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# Managing Labor Risks in **Private Equity**

Empowering Pension Fund Trustees to  
Navigate Workforce Risks and Drive Long-Term Value







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The AFT is a union of professionals that champions fairness; democracy; economic opportunity; and high-quality public education, healthcare and public services for our students, their families and our communities. We are committed to advancing these principles through community engagement, organizing, collective bargaining and political activism, and especially through the work our members do.

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# Foreword

Dear Trustees,

These last few years have been ones of extraordinary achievements for our union. Our members make a difference in the lives of others, yet we have had to fight for every change that better their lives. We have fought extremism, culture wars and anti-democratic forces and have grown in both numbers and strength in ways that have exceeded what many thought possible. While more must be done, what our solidarity has achieved for us as education workers, public employees and healthcare professionals should be a source of continuing pride for us all. One of the most important things we have accomplished has been our success at winning and defending the benefit funds that provide all of us with the retirement security we deserve. But as you know, retirement security must be won again every day in the capital markets where our money is invested. As AFT member trustees, you are the guardians of our retirement security. In that work, you face many challenges, and our commitment as a union must always stand behind you. This report continues our work addressing one of the most challenging aspects of being a fiduciary—overseeing the opaque and complex world of private equity investments.

In recent years, as private equity and other alternative assets have grown as both an asset class and a force in the U.S. economy, the AFT has published numerous reports looking at alternative asset management, fees, returns and investment risks. We offer this latest report to support your work as trustees overseeing your funds' efforts to maximize long-term, risk-adjusted returns—by providing an overview of how private equity firms in AFT members' pension fund portfolios have addressed labor risks throughout their portfolio companies, by reviewing existing labor standards policies in the private equity marketplace, and by creating a model labor standards policy framework that was developed with AFT member funds in mind.

I am particularly pleased to provide trustees with this report because we have a unique vantage point as a union that represents 1.8 million American workers who both *invest in* and *work for* entities controlled by private equity. Our members' retirement funds' assets exceed \$3 trillion. Our pension funds rely on a healthy economy and broad-based economic growth to fund our long-term obligations to our current and future retirees.

Our members' pension funds invest in private equity along with every other asset class. Our pension funds are “patient capital,” seeking investments that generate steady, risk-adjusted returns and create long-term value, which is particularly important because our funds' performance is ultimately determined by the performance of the wider economy. We are universal investors.

Earlier this year, Sean McGarvey, the president of the North America's Building Trades Unions, and I wrote a piece for *Fortune*, praising the Biden administration for its efforts to push the private equity industry to address investors' legitimate fiduciary concerns regarding greater transparency, fairer fees, and a business model that grows strong businesses and creates good jobs.

Sean and I wrote this piece because, unfortunately, that type of win-win approach is not the dominant business model in private equity. More often, we see workers exploited and companies loaded with debt, often to the point of bankruptcy. One of the situations addressed in this report, the case of Steward Health Care, a major hospital chain that recently [filed for bankruptcy](#), is a prime case in point. A private equity fund (Cerberus Capital Management) created Steward through a series of leveraged buyouts, then carried out several financial transactions that stripped the company of most of its value and sold it, earning a sizeable profit while creating the conditions that pushed Steward into bankruptcy a few short years later. Cerberus and related investors profited while the patients, workers and communities these hospitals served lost everything.

With private equity firms now controlling \$14.7 trillion—33 times larger than the value of the entire U.S. auto sector—and employing 12 million workers, we find ourselves at a critical juncture. Our economy, our healthcare systems, and our pension funds as universal investors cannot afford more stories like Steward Health Care's. That is why we share the Biden administration's [concern](#) that too many private equity funds exploit investors and treat their employees as expendable, hurting them and the economy as a whole.


We also know there's a better way for the AFT and our members, both as investors and as workers. As we shared in our *Fortune* article, respecting workers' rights and the role of unions creates a virtuous economic cycle and creates meaningful long-term value for our funds in the process. A [recent U.S. Treasury report found](#) that "unions contribute to more robust economic growth and resilience." The same report found that unions contribute to a firm's productivity by increasing workers' voice and connection to their jobs. Both [the Organization for Economic Cooperation and Development](#) and [the International Monetary Fund](#) have concluded that economic inequality harms economic growth. And [a recent study](#) found that productivity for union labor is 14 percent higher than nonunion labor, and that union labor reduces both employee turnover and the total cost of projects by about 4 percent.

Increasingly, large players in the private equity markets are embracing that better way. They are taking steps to address labor risks, and some of these examples are detailed in our report. But it shouldn't require a fight to push private equity companies to follow the law and respect workers' rights on the job. Poor workforce management practices in private equity harm American workers, harm our local economies, and expose investors to unnecessary risk—a colossal lose-lose for everyone except the private equity firms themselves.

As workers, as fiduciaries and as citizens, we know what working people need, what our pension funds need and what America needs is for us to work together to create good jobs, respect the law and working people's rights, and build a shared future where all of us can retire with security and dignity.

I am very pleased to be able, on behalf of your union, to provide you with this powerful tool for helping you fulfill your fiduciary duty to the AFT members we both serve.

In unity,



Randi Weingarten  
AFT President

## Executive Summary

With the \$14.7 trillion private equity industry controlling companies that employ at least 12 million people, private equity's impact on the United States economy and the American workforce is profound. And the workforce issues at the entities the private equity industry controls—including the use of child or forced labor, restricted freedom of association, mass layoffs, and workplace health and safety problems, among other issues—have a significant impact on private equity's risk-reward profile. Workforce management practices directly relate to corporate long-term-value creation and, when handled poorly, create acute labor risk for investors. Addressing labor-related risks, as part of risk management, falls squarely within pension fiduciaries' responsibilities. In that context, this report is intended for pension funds to use as part of the mix of information that trustees, fund staff and expert advisers may choose to consider as they both allocate capital and oversee their portfolio investments in private equity.

The AFT created this report at the request of trustees from AFT members' public pension plans, who seek information that is often hidden or not shared with them. During AFT Trustee Council meetings, trustees nationwide express the need to understand specific investment risks more thoroughly. This report's purpose is to provide them with the necessary information to make informed decisions and fulfill their fiduciary duties.

This report argues that when private equity firms adopt and follow labor and workforce standards, everyone benefits: private equity firms, portfolio companies, their workers, our pension funds and the broader economy. The ideal outcome is for every private equity firm to implement responsible workforce labor standards and principles. These labor principles include promoting unionization, negotiating union contracts, ensuring workplace safety, eliminating forced labor (including child labor) and maintaining neutrality when workers unionize.

Many global institutional investors and industry analysts, and even the private equity industry itself, acknowledge the important role labor standards can play in value creation, with their major trade association—the American Investment Council—validating several labor risks as material to investment returns.

Private equity portfolio companies have, in some instances, taken effective action to mitigate acute labor risk, but only after intensive investor engagement with private equity firms. Given the illiquidity of private equity investments, and the challenges associated with both obtaining and acting on information as a limited partner, some fiduciaries have expressed an interest in model policies that institutional investors could adopt for their private equity investments, to encourage private equity firms to consistently and transparently manage labor risks. This report reviews some existing model policies and proposes a model for the consideration of pension fund fiduciaries.

The issues surrounding private equity labor practices have had broader social consequences. This report looks at the high-profile case of the private equity firm Cerberus Capital's control of Steward Health Care and its aftermath. The Steward story offers an important example of the potential risk for businesses, investors, workers and communities associated with private



equity's highly leveraged business model, particularly when that model is combined with poor workforce management practices. The collapse of Steward shows specifically how this model, in the healthcare context, can undermine the viability of hospitals and harm healthcare workers, the communities they serve and local economies.

This report provides a snapshot of the recent labor track record of 10 of the largest private equity firms, drawing on public sources as well as responses to questions posed to the firms themselves. Three firms responded, and their responses are summarized. The firms profiled in the report were chosen because they are the private equity managers who receive the most investment capital from our AFT members' pension funds: Advent International, Apollo Global Management, Ares Management, Blackstone Group, Brookfield Asset Management/Oaktree, Carlyle Group, CVC Capital Partners, KKR, TPG and Warburg Pincus. The report will be updated when there are material changes in the labor track record of these firms.

The report concludes with a discussion of existing labor principles and policies adopted by institutional investors and labor organizations that encourage their private equity managers to adopt a coherent, consistent approach to addressing labor risks. The report also includes the AFT Labor Standards Platform as one such approach designed with the fiduciaries of AFT members' benefit plans in mind to proactively address company-specific and systemic labor risks in private equity. This comprehensive approach to labor policies includes the adoption and implementation of systematic, responsible workforce management policies and practices that the AFT believes will enhance the value of our members' funds' investments as well as lead to a broadly healthier U.S. economy in the long term, ultimately further strengthening the security of public pensioners.

## Introduction

The \$14.7 trillion private equity money management sector<sup>1</sup> controls companies that employ 12 million people.<sup>2</sup> This report seeks to examine labor relations practices in the portfolio companies of the major private equity firms, looking at these practices from the perspectives of both the labor movement and long-term risk and return, which is the appropriate lens for the fiduciaries who are entrusted with the management of workers' retirement assets. The fundamental relationship in the capital markets between risk and return means fiduciaries must be perpetually vigilant in identifying business strategies that genuinely add value and in distinguishing such strategies from ones that may increase short-term returns by increasing risk.

