2019	2018	2017	2016	2015
<b>Advisory Revenue - U.S. GAAP</b>	\$1,755,273	\$1,653,585	\$1,743,473	\$1,324,412	\$1,096,829	\$865,494
Income from Equity Method Investments (1)	1,546	916	518	277	1,370	978
<b>Advisory Revenue - Adjusted</b>	\$1,756,819	\$1,654,501	\$1,743,991	\$1,324,689	\$1,098,199	\$866,472
<b>Net Revenues - U.S. GAAP</b>	\$2,263,905	\$2,008,698	\$2,064,705	\$1,704,349	\$1,440,052	\$1,223,273
Income from Equity Method Investments (1)	14,398	10,996	9,294	8,838	6,641	6,050
Interest Expense on Debt (2)	18,197	12,917	9,201	9,960	10,248	9,617
Mexico Transition - Net Loss on Sale of ECB Businesses (3)	3,441	-	-	-	-	-
Mexico Transition - Release of Foreign Exchange Losses (4)	27,365	-	-	-	-	-
Gain on Sale of Institutional Trust and Independent Fiduciary Business of ETC (5)	-	-	-	(7,808)	-	-
Foreign Exchange Losses from G5 Transaction (6)	-	-	-	16,266	-	-
Gain on Transfer of Ownership of Mexican Private Equity Business (7)	-	-	-	-	(406)	-
Other Purchase Accounting-related Amortization (8)	-	-	-	-	-	106
Adjustment to Tax Receivable Agreement Liability (9)	-	-	-	(77,535)	-	-
<b>Net Revenues - Adjusted</b>	\$2,327,306	\$2,032,611	\$2,083,200	\$1,654,070	\$1,456,535	\$1,239,046

**OPERATING INCOME & NET INCOME (DOLLARS IN THOUSANDS)**

	Twelve Months Ended December 31,					
	2020	2019	2018	2017	2016	2015
<b>Operating Income - U.S. GAAP</b>	\$526,433	\$437,711	\$542,077	\$428,811	\$261,174	\$128,670
Income from Equity Method Investments (1)	14,398	10,996	9,294	8,838	6,641	6,050
Interest Expense on Debt (2)	18,197	12,917	9,201	9,960	10,248	9,617
Mexico Transition - Net Loss on Sale of ECB Businesses (3)	3,441	-	-	-	-	-
Mexico Transition - Release of Foreign Exchange Losses (4)	27,365	-	-	-	-	-
Gain on Sale of Institutional Trust and Independent Fiduciary Business of ETC (5)	-	-	-	(7,808)	-	-
Foreign Exchange Losses from G5 Transaction (6)	-	-	-	16,266	-	-
Gain on Transfer of Ownership of Mexican Private Equity Business (7)	-	-	-	-	(406)	-
Intangible Asset Amortization / Other Purchase Accounting-related Amortization (8)	1,183	7,528	8,628	9,411	11,020	14,229
Adjustment to Tax Receivable Agreement Liability (9)	-	-	-	(77,535)	-	-
Amortization of LP Units / Interests and Certain Other Awards (10)	1,067	18,183	15,241	11,444	80,846	83,673
Other Acquisition Related Compensation Charges (11)	-	-	-	-	-	1,537
Special Charges, Including Business Realignment Costs (12)	46,645	10,141	5,012	25,437	8,100	41,144
Acquisition and Transition Costs (13)	562	1,013	21	1,673	99	4,890
Fair Value of Contingent Consideration (14)	-	-	1,485	-	1,107	2,704
<b>Operating Income - Adjusted</b>	<b>\$639,291</b>	<b>\$498,489</b>	<b>\$590,959</b>	<b>\$426,497</b>	<b>\$378,829</b>	<b>\$292,514</b>

