

Why inclusion and diversity are crucial to Ardian's future

 AMY HEPBURN, Chief Executive Officer of Investor Leadership Network

Thank you for having me on this podcast. What a pleasure to get to talk about the work of the Investor Leadership Network.

I am Amy Hepburn I am the CEO of the Investor Leadership Network, otherwise known as the ILN. The ILN was founded in 2018 as part of the Canadian presidency of the G7. And during that time some leading global investors came together and said, how can we advance the important initiatives that were being shared at the G7 around climate, diversity and sustainable investing. So what started as a core group of investors has grown over the last almost three years, to being 14 of the world's biggest global investment institutions managing eight trillion assets under management across every continent and every asset class.

To this time we have continued our focus on climate change, diversity and inclusion and sustainable infrastructure, and so within that we've just been building out a secretariat which I'm leading and launching our strategy right now, in 2021.

Chapter 1 - FINANCE NEEDS MORE WOMEN

The challenges women face in the finance industry are vast. And the ones that are most obvious are that it's a predominantly male-dominated field, it's also a predominantly Caucasian field. There's a lot of research out there that says that it's difficult for women to be what they do not see. And that adage is quite true in the investment space. There are not a lot of women who are in this space. There are certainly not a lot of women in the highest level of powers in this space. Ardian has been an incredible example with Dominique Senequier, but unfortunately that is the exception and not the norm.

I often get questions from young women about how they can be successful in finance – and other sectors – in their career. What I often say to these women is that you don't need permission to be successful. Your talent, your drive, that is your permission.

You must be resolute in your conviction and your right to succeed and you have to be absolutely relentless about your determination to be there. The investment industry needs you; it needs your leadership; it needs your creativity, and it needs you sitting at the table in positions of power. So seize your opportunity to be there and your right to be there.

Chapter 2 - CHANGING THE STATE OF PLAY

I think there are a lot of ways that the industry could be improved through the work that the ILN is doing. The ILN at first was CEO-driven. We convene the CEOs of these leading global investment institutions around these issues. We often refer to the huge bias for action and impact in the work we do.

Influencing the investment industry at the very highest tip of power is the opportunity to truly change the way the game is played. Access to capital is king, in terms of who has access to capital, how do we grow that capital, how do we influence the systems and who gets to be able to participate in those systems. Those are truly the most fundamental questions of our society and the most fundamental questions of human rights.

We have an incredible opportunity here to change the state of play when it comes to diversity and inclusion and that is the opportunity the ILN presents by bringing together this collective of powerful investment voices.

Chapter 3 - **DIVERSITY BRINGS BETTER RETURNS**

We talk often about the intersectional approach to gender, how we don't want to think about gender but also engage with our investments in a way that says we talk to our portfolio companies about climate on Tuesday and we talk to them about diversity and inclusion on Friday. We don't want that. We don't want to look at these issues as if they are siloed.

What we want to do is say that diverse voices bring better returns for our investments.

We really need to have a conversation that advances the business case globally. Having an inclusion lens and asking those questions and having that strong positive engagement around those topics, inevitably brings together a more thoughtful process and the business case would suggest that it will also bring you back a more robust financial profile.

Chapter 4 - **NO INCLUSION WITHOUT DIVERSITY**

So we measure and replicate success using an intersectional lens thinking about diversity broadly, we started our work at the ILN with an emphasis on gender and then over the last year we've really broadened our understanding of diversity. We've always had an intersectional gender lens, but I'd say we've been purposeful in thinking about how we are orienting our conversations, how we are developing programs that are looking at race, gender, sexual orientation, really looking at the whole person. At the ILN I often talk about how you can have diversity without inclusion, but you cannot have inclusion without diversity. We're not checking boxes, we're really looking at not just how can we bring women into the industry, but how do they flourish? How do they succeed? How do they get promoted? How do they really and truly have opportunities for leadership?

I think transparency is key. You can't have an inclusive environment where people are afraid not only to bring their whole selves to work but also have open and honest conversations. There is no organization out there, there is no investment body out there that is perfect. We're all on this journey and the journey is really focusing on how we are making progress, how we are helping each other to succeed, because a truly inclusive and global economy is going to take all of us.

I have four children. I have two girls and I have two boys and I said that I do this to work as much for my boys as I do for my girls. Because a truly inclusive world and global economy where everyone has the right to and opportunity to participate in a meaningful way is going to be a better, healthier, safer planet for all of us.