Fiduciaries have long known that, in dealing with private equity firms, vigilance is required around financial risk/return tradeoffs. This report looks at labor relations practices as another area where it is possible to increase short-term returns while taking on long-term risks—leading to zero-sum or even negative-sum outcomes. In producing this report, the AFT hopes to provide a wide range of actors—fiduciaries, fund staff and advisers, workers and their unions—with critical information necessary to assess private equity funds' claims to engage in value creation through their management of the businesses they control.

The AFT has close to 1.8 million members, who have, through collective bargaining, built both public and private sector retirement funds with assets totaling roughly \$3.4 trillion. During the last several decades, the AFT has expressed concern regarding alternative investments' excessive fees, poor returns net of fees, risk, and failure to deliver promised diversification.<sup>3</sup> This report focuses instead on a set of labor issues in the management of private equity assets that concern the AFT as a workers' organization and that we believe should concern those charged with protecting our members' retirement security.

The purpose of this report is to inform pension fund trustees, workers, their unions and public policy makers regarding the labor track record of the top private equity asset managers in AFT member retirement fund portfolios. The AFT has asked those asset managers directly about their labor standards policies and has summarized their responses. This report also suggests a policy framework for assessing the labor practices of private equity firms in relation to their management of their portfolios of operating companies.

This information is provided with the expectation that a variety of market actors will find the information useful. The AFT provides this report to our pension funds with the expectation that it will be part of the mix of information that trustees, fund staff and expert advisers will use to both allocate capital and oversee their portfolio investments in private equity. The AFT does not make investment recommendations or provide investment advice to its members or their pension funds.

## The Role of Labor Standards in Value Creation

The value of workforce management practices as a contributor to long-term financial performance is recognized by the American Investment Council, one of the private equity industry's major trade associations. In its "[Guidelines for Responsible Investing](#)," the AIC notes that "evidence has continued to mount that consideration of ESG (environmental, social and governance) issues can create value for investments during the holding period, for the post-investment operation of the company, and to society over the long term."<sup>4</sup> It further elaborates on a set of ESG issues "that can be material to investment returns and/or societal outcomes" and includes the following key recommendations to AIC-member firms, with 3 of the 8 substantive guidelines relating directly to labor standards:

- **Improve employee well-being.** "Seek to support and improve the well-being of employees as part of human capital management strategy and in compliance with applicable laws. This includes supporting the payment of competitive wages and benefits to employees; providing a safe and healthy workplace; and respecting rights of employees to decide whether or not to join a union and engage in collective bargaining."
- **Improve diversity, equity, and inclusion.** "Seek to improve diversity, equity, and inclusion in the private equity industry and in portfolio investments, as appropriate. This includes efforts to address and resolve racial and gender disparities in recruitment, retention, and compensation."
- **Respect human rights.** "Respect the human rights of those affected by their investment activities and seek to confirm that their investments do not flow to companies that utilize child or forced labor or maintain discriminatory policies."

In 2023, 45 institutional investors representing \$3.5 trillion in investments released a [statement](#), reinforcing the value-additive benefits of strong workforce management policies: "Companies that respect labor rights reap many benefits, such as greater productivity, safer workplaces, and improved employee engagement."<sup>5</sup> Trillium Asset Management went a step further in a 2022 [report](#), making the case for companies to embrace worker organizing as it aligns with "a long-term investment horizon and sustainable investment values."<sup>6</sup> These statements drew upon research showing that firms with lower turnover had better financial performance<sup>7</sup> and Morningstar research that unionized firms have lower turnover.<sup>8</sup> Looking specifically at the healthcare industry, two recent studies correlated unionization and lower workforce turnover,<sup>9,10</sup> showcasing how workforce representation can stabilize operations.

In 2023, the World Economic Forum created its DEI Lighthouse Program with annual progress updates,<sup>11</sup> highlighting how addressing pay equity and promoting diversity in hiring, retention strategies and promotion policies can create an inclusive, equitable and more productive workplace culture. The World Economic Forum found that workforce management policies that promote DEI led to better corporate financial performance and resilience because diverse teams at all levels are more effective at problem-solving and are more innovative, but effective implementation depends on high-level leadership commitment.

In June 2024, AFT President Randi Weingarten participated in the World of Work forum hosted by Semafor, which focused on Gallup’s “State of the Global Workplace” report. The Gallup report highlights a real correlation between strong labor laws, employee engagement and worker well-being.<sup>12</sup> The report found that businesses in the top quartile of employee engagement achieve 23 percent higher profitability than those in the bottom quartile.

Also in 2024, the president’s National Economic Council held a roundtable on the need for private equity to adopt a more worker-friendly approach to its investment portfolios. The forum was convened by Acting Secretary of Labor Julie Su, who oversees implementation and enforcement of the Employee Retirement Income Security Act, and National Economic Council Director Lael Brainard.

## **Private Equity Labor Policies’ Impact on the Larger Economic Environment: Implications for Fiduciaries**

Public pension funds are among the longest of long-term investors, and large pension funds that benefit from economies of scale are universal investors whose performance is tied to that of the larger global economy. Consequently, pension fund financial performance is tied to strong economic prosperity and growth. The 2008 financial crisis proved this point, causing a precipitous decline in pension funding, with public pensions losing \$889 billion in aggregate value from 2008 to 2009,<sup>13</sup> compounded by budget-strained states skimping on annual required contributions.<sup>14</sup>

In the years following the 2008 financial crisis, private equity managers promised pension funds diversification<sup>15</sup> and high, uncorrelated returns. Critics of private equity have argued that when the financial risk associated with the embedded leverage in private equity portfolios is properly analyzed and fees are fully accounted for, real returns are disappointing,<sup>16</sup> particularly in today’s current relatively high-interest-rate environment.<sup>17</sup>

Private equity firms’ basic strategy has been relatively constant going back to the 1980s, when private equity firms were known as leveraged buyout firms. Their strategy has been to acquire operating companies by combining their investors’ equity with very high levels of debt attached to the companies, and then to manage those companies to maximize cash flows to equity investors, usually through a combination of outsized dividends and a sale within five to seven years. During the ownership period, dividends are funded through strategies such as dividend recapitalization,<sup>18</sup> sale leasebacks<sup>19</sup> and subscription line financing.<sup>20</sup>

Underlying these strategies often are efforts to maximize operating cash flows by either reducing or appearing to reduce cash outflows, including especially labor costs and costs of investing in property, plant and equipment. To the extent these practices are not sustainable—i.e., they lead to firms becoming uncompetitive or unattractive to their customers, prospective employees or buyers—they threaten the long-term health and profitability of private equity portfolio companies. Maintaining solvency under high debt burdens is a challenge for many portfolio companies, with bankruptcies reaching a record high in 2023.<sup>21</sup> More than 20 percent of healthcare bankruptcies in 2023 were private-equity backed.<sup>22</sup> As of 2019, 10 out of 14 of the

largest retail bankruptcies were private equity-owned, and from 2009 to 2019, nearly 600,000 workers at private equity- or hedge fund-owned retailers lost their jobs.<sup>23</sup>

As bad as mass layoffs are, for pension funds that are universal owners there is potentially a larger economic and social issue that hurts investors long-term. Given that private equity funds control 6.5 percent of gross domestic product,<sup>24</sup> making them 33 percent larger than the entire automotive sector, widespread value-destroying business practices by private equity have the potential to negatively impact the larger economic environment, which is the fundamental driver of pension fund returns.<sup>25</sup> High debt burdens force companies to cut costs—often labor costs—to remain solvent. In the case of healthcare companies, this usually means fewer staff to care for patients and demonstrably worse patient outcomes.

Labor standards policies at pension funds offer trustees an important tool to systematically address both company-specific and systemic risks associated with labor practices at private equity portfolio companies. This includes ensuring collective bargaining rights and card-check neutrality for workers at portfolio companies, which can lead to more stable and productive labor relations. As the profiles below demonstrate, many private equity firms have successfully resolved labor disputes in some specific instances and have mitigated labor-related risks, but the predominant case-by-case approach of private equity firms to portfolio labor issues brings with it substantial transaction costs and reputational vulnerabilities. A comprehensive approach to labor policies, detailed below, would involve the adoption and implementation of systematic, responsible workforce-management policies and practices to protect and enhance the value of our funds' investments in the long term.

## **Private Equity Model in Healthcare: Cerberus' Ownership of Steward Health Care**

On May 5, 2024, Steward Health Care filed for bankruptcy—the second-largest healthcare bankruptcy in history—14 years after being acquired by private equity giant Cerberus and going through a chain of typical private equity-driven financial engineering. Cerberus' management of Steward and the relationship between Cerberus, Steward and Medical Properties Trust, a healthcare real estate investment trust, has resulted in not only bankruptcy for Steward, but a litany of poor labor management practices that damaged Steward's business and led to labor law violations; devastating cuts to healthcare services, harming patients in communities across the country; and community hospitals saddled with untenable debt and no ownership of or control over their own properties. In response, U.S. Sens. Elizabeth Warren and Ed Markey of Massachusetts have proposed federal legislation criminalizing cost-cutting in healthcare institutions that leads to the death of patients.