**OPERATING INCOME & NET INCOME (DOLLARS IN THOUSANDS)**

	Twelve Months Ended December 31,					
	2020	2019	2018	2017	2016	2015
<b>Net Income from Continuing Operations - U.S. GAAP</b>	\$412,680	\$353,661	\$442,851	\$179,207	\$148,512	\$57,690
Net Income Attributable to Noncontrolling Interest	(62,106)	(56,225)	(65,611)	(53,753)	(40,984)	(14,827)
Mexico Transition - Net Loss on Sale of ECB Businesses (3)	3,441	-	-	-	-	-
Mexico Transition - Release of Foreign Exchange Losses (4)	27,365	-	-	-	-	-
Gain on Sale of Institutional Trust and Independent Fiduciary Business of ETC (5)	-	-	-	(7,808)	-	-
Foreign Exchange Losses from G5 Transaction (6)	-	-	-	16,266	-	-
Gain on Transfer of Ownership of Mexican Private Equity Business (7)	-	-	-	-	(406)	-
Intangible Asset Amortization / Other Purchase Accounting-related Amortization (8)	1,183	7,528	8,628	9,411	11,020	14,229
Adjustment to Tax Receivable Agreement Liability and Income Taxes, Net (9)	(29,731)	(13,727)	(12,368)	50,529	(20,837)	(28,604)
Amortization of LP Units / Interests and Certain Other Awards (10)	1,067	18,183	15,241	11,444	80,846	83,673
Other Acquisition Related Compensation Charges (11)	-	-	-	-	-	1,537
Special Charges, Including Business Realignment Costs (12)	46,645	10,141	5,012	25,437	8,100	41,144
Acquisition and Transition Costs (13)	562	1,013	21	1,673	99	4,890
Fair Value of Contingent Consideration (14)	-	-	1,485	-	1,107	2,704
Noncontrolling Interest (15)	58,489	52,726	58,698	43,965	35,561	8,871
<b>Net Income Attributable to Evercore Inc. - Adjusted</b>	<b>\$459,595</b>	<b>\$373,300</b>	<b>\$453,957</b>	<b>\$276,371</b>	<b>\$223,018</b>	<b>\$171,307</b>

## DILUTED SHARES OUTSTANDING & KEY METRICS (SHARE AMOUNTS IN THOUSANDS)

	Twelve Months Ended December 31,					
	2020	2019	2018	2017	2016	2015
<b>Diluted Shares Outstanding - U.S. GAAP</b>	42,623	43,194	45,279	44,826	44,193	43,699
LP Units (16a)	5,126	5,254	5,075	5,885	7,479	9,261
Unvested Restricted Stock Units - Event Based (16a)	12	12	12	12	12	12
Acquisition Related Share Issuance (16b)	-	-	-	-	-	51
<b>Diluted Shares Outstanding - Adjusted</b>	47,761	48,460	50,366	50,723	51,684	53,023
<b>Key Metrics: (a)</b>						
Diluted Earnings Per Share - U.S. GAAP	\$8.22	\$6.89	\$8.33	\$2.80	\$2.43	\$0.98
Diluted Earnings Per Share - Adjusted	\$9.62	\$7.70	\$9.01	\$5.45	\$4.32	\$3.23
Operating Margin - U.S. GAAP	23.3%	21.8%	26.3%	25.2%	18.1%	10.5%
Operating Margin - Adjusted	27.5%	24.5%	28.4%	25.8%	26.0%	23.6%

(a) Reconciliations of the key metrics from U.S. GAAP to Adjusted results are a derivative of the reconciliations of their components on the prior pages.

## APPENDIX A: FOOTNOTES

1. Income (Loss) from Equity Method Investments has been reclassified to Revenue in the Adjusted presentation.
2. Interest Expense on Debt is excluded from Net Revenues and presented below Operating Income in the Adjusted results and is included in Interest Expense on a U.S. GAAP Basis.
3. The net loss resulting from the gain on the sale of the ECB Trust business and the loss on the sale of the remaining ECB business in the third and fourth quarters of 2020, respectively, is excluded from the Adjusted presentation.
4. Release of cumulative foreign exchange losses in the fourth quarter of 2020 resulting from the sale and wind-down of our businesses in Mexico are excluded from the Adjusted presentation.
5. The gain resulting from the sale of the Institutional Trust and Independent Fiduciary business of ETC in the fourth quarter of 2017 is excluded from the Adjusted presentation.
6. Release of cumulative foreign exchange losses resulting from the restructuring of our former equity method investment in G5 in the fourth quarter of 2017 are excluded from the Adjusted presentation.
7. The gain resulting from the transfer of ownership of the Mexican Private Equity business in the third quarter of 2016 is excluded from the Adjusted presentation.
8. The exclusion from the Adjusted presentation of expenses associated with amortization of intangible assets and other purchase accounting-related amortization from the acquisitions of ISI, SFS and certain other acquisitions.
9. Evercore is organized as a series of Limited Liability Companies, Partnerships, C-Corporations and a Public Corporation and therefore, not all of the Company's income is subject to corporate-level taxes. As a result, adjustments have been made to the Adjusted earnings to assume that the Company is subject to the statutory tax rates of a C-Corporation under a conventional corporate tax structure in the U.S. at the prevailing corporate rates and that all deferred tax assets relating to foreign operations are fully realizable within the structure on a consolidated basis. This assumption is consistent with the assumption that certain Evercore LP Units and Interests are vested and exchanged into Class A shares, as the assumed exchange would change the tax structure of the Company. Excluded from the Company's Adjusted results are adjustments, described below, related to the impact of the enactment of the Tax Cuts and Jobs Act that was signed into law on December 22, 2017, which resulted in a reduction in income tax rates in the U.S. in 2018 and in future years. The enactment of this tax reform resulted in a charge to the Provision for Income Taxes for the fourth quarter of 2017 of \$143.3 million primarily resulting from the estimated re-measurement of net deferred tax assets, which relates principally to temporary differences from the step-up in basis associated with the exchange of partnership units, deferred compensation, accumulated other comprehensive income and depreciation of fixed assets and leasehold improvements. The tax reform also resulted in an estimated adjustment to Other Revenue for the fourth quarter of 2017 of \$77.5 million related to the re-measurement of amounts due pursuant to our tax receivable agreement, which was reduced due to the lower enacted income tax rates in the U.S. in 2018 and in future years.
10. Expenses, or reversal of expenses, incurred from the assumed vesting of Class E LP Units, Class G and H LP Interests and Class J LP Units issued in conjunction with the acquisition of ISI are excluded from the Adjusted presentation.
11. Expenses for deferred consideration issued to the sellers of certain of the Company's acquisitions are excluded from the Adjusted presentation.