In 2010, Cerberus purchased the Caritas Christi Health Care system from the Catholic Archdiocese of Boston and created Steward Health Care.<sup>26</sup> Over the following decade, Steward's rampant cost-cutting led to a series of labor disputes with unions that represented nurses at their hospitals, with charges against Steward under Cerberus' ownership filed with the National Labor Relations Board in 2012,<sup>27</sup> 2016,<sup>28</sup> 2019<sup>29</sup> and 2020.<sup>30</sup> One of the charges stemmed from an apparent threat by Steward to close a hospital if the union refused to accept Steward's

“final” offer in contract negotiations.<sup>31</sup> According to one report, nurses represented by the Massachusetts Nurses Association filed more than 1,000 unsafe staffing complaints in 2012 alone.<sup>32</sup> In 2013, nurses at a hospital in Quincy, Mass., went on a one-day strike.<sup>33</sup>

Beyond Massachusetts, Cerberus shut down Steward’s Northside Regional Medical Center in Youngstown, Ohio, in 2018, resulting in 388 layoffs,<sup>34</sup> including 188 nurses who were members of the Ohio Nurses Association/AFT.<sup>35</sup> As a result of the closure, Youngstown—with a population of 60,000—no longer has maternity services, striking a further blow to an already economically challenged city.<sup>36</sup> In 2020, Steward also closed the maternity unit at another hospital 15 miles away from Youngstown.<sup>37</sup> One recent report conservatively estimated the number of workers who have lost jobs stemming from Steward’s seven hospital closures and other extensive cuts to services and staffing to be at least 2,650.<sup>38</sup>

Worker health and safety violations also mounted, suggesting a pattern of poor workplace management practices. The federal Occupational Safety and Health Administration cited Steward for safety and health violations at its Haverhill, Mass., hospital in 2019<sup>39</sup> and 2020,<sup>40</sup> where one employee died of COVID-19 after treating COVID patients and another employee tripped on an extension cord and fractured her knee. During the pandemic, Steward’s inability to retain qualified nurses was extremely costly, culminating in a \$40 million claim against Steward by hospital staffing firm Aya in April 2021.<sup>41</sup> Steward drew additional significant health and safety citations at a Florida hospital in 2019<sup>42</sup> and at another Massachusetts hospital in 2016.<sup>43</sup> Steward also was cited for a Family and Medical Leave Act violation and fined at a Brockton, Mass., hospital in 2012.<sup>44</sup> Steward’s Rockledge hospital in Florida (the site of the OSHA citation in 2019) was reported in 2024 to have a bat infestation and a sewage backup.<sup>45</sup> Steward is facing major investigations in Massachusetts, with one mayor referring to the hospital company as a “Ponzi scheme.”<sup>46</sup>

The full extent of Cerberus’ financial extraction from Steward has not been disclosed, but *Bloomberg* reported in 2021 that Cerberus made \$800 million from Steward between dividends and profits at sale. A major component of the proceeds: Cerberus compelled Steward to enter a sale-leaseback arrangement with Medical Properties Trust in 2016, selling Steward’s hospital properties to MPT’s real estate investment trust, and enabling a substantial dividend payment to Cerberus.<sup>47</sup>

The rental payments incurred by Steward in the MPT transaction, combined with the \$475 million in earlier debt piled onto Steward hospitals by Cerberus during the leveraged buyout in 2010,<sup>48</sup> along with Steward’s labor problems, eliminated the possibility of Cerberus exiting its investment through an initial public offering. Instead, Cerberus sold Steward to a group of Steward managers, who proved ultimately unable to reverse the death spiral set off by Cerberus’ extraction of value from Steward. At the same time, the opaque nature of Cerberus’ exit transaction from Steward makes it difficult to assess exactly who benefited from Cerberus’ ownership of Steward, how much they benefited by, and the remaining value of Steward.

The Steward case has prompted wide-ranging federal investigations. In April 2024, the Senate Committee on Health, Education, Labor and Pensions’ Subcommittee on Primary Health and Retirement Security held a field hearing where witnesses provided scathing critiques of Steward and Cerberus.<sup>49</sup> In recent months, Sens. Warren and Markey have led a congressional

investigation into the various corporations involved in the Steward scandal, sending letters to [Cerberus](#), [MPT and Macquarie](#), and to [Steward's creditors](#). After Steward declared bankruptcy, Arizona Attorney General Kris Mayes announced an investigation into Steward,<sup>50</sup> and Massachusetts Attorney General Andrea Joy Campbell has signaled intent to pursue Steward if it is found to have broken any laws.<sup>51</sup> It is also likely that the Securities and Exchange Commission is investigating MPT.<sup>52</sup>

Meanwhile, Cerberus Institutional Partners International, the fund that held Cerberus' investment in Steward, has suffered financially, landing in the third quartile for investment performance for private equity funds that began in that vintage year, according to PitchBook.<sup>53</sup> How the Steward debacle will impact Cerberus going forward is unclear. Cerberus' seventh multi-strategy fund appears to have closed well below its \$3 billion goal, though Cerberus has not disclosed its final close. Cerberus' co-head of private equity, Robert Warden, stepped back from leadership in July 2023 and may have left the firm.<sup>54</sup>

## Asset Manager Review

This report examines labor-risk exposure in the top 10 private equity firms across AFT member pension funds' private equity allocations. Pension fund exposure is detailed in Appendix A and based on total private equity fund commitments made by these pension funds between 2013 and 2023, compiled using the data-provider PitchBook. The firms include Blackstone Group, Carlyle Group, KKR, Apollo Global Management, Brookfield Asset Management, TPG, Warburg Pincus, CVC Capital Partners, Ares Management and Advent International.

All private equity funds, by their nature as controlling investors, involve the management of significant labor-related risk. It can be difficult for fiduciaries, their staff and outside experts to evaluate the extent of these risks and the approach any given private equity manager brings to these risks due to the limited available information about private equity firm business management practices. This report reviews and categorizes publicly available information about recent labor issues in the portfolios of each of the private equity firms listed above, with the aim of providing a starting point for fiduciaries and their advisers to assess labor risk in their private equity portfolios.

## Private equity labor violations case study: Hearthside Food Solutions

Charlesbank Capital Partners and Partners Group's Hearthside Food Solutions outsources industrial baking on behalf of larger brands like Kellogg and Mondelez. In December 2020, workers at a Hearthside-owned facility in McComb, Ohio, voted against a union after an aggressive anti-union campaign that included the company hiring union busters, holding captive audience meetings, directing threats of deportation at Hispanic workers, making cash payments to workers voting against the union, and threatening to close the company. The Bakery Workers union, AFL-CIO, lost the election.<sup>177</sup>

Its poor labor management practices include extensive use of child labor at Hearthside facilities, according to reporting in February 2023 by the New York Times, which noted that Hearthside factories were "full of" minors working in dangerous conditions.<sup>178</sup> Also, Hearthside has been a serial violator of occupational safety and health laws, receiving over \$470,000 in fines from OSHA since 2021. Eleven of its workers have suffered amputations since 2019. Additionally, the Michigan Department of Labor and Economic Opportunity's Wage and Hour Division fined Hearthside \$53,000 in 2022 for employment law violations.<sup>179</sup>

Due to the nature of the limited public information regarding private equity portfolios, this survey cannot be considered comprehensive and should be used by investors as a starting point for further inquiries. Information contained herein is updated as of publication.

In early June, the AFT requested responses directly from these firms on their workforce management and labor standards strategies, emphasizing its role in long-term value creation. Each firm received the same set of questions and was encouraged to include any additional relevant information or materials. At the time of publication, only two of the 10 firms, Blackstone and Apollo, had responded to our questions, and a summary of their responses are included in their profiles. Advent Capital indicated that it would not be providing a response. No other firms replied in any way.

Trustees can also find additional information on private equity firms' labor track record in the Private Equity Stakeholder Project's Private Equity Labor [Scorecard](#), ranking 11 large private equity firms in the United States on their labor standards, with Blackstone, Cerberus, KKR, Sycamore, Roark, CD&R, and BC Partners all receiving failing grades.<sup>55</sup>

Private Equity Firm	Adopted Comprehensive Labor Principles	Declined to Respond to AFT	Confirmed Recent Violations						
			Freedom of Association	Mass Layoffs	Working Conditions & Benefits	Diversity, Equity & Inclusion	Right to Healthcare	Privatization	Child Labor
Advent			X		X				
Apollo			X		X	X			
Ares		X		X					
Blackstone			X		X				X
Brookfield/Oaktree		X	X		X				
Carlyle		X	X		X				X
CVC		X		X	X				
KKR		X	X	X	X				
TPG		X	X	X			X	X	
Warburg Pincus		X							



## The Blackstone Group

The Blackstone Group is the largest alternative asset manager in the world, reporting over \$1 trillion in assets under management and more than 230 portfolio companies.<sup>56</sup> Blackstone has also had several high-profile labor issues involving its portfolio companies, such as Packers Sanitation Services Inc. These situations have generally led to positive workplace reforms.

In response to the AFT's questions regarding workforce management and labor standards strategies, Blackstone emphasized the importance of attentive workforce management in its portfolio companies as fundamental to building successful businesses and fulfilling its fiduciary duties. The company outlined several core principles, including investing in employee training and development, complying with labor laws, ensuring competitive wages and benefits, and prioritizing worker safety and health. Additionally, Blackstone described initiatives like shared employee equity programs and veteran hiring to foster inclusive growth and enhance economic opportunities within its companies.

### *Carrix*

**Labor issue:** Working conditions and benefits

**Status:** NOT APPLICABLE

In November 2021, *Bloomberg* reported that Blackstone had acquired a majority stake in marine terminal operator Carrix, which is the parent company of SSA Marine, which owns 200 port and rail locations across the Western Hemisphere.<sup>57</sup> Blackstone had earlier acquired a 20 percent minority stake in Carrix in March 2019.<sup>58</sup> Since Blackstone's acquisition of the minority stake, the company has been hit with four major OSHA fines, including a \$67,500 fine in 2023, and two significant penalties from the California Air Resources Board.<sup>59</sup>

### *Packers Sanitation Services Inc.*

**Labor issue:** Child labor

**Status:** RESOLVED

In February 2023, Blackstone-owned Packers Sanitation Services Inc. paid \$1.5 million to settle a U.S. Department of Labor investigation, which found at least 102 children doing contract cleaning at 13 plants across eight states in conditions of "oppressive child labor." "There is no way this was just a mistake, a clerical error, a handful of rogue individuals getting through. This was the standard operating procedure," a Department of Labor investigator told "[60 Minutes](#)."<sup>60</sup>

After PSSI's systematic use of child labor was exposed, it [lost contracts with three of its largest clients](#),<sup>61</sup> JBS, Tyson and Cargill, and the value of the company's debt [dropped dramatically](#).<sup>62</sup> Moody's [downgraded](#) PSSI's credit rating in May and again in November. The May downgrade came as a result of "the loss of contracts and lawsuits related to labor issues," leading to concerns about "management credibility and track record risk."<sup>63</sup> In response, the New Mexico state

## NOTE TO PRIVATE EQUITY ASSET MANAGERS:

If you believe that your firm's labor track record has been summarized incorrectly, please contact the AFT's Center for Workers' Capital at [dkazansky@aft.org](mailto:dkazansky@aft.org). Future updates to this publication may reflect changes in firms' commitments to labor principles and their track records.

treasurer announced opposition to any new Blackstone investments by New Mexico’s public funds until Blackstone reforms its labor rights practices.<sup>64</sup>

In response, Blackstone released an 18-point [plan](#) to eliminate child labor at PSSI,<sup>65</sup> and four months after the announcement of the \$1.5 million fine, Blackstone reached an [agreement](#) with the United Food and Commercial Workers “to offer union representation at PSSI locations across the country.”<sup>66</sup> Thus far, under the agreement, about 1,200 PSSI workers—more than half the total who clean processing plants—have become union members with increased wages, better benefits, and health and safety provisions. Additionally, after canceling contracts with PSSI, JBS and Tyson ceased subcontracting plant cleaning services, and workers are covered by UFCW contracts; PSSI lost contracts, but many workers saw their jobs improved.

### ***Aloft El Segundo and Fairfield Inn & Suites LAX***

**Labor issues:** Freedom of association; working conditions and benefits

**Status:** RESOLVED

Workers at two Blackstone-owned hotels, the Aloft El Segundo and Fairfield Inn & Suites LAX, repeatedly walked out and protested for more than 10 months due to low wages and poor treatment as they attempted to renegotiate a collective bargaining agreement that expired on June 30, 2023. Blackstone lagged the majority of the Southern California hotel industry in resolving the dispute; 75 percent of the hotel industry settled a fair contract with workers before the firm reached an agreement in late May 2024.

### ***Applegreen***

**Labor issue:** Working conditions and benefits

**Status:** RESOLVED

Blackstone Infrastructure Partners [acquired](#) a majority stake in Applegreen, a highway rest-stop company, at the end of 2020.<sup>67</sup> During 2022, a Connecticut affiliate of the Service Employees International Union, Local 32BJ, repeatedly raised concerns with Applegreen that it was paying its workers below a state-mandated standard wage for workers at facilities that were ultimately owned by the state.<sup>68</sup> In March 2023, the state of Connecticut [sued](#) Applegreen for over \$6 million for back pay for the workers.<sup>69</sup>

### ***Weee!***

**Labor issue:** Working conditions and benefits

**Status:** NOT AVAILABLE

Blackstone Growth backed the Asian grocer Weee in a March 2021 funding round.<sup>70</sup> In June 2021, the grocer was fined \$12,000 by OSHA.<sup>71</sup> In March 2023, it was sued by two delivery drivers alleging illegal tip deductions, denials of meal breaks and misclassifying workers.<sup>72</sup>

## **The Carlyle Group**

The Carlyle Group has \$426 billion in assets under management and is one of the largest private equity firms in the world.<sup>73</sup> Carlyle has had a host of controversies over the years, including permanently replacing striking members of Machinists union at Vought Aircraft Industries in 2009.<sup>74</sup> Carlyle has also attracted scrutiny in recent years for its major investments in the residential real estate market, driving up the cost of housing, a major issue for workers and in particular for AFT members.<sup>75</sup>

### ***Medline***

**Labor issue:** Working conditions and benefits

**Status:** ACTIVE, UNRESOLVED

In June 2021, Carlyle, Blackstone and Hellman & Friedman acquired majority ownership of Medline, the medical supply giant, for over \$30 billion.<sup>76</sup> Medline is the defendant in a class-action lawsuit related to the denial of overtime, filed in 2022 by Deja Nair, a warehouse employee for Medline in California. For over two years, Medline has repeatedly attempted to move the case to arbitration, despite the warehouse employees' standard exemption from binding arbitration agreements under the Federal Arbitration Act.<sup>77</sup> In a 9-0 decision, the Supreme Court on April 12 struck down Carlyle's, Blackstone's and Hellman & Friedman's arguments, finding that workers employed in the transportation industry are presumptively eligible for jury trials under the Federal Arbitration Act.<sup>78</sup> The case is ongoing.

Since acquiring Medline in 2021, Medline has incurred over \$84,000 in proposed fines from OSHA for 10 violations,<sup>79</sup> including poor safety practices at a Medline warehouse in Florida that led to an employee's leg getting [crushed](#).<sup>80</sup>

### ***ZP Better Together***

**Labor issue:** Freedom of association

**Status:** ACTIVE, UNRESOLVED

In November 2023, Carlyle's subsidiary AlpInvest became the principal limited partner in Kinderhook Capital Fund IV,<sup>81</sup> which owns ZP Better Together, a telecom sign language interpreting company.<sup>82</sup> Just two months later, ZP unilaterally shuttered two call centers in Minnesota after the sign language interpreters had begun to organize a union, just hours before workers were scheduled to meet with union organizers.<sup>83</sup>

### ***Hyundai Glovis***

**Labor issue:** Compulsory or child labor

**Status:** NOT AVAILABLE

Carlyle purchased a \$510 million stake in Hyundai's logistics arm, Hyundai Glovis, in January 2022.<sup>84</sup> In November 2022, the Alabama Department of Labor found that a Hyundai Glovis warehouse had employed an underage worker using fraudulent identification.<sup>85</sup>

## **Kohlberg Kravis Roberts**

KKR is an alternative assets management firm headquartered in New York City. As of Dec. 31, 2023, KKR had \$553 billion in assets under management,<sup>86</sup> including \$176 billion in private equity.<sup>87</sup> KKR has demonstrated a poor track record with labor issues among its portfolio companies.

### ***Atlantic Aviation***

**Labor issue:** Freedom of association

**Status:** ACTIVE, UNRESOLVED

In June 2021, KKR acquired the private jet servicing firm Atlantic Aviation for \$4.475 billion.<sup>88</sup> In March 2024, Atlantic Aviation workers in Aspen, Colo., voted to unionize with the Machinists union<sup>89</sup> after Atlantic Aviation ran an anti-union campaign that included the portfolio company retaining notorious anti-union campaign law firm Morgan Lewis.<sup>90</sup>

### ***Brightview***

**Labor issue:** Working conditions and benefits

**Status:** UNRESOLVED

KKR created landscaping company Brightview in June 2014.<sup>91</sup> Since that time, Brightview has been cited by OSHA for major health and safety violations no less than 14 times.<sup>92</sup> The Laborers' International Union of North America has also criticized Brightview for its extensive use of H-2B visa workers, which likely means that the OSHA violations are underreported.<sup>93</sup>

### ***Toys R Us***

**Labor issue:** Mass layoffs

**Status:** RESOLVED

KKR acquired Toys R Us, alongside Bain Capital and real estate firm Vornado, in 2005 in a \$6.6 billion leveraged buyout. By September 2017 when the company filed for bankruptcy, it had approximately \$5 billion in debt and was spending about \$400 million per year on debt payments.<sup>94</sup>

As a result of the bankruptcy, 33,000 employees were laid off without severance. Laid-off workers organized a public campaign to demand severance,<sup>95</sup> and due to their efforts, KKR and Bain Capital eventually created a \$20 million fund for laid-off workers.<sup>96</sup> However, this was well below the \$75 million that advocates argued should have been available to the workers.<sup>97</sup>

### ***Refresco***

**Labor issues:** Freedom of association; working conditions and benefits

**Status:** RESOLVED

KKR acquired Refresco, the largest independent bottling company in the world, in July 2022.<sup>98</sup> Prior to its purchase, PAI Partners-owned Refresco's workers were in the process of unionizing and faced intimidation as part of an anti-union campaign.<sup>99</sup> Under KKR's ownership, Refresco

engaged in surface bargaining, seeking to maintain a status quo of low wages, poor benefits and mandatory 12-hour shifts.<sup>100</sup> For example, The Lever reported that KKR pushed a contract proposal giving workers just one day off every 12 days, even if they were working 12-hour shifts, and only allowing weekends off once every eight weeks.<sup>101</sup>

In 2023, after three years of battling union-busting efforts under two different private equity owners,<sup>102</sup> Refresco workers won improved benefits, including wage increases, improved overtime calculations, better holiday pay, paid English classes, an improved scheduling system to reduce the use of 12-hour shifts, and more.<sup>103</sup>

## **Apollo Global Management**

Apollo Global Management has \$651 billion in assets under management, making it one of the world's largest private equity firms.<sup>104</sup> Apollo's origin story and track record is covered extensively in Pulitzer Prize-winning journalist Gretchen Morgenson's new book with Joshua Rosner, *These Are the Plunderers*.<sup>105</sup> In terms of labor issues, Apollo's track record includes active, unresolved issues in both the healthcare and grocery industries as well as the successful resolution of a labor dispute at the Venetian and Palazzo Hotels in Las Vegas, the latter offering a model for successful labor policy that, were it to be applied more systematically, could create broad benefits for investors and workers alike.