12. Expenses during 2020 that are excluded from the Adjusted presentation relate to separation and transition benefits and related costs as a result of the Company's review of its operations and the acceleration of depreciation expense for leasehold improvements and certain other fixed assets in conjunction with the expansion of our headquarters in New York and our business realignment initiatives, as well as charges related to the impairment of assets resulting from the wind-down of our Mexico business. Expenses during 2019 related to the acceleration of depreciation expense for leasehold improvements in conjunction with the expansion of our headquarters in New York, the impairment of goodwill in the Institutional Asset Management reporting unit and separation and transition benefits for certain employees terminated as a result of the Company's review of its operations. Expenses during 2018 related to separation benefits and costs of terminating certain contracts associated with closing the agency trading platform in the U.K. and separation benefits and related charges associated with the Company's businesses in Mexico, as well as the acceleration of depreciation expense for leasehold improvements in conjunction with the expansion of our headquarters in New York. Expenses during 2017 related to a charge for the impairment of goodwill in the Institutional Asset Management reporting unit and a charge for the impairment of our investment in G5 in the second quarter and the sale of the Institutional Trust and Independent Fiduciary business of ETC during the fourth quarter. Expenses during 2016 related to a charge for the impairment of our investment in Atalanta Sosnoff during the fourth quarter. Expenses during 2015 primarily related to a charge for the impairment of goodwill in the Institutional Asset Management reporting unit and charges related to the restructuring of our investment in Atalanta Sosnoff during the fourth quarter, primarily related to the conversion of certain of Atalanta Sosnoff's profits interests held by management to equity interests. Expenses during 2015 also include charges related to separation benefits and costs associated with the termination of certain contracts within the Company's Evercore ISI business, as well as the finalization of a matter associated with the wind-down of the Company's U.S. Private Equity business.
13. Primarily professional fees incurred, as well as the reversal of a provision for certain settlements in 2016 and costs related to transitioning acquisitions or divestitures.
14. The expense, or the reversal of expense, associated with the changes in fair value of contingent consideration issued to the sellers of certain of the Company's acquisitions is excluded from the Adjusted results.
15. Reflects an adjustment to eliminate noncontrolling interest related to all Evercore LP partnership units which are assumed to be converted to Class A common stock in the Adjusted presentation.
16. (a) Assumes the vesting, and exchange into Class A shares, of certain Evercore LP partnership units and interests and IPO related restricted stock unit awards and reflects on a weighted average basis, the dilution of unvested service-based awards in the Adjusted presentation. In the computation of outstanding common stock equivalents for U.S. GAAP net income per share, the Evercore LP partnership units are anti-dilutive.  
  
(b) Assumes the vesting of all Acquisition Related Share Issuances and Unvested Restricted Stock Units granted to Lexicon employees in the Adjusted presentation. In the computation of outstanding common stock equivalents for U.S. GAAP, these Shares and Restricted Stock Units are reflected using the Treasury Stock Method.

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