In response to the AFT's questions regarding workforce management and labor standards strategies, Apollo noted that it has established various policies and expectations for managing human capital, actively seeking to participate in workforce development and governance-focused organizations. Apollo's Human Rights Policy includes a stated commitment to integrity, respect, fairness, and the recognition and support of fundamental human rights.<sup>106</sup> Since 2009, Apollo has annually published a governance report emphasizing workplace conditions, and recently it introduced a Head of Labor Relations position to integrate human capital considerations throughout the investment lifecycle. Apollo also recently adopted a set of workforce principles<sup>107</sup> based largely on the American Investment Council's "Guidelines for Responsible Investing." Apollo is among the first private equity general partners to adopt a version of labor principles, but they are substantially weaker than the comprehensive approaches to workplace risk management adopted by BCP, Grosvenor and Hamilton Lane.

### ***Lifepoint Health, ScionHealth***

**Labor issues:** Freedom of association; working conditions and benefits

**Status:** ACTIVE, UNRESOLVED

Since 2015, Apollo-managed funds have acquired major hospital assets, primarily through their ownership of rural hospital chains Lifepoint Health and ScionHealth. Both systems have been cited by OSHA for numerous occupational health and safety violations under Apollo's ownership and have incurred nearly \$60,000 in fines.<sup>108</sup> In just one example, after an employee of Wilson Medical Center in North Carolina died of COVID-19 in October 2020, OSHA found that the hospital lacked a proper COVID-19 mitigation plan and fined the hospital \$7,000.<sup>109</sup>

Earlier this year, ScionHealth-owned Kindred Hospital Seattle was the subject of an unfair labor practice charge by the AFT-affiliated Washington State Nurses Association for failing to bargain.<sup>110</sup> A number of other workforce management risks are detailed in a January 2024 report, [“Apollo’s Stranglehold on Hospitals Harms Patients and Healthcare Workers.”](#)

In Oregon, workers filed a wage and hour lawsuit against their employer, Willamette Valley Medical Center, owned by Lifepoint, alleging that the employer did not properly pay overtime, made unlawful deductions from employees’ wages and failed to provide employees with required meal and rest breaks.<sup>111</sup> WVMC agreed to settle the case for \$2.9 million, a considerable sum given the small size of the hospital and number of employees.

### ***Cardenas Markets***

**Labor issues:** Working conditions and benefits; freedom of association; diversity, equity and inclusion

**Status:** ACTIVE, UNRESOLVED

Apollo Investment Fund IX owns and controls Cardenas Markets and its parent company Heritage Grocers.<sup>112</sup> On March 12, 2024, Cardenas Markets settled a class-action lawsuit alleging labor code violations, including pay and overtime violations and rest break violations, at a cost of \$2,500,000, without admitting wrongdoing.<sup>113</sup> This case made similar allegations to those settled by Cardenas in 2021 under prior ownership at a cost of \$6.5 million. In August 2023, Cardenas Markets settled—for \$1,500,000, without admitting wrongdoing—a class-action lawsuit alleging violation of California’s labor regulations by failing to provide seats to cashiers.<sup>114</sup> Finally, since December 2022, UFCW Local 1167 has filed unfair labor practice charges with the National Labor Relations Board against Cardenas related to wrongful termination for union and/or protected activity.

Cardenas workers have testified at the California Public Employees’ Retirement System, the California State Teachers’ Retirement System and other pension funds about poor workforce management practices at Cardenas, including former bakery worker Rosalba Martinez, who was terminated after being ill at work and having a store manager ask her to take a drug test and a pregnancy test. Another Cardenas worker, Valeria Alvarez, testified that she was fired after reporting sexual harassment to Cardenas and a month after she filed a complaint with the Equal Employment Opportunity Commission alleging sexual harassment.<sup>115</sup>

### ***The Venetian and Palazzo Hotels, Las Vegas***

**Labor issues:** Working conditions and benefits; freedom of association

**Status:** RESOLVED

Roughly 16 months after acquiring the Venetian and Palazzo hotels in Las Vegas, Apollo committed to enter into a neutrality agreement with the unions representing their workforce, Culinary Workers Union Local 226, Bartenders Union Local 165, International Union of Operating Engineers Local 501 and Teamsters Local 986, ending a decadeslong labor dispute at the hotels. About the deal, a spokesperson for the Venetian is reported to have said, “Signing these neutrality agreements allows team members to freely choose whether or not to be

represented by a union without interference or opposition.”<sup>116</sup> This successful resolution of the Venetian labor dispute can serve as a model for Apollo and other private equity firms.

### **Brookfield Asset Management, Oaktree Capital Management**

Brookfield Asset Management is one of the largest asset managers in the world, with over \$900 billion in assets under management.<sup>117</sup> As of 2019, Brookfield also owned Oaktree Capital Management, which has \$189 billion assets under management.<sup>118</sup> Given Brookfield’s ownership and control of Oaktree, they are treated in this report as the same investor. In early 2024, Brookfield and UNITE HERE reached a settlement that included a neutrality agreement with several Brookfield-owned hotels.

#### ***W Hollywood hotel***

**Labor issues:** Freedom of association; working conditions and benefits

**Status:** RESOLVED

Workers at the Oaktree Capital Management-owned W Hollywood Hotel just finished renegotiating a collective bargaining agreement that expired on June 30, 2023, a process that involved protests and a strike. During the labor dispute, the hotel’s restaurant operator, Mosaic, fired eight workers involved in union activism. The workers’ union, UNITE HERE Local 11, filed unfair labor practice charges with the National Labor Relations Board. The [Los Angeles Times](#) also reported on a workplace safety complaint filed by workers alleging the presence of vermin in the workplace.<sup>119</sup>

#### ***Fairmont Sonoma Mission Inn***

**Labor issues:** Freedom of association; working conditions and benefits

**Status:** RESOLVED

Workers at the Brookfield Asset Management-owned Fairmont Sonoma Mission Inn have been organizing a union with UNITE HERE for several months. The employer’s anti-union campaign led to unfair labor charges being filed by the union, which have resulted in the National Labor Relations Board finding “sufficient evidence” to prosecute 43 labor law violations, according to UNITE HERE Local 2.<sup>120</sup> Violations included illegal threats of reprisals against employees for engaging in union activities, interrogation of employees about their union activities, intimidation, and promising to promote an employee if he refrained from union activities.

#### ***Sofitel hotel***

**Labor issues:** Working conditions and benefits; freedom of association

**Status:** RESOLVED

In 2023, workers at the Sofitel hotel in Washington, D.C., and other hotels owned by Brookfield began actions demanding affordable healthcare, stability in their schedules, carts for housekeepers and a fair process to organize in a union without bullying and intimidation.<sup>121</sup>

## **TPG**

TPG Inc. is an alternative asset manager with assets under management totaling \$222 billion and 300 portfolio companies across 30 countries.<sup>122</sup>

### ***Evercare Group***

**Labor issues:** Freedom of association; right to healthcare; privatization

**Status:** ACTIVE, UNRESOLVED

TPG manages the Evercare Health Fund, which is an emerging-markets healthcare fund whose limited partners include global development finance institutions, pension funds, healthcare corporations and various foundations.<sup>123</sup> It owns the Evercare Group, which consists of 29 hospitals, 16 clinics and more than 70 diagnostics centers across Africa and South Asia.<sup>124</sup> Many of these acquisitions are in countries like Kenya and Bangladesh that have seen increasing privatization of healthcare alongside erosion of their public health systems.<sup>125</sup> Some critics have decried how development financial institutions, such as those invested in TPG's Evercare Health Fund, are facilitating investments into private, for-profit healthcare services at the expense of public health systems.<sup>126</sup> The erosion of public health systems in these countries is much more detrimental than in the U.S. given their nearly entirely privatized healthcare system.

Evercare hospitals in Africa have been accused of pursuing an economic model that denies healthcare to working people and of engaging in abusive practices toward working-class patients. At an Evercare hospital in Nigeria, the cost of childbirth would equal 12 years of income for the bottom 20 percent of earners.<sup>127</sup> Nairobi Women's Hospital in Kenya, also owned by TPG's Evercare Health Fund, has detained at least 32 patients over unpaid medical bills, including a newborn child whose twin brother had died.<sup>128</sup> According to Oxfam's June 2023 report "Sick Development," patient detainments over unpaid bills happened both before and after TPG's acquisition of the hospital in 2017.<sup>129</sup>

### ***J.Crew***

**Labor issue:** Mass layoffs

**Status:** NOT APPLICABLE

TPG acquired J.Crew in 2011 with co-investor Leonard Green and Partners in a \$3 billion leveraged buyout,<sup>130</sup> wherein the firms put up only \$1.1 billion in equity.<sup>131</sup> Over the next decade, and despite J.Crew's debt burden, TPG and Leonard Green paid themselves \$765.9 million in fees and debt-funded dividends from the company.<sup>132</sup> By 2018, J.Crew reportedly was paying \$30 million in debt payments per quarter.<sup>133</sup> After furloughing 11,000 employees, J.Crew filed for Chapter 11 bankruptcy in May 2020. Its lenders converted the company's \$1.6 billion in debt into equity, and TPG and Leonard Green made their exit from the investment by September 2020.<sup>134</sup>

### ***Nox***

**Labor issue:** Working conditions and benefits

**Status:** NOT AVAILABLE

TPG acquired a 65 percent stake in Nox, a vinyl flooring manufacturing firm, in 2017.<sup>135</sup> In August 2023, OSHA levied over half a million dollars in fines against Nox's U.S. arm for a case where a 56-year-old worker suffered a finger amputation in February 2023.<sup>136</sup> The prior year,



OSHA fined the firm \$1.2 million for another case where a worker suffered an amputation.<sup>137</sup> And in 2019, OSHA fined the firm \$225,000 for an amputation.<sup>138</sup> TPG appears to have attempted to sell its stake in the South Korean firm 2022, but the sale has not been consummated.

### ***Philz Coffee***

**Labor issue:** Freedom of association

**Status:** NOT AVAILABLE

TPG led a \$45 million financing round for Philz Coffee in September 2016,<sup>139</sup> and TPG Capital CEO Jim Coulter is on Philz's [board of directors](#). Workers at a Philz Coffee location in Berkeley, Calif., successfully voted in a new independent union in April 2024. During their organizing campaign, a union member alleged, "Our manager pulled people into one-on-one meetings, illegally threatening that the company would withhold the upcoming mandatory \$20 minimum wage increase for fast food restaurants in California. Posters were pinned to our news board displaying coercive and false information about unions and our upcoming election. A barrage of corporate employees, including the CEO, showed up at our store, attempting to manipulate our votes. An email was even sent out just six days before our election to each employee at our store, stating that the company had not decided whether or not to renew its lease at our location, and they just wanted to let us know."<sup>140</sup>

### **Warburg Pincus**

Warburg Pincus is a New York-based private equity firm with \$81 billion in assets under management. It has invested in more than 1,000 companies across consumer services, energy, financial services, healthcare, industrial and business services, real estate, and technology.<sup>141</sup> Warburg Pincus owns Allied Universal, the world's largest security company, with 800,000 employees. For the most part, Allied Universal has historically held productive relationships with its labor unions.

No significant labor risks were identified with this asset manager.

### **CVC Capital Partners**

CVC Capital Partners is Luxembourg-based private equity and investment advisory firm with €186 billion of assets under management and investments in more than 125 companies worldwide.<sup>142</sup>

### ***Petco***

**Labor issues:** Mass layoffs; working conditions and benefits

**Status:** NOT AVAILABLE

CVC acquired pet store chain Petco in January 2016, alongside co-investor Canada Pension Plan Investment Board.<sup>143</sup> In January 2021, Petco completed an initial public offering, though CVC and CPPIB have retained a controlling stake in the company as of February 2024.<sup>144</sup> Throughout CVC's ownership of Petco, the company has made substantial staffing cuts even as it expanded to new stores. A 2023 investigation by Forbes noted that staff cuts had resulted in instances where at times only two staff would be working at stores with an average of 14,000 feet, including

live animals that required care, creating unsanitary or otherwise dangerous conditions for both employees and the animals they care for.<sup>145</sup>

OSHA cited Petco in 2021, 2022 and 2023 for repeat safety violations in Texas, Ohio and Massachusetts. In its announcement of the 2023 settlement, OSHA wrote that the store “routinely exposed employees to live and dead rodents as well as their droppings and urine” and exposed employees to chemical and electrical hazards.<sup>146</sup>

### ***Anchor Glass***

**Labor issue:** Working conditions and benefits

**Status:** NOT AVAILABLE

CVC acquired Anchor Glass, a maker of premium glass containers, in 2016.<sup>147</sup> Since then, OSHA has cited the firm no less than 11 times,<sup>148</sup> and in January 2022, an employee was trapped and killed inside the plant.<sup>149</sup> In 2023, the Federal Trade Commission [barred](#) Anchor Glass from using noncompete agreements over the next 20 years, due to their illegal use of the agreements with a group of about 300 workers.<sup>150</sup>

### ***Ares Management***

Headquartered in Los Angeles, Ares Management has \$419 billion in assets under management, which includes \$39.1 billion in private equity assets.<sup>151</sup> Since 2020, three of Ares’ portfolio companies in the retail industry have filed for bankruptcy: Neiman Marcus, Guitar Center, and 99 Cents Only Stores, leading to the layoffs of hundreds of workers.

### ***Neiman Marcus***

**Labor issue:** Mass layoffs

**Status:** NOT APPLICABLE

Ares Management and the Canada Pension Plan Investment Board acquired luxury clothing retailer Neiman Marcus in 2013 for \$6 billion.<sup>152</sup> Prior to its ownership by Ares and CPPIB, Neiman Marcus was owned by Warburg Pincus and TPG. Fifteen years of private equity ownership and two leveraged buyouts left the company with unmanageable debt, and in May 2020 Neiman Marcus filed for Chapter 11 bankruptcy after having to temporarily shutter all stores and furlough 14,000 employees. Because the company was saddled with \$5 billion in debt and other liabilities, it was unable to weather the market disruptions from the pandemic.<sup>153</sup> By July it had closed 21 stores,<sup>154</sup> and it re-emerged from bankruptcy later that year with a new set of owners and a smaller workforce.<sup>155</sup>

### ***Guitar Center***

**Labor issue:** Mass layoffs

**Status:** NOT APPLICABLE

Ares acquired already-struggling Guitar Center Inc. from Bain Capital in 2014 in a debt-for-equity swap.<sup>156</sup> Over the next few years, Guitar Center incurred hundreds of millions in additional debt, leading to credit downgrades in early 2020.<sup>157</sup> Guitar Center furloughed

thousands of employees during the pandemic and laid off more than 300<sup>158</sup> as it temporarily shuttered stores,<sup>159</sup> and by November 2020 it filed for Chapter 11 bankruptcy.<sup>160</sup>

### ***99 Cents Only Stores***

**Labor issue:** Mass layoffs

**Status:** NOT APPLICABLE

Ares acquired 99 Cents Only Stores in May 2020 with the Canada Pension Plan Investment Board for \$1.6 billion.<sup>161</sup> In 2021, Moody's Investors Service had issued a credit downgrade for the company, noting it was at risk for default.<sup>162</sup> Moody's downgraded 99 Cents Only Stores again in November 2023, citing excessive leverage as one of the reasons for the downgrade.<sup>163</sup> In April 2024, 99 Cents Only Stores filed for Chapter 11 bankruptcy, announcing its intent to close all 371 of its stores and sell off the real estate.<sup>164</sup> 99 Cents Only Stores employs 14,000 workers who were laid off following the store closures.<sup>165</sup> Employees at a California store reported they would not be getting severance.<sup>166</sup>

### **Advent International**

Advent International is a private equity firm founded in 1984. Since its founding, Advent has invested \$78 billion across 420 investments in 42 countries, and it currently has \$94 billion in assets under management.<sup>167</sup>

### ***Imperial Dade***

**Labor issue:** Freedom of association

**Status:** ACTIVE, UNRESOLVED

In May 2022, Advent [acquired](#) a "significant stake" in Imperial Dade, a foodservice packaging and janitorial supplies firm.<sup>168</sup> In May 2024, the Teamsters organized a group of Imperial Dade drivers in Orlando, Fla., that was subject to what the union [identified](#) as a "vicious anti-union campaign from management."<sup>169</sup>

### ***Aimbridge Hospitality-operated Southern California hotels***

**Labor issues:** Freedom of association; working conditions and benefits

**Status:** RESOLVED

Advent acquired Aimbridge Hospitality in early 2019.<sup>170</sup> Later that year, it merged Aimbridge with Interstate Hotels and Resorts, creating a company with 1,400 properties across 49 states and 20 countries.<sup>171</sup> Beginning in 2023, Southern California hotel workers represented by UNITE HERE Local 11 have had multiple labor disputes with Aimbridge,<sup>172</sup> leading to the Los Angeles City Council calling on the city's various pension funds to engage with Advent over the labor issues.

As of May 22, 2024, while 45 hotels had settled prolonged labor disputes in Southern California, seven hotels operated by Advent International-owned Aimbridge Hospitality had not resolved the labor disputes and represented 47 percent of those outstanding disputes, according to UNITE HERE Local 11. By May 31, 2024, UNITE HERE Local 11 had settled contracts with all but one Aimbridge-operated property, the Hyatt Regency Los Angeles International Airport.

## Growing Investor Support for Labor Principles

A growing number of investors are developing formal policies that address labor standards in their private equity portfolios. Several asset owners have adopted labor principles for private equity. In April 2024, senior Biden-Harris administration officials [met with leaders](#) from five pension funds, including the California Public Employees' Retirement System and the New York State Common Retirement Fund, as well as private equity executives, labor union leaders and other worker advocates, to express their public support for pension funds and private equity firms' commitment to ensuring private equity investments uphold robust labor standards.<sup>173</sup>

The North American Building Trades Unions and its "[Principles of Responsible Workforce Management](#)" are an important example of this trend. NABTU's principles lay out a detailed policy framework to ensure that private equity investments align with good labor practices, providing "a better opportunity for long-term security of its investments, along with a better opportunity for long-term growth and investment return."<sup>174</sup>

Using these policies, investors may set forth, as a condition of committing capital, clear expectations regarding the management of labor risks in private equity-owned portfolio companies. In so doing, investors can ensure the alignment of expectations, mitigation of risk and clear processes to correct issues when those expectations are not met.

### **Public fund asset owners that have adopted labor standards:**

- [California Public Employees' Retirement System, September 2023](#): CalPERS' labor standards apply portfolio-wide and include freedom of association and right to collectively bargain; ban forced labor, child labor, and discrimination; and include provisions on safe, healthy work environment without harassment.<sup>175</sup>
- [NYS Common Retirement Fund, April 2024](#): NYSCRF's [labor principles](#) recommend that private equity managers encourage portfolio companies to adopt a position of neutrality and commit to non-interference in labor organizing at portfolio companies.<sup>176</sup> The principles also encourage the payment of industry standard wages for all portfolio company employees and contracted workers and reject the use of nondisclosure and forced arbitration provisions in employment contracts.

### **Private equity general partners that have adopted comprehensive labor standards:**

- BCP
- Grosvenor
- Hamilton Lane

## AFT Labor Standards Platform

Following the AFT’s review of both the material on private equity labor practices included in this report and existing labor standards, we have formulated a Labor Standards Platform as a model for consideration by AFT member benefit funds, their fiduciaries, staff and advisers. Our platform is designed to address recurring issues in private equity, such as violations of freedom of association and mass layoffs, and in particular issues like privatization and worker access to healthcare and education that are of particular concern to AFT member beneficiaries.

This platform is offered as a template and an aid for funds. Fund fiduciaries, staff and advisers should independently assess its relevance to their individual fund needs.

### Key components of labor standards

Standard	Definition	Example
<b>Freedom of association</b>	Private equity firms will ensure companies they control respect workers’ basic rights by remaining neutral in organizing drives, refraining from hiring anti-union consultants, and bargaining in good faith with their workers’ unions without intimidation, discrimination or harassment. (ILO Core Convention)	Strikes and lockouts create ongoing fiduciary risks for employers. The 2023 Big Three auto strike cost \$3.6 billion. Fiduciaries have an obligation to call on managers to productively resolve disputes via good faith bargaining.
<b>Compulsory &amp; child labor</b>	Private equity firms will ensure companies they control do not engage in child labor or forced labor, either directly or in their supply chains. (ILO Core Convention)	The widespread use of child labor by Hearthside Food Solutions, detailed in a New York Times expose, creates headline, legal and regulatory risk for exposed investors. Hearthside is owned by Charlesbank Capital Partners and Partners Group. Fiduciaries can require child and forced labor audits throughout supply chains to manage these risks.
<b>Working conditions &amp; benefits</b>	Private equity firms will ensure companies they control provide a safe workplace (ILO Core Convention) and pay industry standard wages and benefits, including healthcare, retirement and paid sick leave.	Worker safety issues expose companies to litigation risk, limiting the ability for fiduciaries to realize their capital in an IPO. KKR-owned Refresco had a series of major OSHA citations, including failures to mitigate COVID-19, dangerous chemical usage and fires.

Standard	Definition	Example
<b>Mass layoffs</b>	Private equity firms will ensure companies they control behave responsibly when there are significant business changes (e.g., mergers, restructuring or reorganization), paying severance, honoring benefit commitments and labor agreements, and offering laid-off workers the chance to transfer to alternative jobs within their portfolio.	KKR and Bain acquired Toys R Us and aggressively loaded it up with debt, resulting in the 73-year-old retailer cratering and laying off 33,000 workers in 2018. Limited partners were wiped out. Earlier investor engagement on the onerous debt payments and labor standards relating to severance and layoffs could have helped address these risks. Later, investor engagement helped laid-off Toys R Us workers win a \$20 million hardship fund.
<b>Diversity, equity &amp; inclusion</b>	Private equity firms will ensure companies they control do not discriminate based on race, nationality, religion, ethnicity, gender, gender identify or sexual orientation and that they resolve racial and gender disparities in recruitment, retention and compensation. (ILO Core Convention)	KKR-owned Dollar General <a href="#">continued</a> discriminatory practices against Black applicants and were fined \$6 million by the EEOC, harming its ability to recruit and retain qualified employees. More recently, Blackstone-owned Servpro, a disaster recovery firm, has faced a series of racial discrimination controversies among its largely immigrant workforce. Racial equity audits can be an effective means to identify and fix important issues before they create investor risk.
<b>Privatization</b>	Private equity funds and companies they control will not contribute to the privatization of existing public services.	Private equity has played a major role in the privatization of prison and correctional services, with disastrous results. By seeking to privatize public prison healthcare services, for example, private equity firms actuarially destabilize public pensions by reducing plan participants. Fiduciaries can raise concerns about privatization that destabilizes public pensions.
<b>Disclosure</b>	Private equity funds will disclose to investors basic employment data about the companies they control, including total company headcount, layoffs, bankruptcies, health and safety violations, and labor law violations.	Private equity firms fail to provide nearly all the labor disclosures required of public companies, which would offer investors critical data points to evaluate and manage risk, helping investors separate private equity firms and funds whose strategies are value-additive versus simply financially extractive. The Institutional Limited Partners Association notes transparency as a <a href="#">key guiding principle</a> .

### Questions for staff, consultants and private equity fund general partners

Trustees' exercise of fiduciary duty requires policy setting on asset allocation and ensuring that private equity funds' investment strategy aligns with the pension fund's investment strategy, goals and duties of loyalty and care to their beneficiaries. Part of the exercise of fiduciary duty

involves trustees asking questions of staff and consultants, requesting information about particular investments, and especially examining risks that may not be priced into their investments. These, and other issues of importance to trustees, are an appropriate part of the due diligence that pension staff or outside consultants conduct. Asking questions is always within a fiduciary's scope and is in fact an important exercise of the duty of care and loyalty trustees owe to their fund beneficiaries.

The following questions can assist fiduciary engagement on labor rights and are intended as a place to start. They are by no means exhaustive.

- **General:** What is our exposure to a particular private equity firm? Which funds have we invested in? When do staff next plan to check in with them regarding investment performance? Can I join that meeting? Do we have a seat on the fund's limited partner association committee? How can we bring our concerns to the LPAC?
- **Process:** Do the staff proactively manage labor risks in their private equity portfolios? What are some recent examples of our pension fund staff engaging on labor rights within private assets? How are pension fund staff trained to manage labor risks in private equity?
- **Freedom of association:** Has the private equity firm or its funds adopted labor standards policies that include neutrality toward labor union organizing or collective bargaining? Have the funds or portfolio companies ever retained union-avoidance specialists?
- **Working conditions and benefits:** How many of your fund's portfolio companies' employees make less than \$20 per hour? Can the firm's CEO attest that none of their portfolio companies' employees are misclassified (e.g., classified as contractors when they should be employees)?
- **Child labor:** Please share evidence that your firm and funds conduct child and forced labor audits throughout supply chains. How frequently are these conducted?
- **Bankruptcies and mass layoffs:** What is the fund's current or prior track record on bankruptcies? How many portfolio companies filed for bankruptcy, both during your ownership and within five years of your ownership? What is the net change in headcount for the companies within your fund—how many people were employed at the fund's start and close? In instances of bankruptcy, please share specific examples of workers receiving severance, compensation and retraining.
- **Privatization:** Does the firm have any stakes in companies that seek to outsource or privatize essential government functions? Does the firm engage in or fund any lobbying that aims to privatize public services?
- **Disclosure:** Please instruct the private equity fund to disclose any current pending charges against the fund's portfolio companies at the National Labor Relations Board, the Department of Labor's Wage and Hour Division, the Occupational Safety and Health Administration, the Environmental Protection Agency, and any state and local equivalents.

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# Appendix

Public Pension Funds	Blackstone	Carlyle	KKR	Apollo	Brookfield-Oaktree	TPG	Warburg Pincus	CVC	Ares	Brookfield	Advent	Grand Total
New York State Common Retirement Fund	\$6,771	\$26	\$3,425	\$3,060	\$1,400	\$1,350	\$880	\$2,529	\$2,306	\$4,500		\$26,247
California Public Employees' Retirement System	\$7,231	\$3,721	\$2,150	\$1,300	\$1,000	\$1,250		\$2,770	\$1,922		\$1,200	\$22,544
Washington State Investment Board	\$1,700	\$900	\$4,724		\$1,800	\$5,420	\$3,150				\$2,250	\$19,944
Teacher Retirement System of Texas	\$4,594	\$1,380	\$3,570	\$3,280	\$1,550	\$2,100		\$125		\$2,500		\$19,099
California State Teachers' Retirement System	\$8,605	\$2,471	\$1,355	\$900	\$491	\$850		\$1,089	\$1,200	\$50	\$1,062	\$18,073
Oregon Public Employees Retirement System	\$2,650		\$1,025	\$780	\$575	\$2,875		\$948		\$950	\$670	\$10,473
Minnesota State Board of Investment	\$2,725	\$850	\$1,850		\$1,050	\$550	\$950	\$299		\$500	\$400	\$9,174
Virginia Retirement System	\$941	\$1,700	\$275	\$730	\$750	\$450		\$1,035	\$875		\$200	\$6,956
Regents of the University of California	\$5,905		\$2	\$210		\$315	\$100	\$67				\$6,599
North Carolina Retirement Systems	\$3,458			\$440			\$175	\$97	\$1,850	\$200		\$6,220
Teachers Retirement System of the State of Illinois	\$1,550	\$1,430	\$400	\$745	\$1,373		\$200			\$350	\$110	\$6,158
Florida State Board of Administration	\$2,180	\$700	\$250	\$600	\$300	\$425	\$226	\$420	\$300	\$75	\$450	\$5,926
New York State Teachers' Retirement System	\$2,896	\$400	\$485		\$155			\$360	\$400	\$865		\$5,561
Teachers' Retirement System of the City of New York	\$889	\$409	\$1,558	\$576	\$100	\$353	\$199	\$530	\$234	\$699		\$5,547
Michigan Department of Treasury	\$1,360	\$777	\$615	\$600	\$145	\$725	\$425				\$680	\$5,327
New York City Employees' Retirement System	\$830	\$163	\$1,377	\$519	\$100	\$331	\$520	\$474	\$255	\$611		\$5,179
New Jersey Division of Investment	\$1,580	\$300				\$1,600	\$277	\$605		\$550	\$100	\$5,012
Pennsylvania Public School Employees Retirement System	\$1,250	\$750		\$625		\$675		\$100	\$484	\$1,100		\$4,984
State Teachers Retirement System of Ohio	\$1,318	\$350		\$305	\$666		\$555	\$268	\$1,137		\$220	\$4,819
Teachers' Retirement System of Louisiana	\$2,025	\$430		\$745	\$175	\$415	\$100	\$491	\$100			\$4,481
State of Wisconsin Investment Board	\$2,005	\$115		\$400		\$400	\$332	\$613	\$250		\$220	\$4,335
Oregon Investment Council	\$700		\$500	\$300	\$500	\$1,175		\$324		\$400	\$100	\$3,999
Los Angeles City Employees' Retirement System				\$135	\$124	\$2,520		\$274		\$50	\$190	\$3,293
New York City Police Pension Fund	\$541	\$220	\$755	\$338	\$70	\$171	\$301	\$312	\$44	\$409		\$3,161
Maryland State Retirement and Pension System	\$135	\$450		\$715		\$150		\$411	\$525	\$400	\$260	\$3,046
Texas County & District Retirement System	\$699	\$575			\$425			\$120	\$850		\$305	\$2,974

Public Pension Funds	Blackstone	Carlyle	KKR	Apollo	Brookfield-Oaktree	TPG	Warburg Pincus	CVC	Ares	Brookfield	Advent	Grand Total
Massachusetts Pension Reserves Investment Trust	\$500		\$100		\$400			\$1,035			\$910	\$2,945
Maine Public Employees Retirement System	\$669	\$360	\$725					\$213	\$300	\$300	\$140	\$2,707
Colorado Public Employees' Retirement Association	\$1,012	\$50		\$330		\$100	\$360	\$180	\$375			\$2,407
San Francisco Employees' Retirement System	\$997	\$100		\$150	\$30	\$370			\$500		\$256	\$2,403
Los Angeles County Employees' Retirement Association	\$480	\$700			\$100	\$75		\$813			\$150	\$2,318
Tennessee Consolidated Retirement System	\$900	\$450			\$500						\$395	\$2,245
South Carolina Retirement System Investment Commission	\$700		\$750					\$109		\$650		\$2,209
Texas Municipal Retirement System	\$750	\$190			\$150	\$475				\$450		\$2,015
Ohio Public Employees Retirement System	\$1,125	\$100							\$600			\$1,825
Kentucky Teachers' Retirement System	\$365	\$656	\$185		\$397				\$215			\$1,818
Indiana Public Retirement System	\$702	\$100	\$100	\$300	\$100			\$314	\$150			\$1,766
Arizona State Retirement System	\$322			\$275				\$165	\$1,000			\$1,762
Alaska Permanent Fund	\$600	\$30	\$308	\$275	\$170	\$100	\$25	\$113			\$105	\$1,726
Employees Retirement System of Texas		\$243	\$150			\$249		\$71	\$263	\$275	\$305	\$1,556
New York City Board of Education Retirement System	\$305	\$47	\$641	\$72		\$8	\$134	\$71	\$170	\$90		\$1,538
Texas Permanent School Fund	\$500	\$50	\$310			\$205	\$60		\$410			\$1,535
Pennsylvania State Employees' Retirement System	\$495	\$175		\$185	\$50	\$100		\$145	\$100		\$125	\$1,375
Connecticut Retirement Plans and Trust Funds	\$449	\$350		\$525								\$1,324
Employees' Retirement System of the State of Hawaii	\$455		\$150	\$50	\$25	\$206		\$155	\$100		\$86	\$1,227
South Dakota Retirement System	\$847									\$300		\$1,147
Public Employee Retirement System of Idaho	\$200		\$105	\$165		\$280		\$140			\$221	\$1,111
Illinois Municipal Retirement Fund	\$800								\$295			\$1,095
New York City Fire Department Pension Fund	\$128	\$82	\$288	\$92	\$30	\$81	\$102	\$111	\$17	\$130		\$1,061
New Mexico Public Employees' Retirement Association		\$220	\$50			\$45	\$300	\$221		\$175		\$1,011
Houston Firefighters' Relief and Retirement Fund	\$477					\$35			\$155	\$135	\$110	\$912
New Mexico Educational Retirement Board	\$125			\$50		\$400	\$150		\$130	\$50		\$905
Kansas City Public School Retirement System	\$125			\$124		\$250	\$190		\$180	\$30		\$899
Houston Police Officers' Pension System	\$527	\$55		\$15	\$25		\$46		\$37	\$60	\$75	\$840

Public Pension Funds	Blackstone	Carlyle	KKR	Apollo	Brookfield-Oaktree	TPG	Warburg Pincus	CVC	Ares	Brookfield	Advent	Grand Total
Kansas Retirement System for Judges	\$125			\$124		\$250	\$140		\$175			\$814
Los Angeles Department of Water and Power Employees' Retirement Plan	\$395			\$153		\$20			\$157	\$60		\$785
Louisiana State Employees' Retirement System			\$250	\$205			\$200			\$100		\$755
Kansas Public Employees Retirement System	\$50			\$160		\$235	\$75		\$175			\$695
Ohio Police & Fire Pension Fund	\$165		\$25	\$50	\$60				\$60	\$235	\$55	\$650
Alaska Retirement Management Board		\$44	\$350		\$20		\$147	\$20			\$64	\$645
Illinois State Board of Investment	\$336			\$40	\$70	\$70		\$55	\$30			\$601
New Hampshire Retirement System		\$249		\$80			\$164		\$50			\$543
Orange County Employees' Retirement System	\$145				\$150	\$75			\$50		\$115	\$535
Los Angeles Fire and Police Pension System				\$50	\$84	\$125		\$111	\$34	\$50	\$50	\$504
Sacramento County Employees' Retirement System		\$175	\$30		\$50	\$40		\$30	\$40	\$120		\$485
District of Columbia Retirement Board	\$115	\$105			\$30		\$100	\$26			\$75	\$451
Iowa Public Employees' Retirement System	\$150	\$65			\$40			\$77	\$100			\$432
State Universities Retirement System of Illinois	\$282	\$100		\$50								\$432
West Virginia Investment Management Board	\$225				\$30	\$75					\$100	\$430
School Employees' Retirement System of Ohio		\$100		\$200			\$105					\$405
Rhode Island State Investment Commission		\$80	\$100	\$45				\$98			\$60	\$383
San Diego County Employees' Retirement Association	\$160			\$100	\$90					\$30		\$380
Arkansas Teacher Retirement System	\$169	\$135	\$50						\$25			\$379
Santa Barbara County Employees' Retirement System	\$109		\$40	\$65		\$30		\$31		\$30	\$33	\$338
Nevada Public Employees Retirement System		\$80			\$40			\$117			\$90	\$327
Oklahoma Police Pension & Retirement System	\$77			\$100	\$66		\$75					\$318
Contra Costa County Employees' Retirement Association	\$100				\$65	\$149						\$314
Fresno County Employees' Retirement Association	\$30				\$165	\$10	\$3	\$30	\$75			\$313
San Bernardino County Employees' Retirement Association				\$100					\$115		\$10	\$225
San Diego City Employees' Retirement System		\$50	\$30		\$70				\$20	\$40		\$210

Public Pension Funds	Blackstone	Carlyle	KKR	Apollo	Brookfield-Oaktree	TPG	Warburg Pincus	CVC	Ares	Brookfield	Advent	Grand Total
Houston Municipal Employees' Pension System		\$90			\$117							\$207
Kentucky Teachers Medical Health Insurance Trust	\$25	\$108	\$30		\$40							\$203
Nashville & Davidson County Metropolitan Government Employee Benefit Trust Fund	\$60				\$112				\$30			\$202
Nebraska Investment Council					\$100				\$90			\$190
Alameda County Employees' Retirement Association							\$58		\$91	\$40		\$189
Vermont State Teachers' Retirement System									\$65	\$100		\$165
Kern County Employees' Retirement Association									\$60	\$100		\$160
Anne Arundel County Retirement and Pension System				\$63			\$77					\$140
Teachers Retirement System of Oklahoma			\$100						\$35			\$135
Public Safety Personnel Retirement System of the State of Arizona			\$40			\$75						\$115
Oklahoma Law Enforcement Retirement System	\$19			\$18	\$15		\$60					\$112
Essex County Council Pension Fund	\$36			\$34				\$38				\$108
Kentucky Public Pensions Authority								\$64	\$40			\$104
Chicago Teachers' Pension Fund			\$25							\$75		\$100
Indiana State Teachers' Retirement System	\$100											\$100
Philadelphia Municipal Retirement System						\$50			\$50			\$100
<b>Grand Total</b>	\$81,965	\$23,456	\$29,246	\$21,548	\$16,139	\$28,283	\$10,960	\$18,814	\$19,296	\$17,834	\$11,947	\$279,487
Source: PitchBook												
Commitments to top asset managers												





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