

# INDUSTRY ORGANISATION DIVERSITY INITIATIVE NEWSLETTER – Q1 2022



## WORKING TOGETHER FOR BETTER OUTCOMES

In January 2022, the SBAI created a forum for industry organisations to combine their efforts on Culture and Diversity to achieve greater impact in the alternatives industry. We were delighted to see how many organisations shared our passion for this topic and were willing to collaborate to achieve our shared goals.

The forum has three main goals:

1. To avoid duplication of efforts across organisations,
2. To collaborate wherever possible, and
3. To standardise templates and guidance where appropriate.

As part of this commitment, we will be issuing newsletters throughout the year that highlight the work our organisations are doing in culture and diversity and the resources that are available to the industry. Essentially a one stop shop for your diversity updates.

We are excited about the future of this group and look forward to working with so many dedicated thought leaders in the alternatives industry.

***Maria Long, Research and Content Director at the SBAI and Chair of the Industry Organisation Diversity Forum.***

The group is currently formed of 12 organisations:

100 Women in Finance, Alternative Investment Management Association (AIMA), Asset Owner Charter UK, Chartered Alternative Investment Analyst Association (CAIA), CFA Institute, The Diversity Project, European Leveraged Finance Association (ELFA), Institutional Allocators for Diversity, Equity and Inclusion (IADEI), Institutional Limited Partners Association (ILPA), Investor Leadership Network (ILN), The Standards Board for Alternative Investments (SBAI), and Value Reporting Foundation (SASB Standards).

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100 WIF launches its Industry DEI Awards.

## **AIMA**

AIMA focuses on the next generation of hedge fund professionals.

## **CFA Institute**

CFA Institute launches the Diversity, Equity, and Inclusion Code for the Investment Profession (US and Canada).

## **The Diversity Project**

The Diversity Project announces targets on ethnic minorities, gender and socio-economic backgrounds to increase representation and participation at all seniority levels.

## **European Leveraged Finance Association**

ELFA publishes D&I Policy Survey and Report and holds career days and CV workshops.

## **IADEI**

### **NEW Joiner**

IADEI holds pitch events, creates one of the largest libraries of DEI research, and its resources include a database of over 650 diverse-led firms.

## **Investor Leadership Network**

ILN launches its Inclusion Playbook

## **SBAI**

SBAI looks at how allocators can increase the diversity of their portfolios in collaboration with ILPA.



## About 100 Women in Finance:

Empowering women in finance.

100 Women in Finance is a global organization committed to gender equity in finance by promoting diversity, raising visibility, and empowering women to find their personal path to success. We connect women at every career stage, including pre-career, to a global network of people and resources.

Our mission is to strengthen the global finance industry by empowering women to achieve their professional potential at each career stage. We operate under a guiding principle that we call Vision 30/40. It is the goal for women to occupy 30% of investment team and executive leadership roles by 2040.

### Find Out More:

<https://100women.org/>

## INITIATIVES AND RESOURCES

### Global Events

100WF hosts Galas in major locations around the world to raise money for our Vision 30/40 which is to change the demographics of the industry (30% of women as senior investment professionals and Executive Committee participants by 2040). At each of the regional galas we nominate a woman for exceptional leadership in the industry.

### Industry DEI Awards

The goal of the 100WF Industry DEI Award is to encourage Innovation and positive action around Diversity, Equity and Inclusion with firms across the industry. We seek to recognize those organizations who are driving forward and shaping the future of women in the finance industry. The hope is to make these organization efforts and positive results more visible to other companies and individuals, inspiring others be catalysts of change. Sponsored by JP Morgan.

Companies can find out more information here <https://fundraisers.100women.org/award-honorees/>



## About AIMA:

The Alternative Investment Management Association (AIMA) is the global representative of the alternative investment industry, with around 2,100 corporate members in over 60 countries. AIMA’s fund manager members collectively manage more than US\$2.5 trillion in hedge fund and private credit assets.

AIMA draws upon the expertise and diversity of its membership to provide leadership in industry initiatives such as advocacy, policy and regulatory engagement, educational programmes and sound practice guides. AIMA works to raise media and public awareness of the value of the industry.

AIMA set up the Alternative Credit Council (ACC) to help firms focused on the private credit and direct lending space. The ACC currently represents over 200 members that manage US\$450 billion of private credit assets globally.

AIMA is committed to developing skills and education standards and is a co-founder of the Chartered Alternative Investment Analyst designation (CAIA) – the first and only specialised educational standard for alternative investment specialists.

### Find out More:

<https://www.aima.org/>

## INITIATIVES AND RESOURCES

### AIMA Initiative:

The Alternative Investment Management Association’s (AIMA) work on DEI is overseen by our Global DEI Steering Group. From launching ‘The Alternatives’, a paper with practical steps that hedge fund firms of all sizes can take to improve their DEI, to a guide to allyship, AIMA is sharing ways that individuals can foster greater DEI both at firm-level and in their everyday lives. As well as preparing guidance, we wish to help individuals with their professional development and have created a global careers network for individuals across the alternative investment industry to connect, find mentors and develop skills and knowledge to help further their careers. We have also produced a D&I Due Diligence Questionnaire with Albourne Partners to assist investors and investment managers with their collection of D&I data.

This year, we are focusing efforts on inspiring the next generation of hedge fund professionals and will be publishing a guide to careers in the global hedge fund industry. Informed by the experiences and advice of around 50 individuals across AIMA’s member firms, we break down the industry and various opportunities within to help students, graduates, and career changers to kickstart a career in hedge funds.

### Resources:

[The Alternatives](#)

[How to be an Ally: Stories from the Hedge Fund Industry](#)

[AIMA Careers Network](#)

[D&I Due Diligence Questionnaire](#)



### About CFA Institute:

The mission of CFA Institute is served by generating value for core investment management professionals and engaging with the core investment management industry to advance ethics, market integrity, and professional standards of practice, which collectively contributes value to society.

Core investment management professionals are those individuals primarily involved in activities related to the investment decision-making process—generally portfolio managers, financial advisors, and research analysts on both the buy and sell side.

The core investment management industry is comprised of firms (or larger firm business lines) primarily engaged in asset management (mutual funds, hedge funds, private equity, real estate investment, investment research and ratings, and investment advisory services), wealth management, fiduciary asset ownership (such as pension funds, endowments, and sovereign wealth funds), and their related regulators and standard setters.

#### Find Out More:

<https://www.cfainstitute.org/>

## INITIATIVES AND RESOURCES

Diversity, Equity, and Inclusion Code for the Investment Profession (US and Canada) (“DEI Code”)

On 24 February, CFA Institute launched a comprehensive, voluntary DEI Code for the investment profession in the United States and Canada. The DEI Code aims to foster commitment from institutions to DEI action that will lead to greater inclusion of wider viewpoints from the best talent, which will lead to better investment outcomes, help create better working environments, and generate a cycle of positive change for future generations.

The DEI Code calls for signatory organizations to commit to six metrics-based Principles, requiring a commitment to:

- Pipeline:** Expanding the diverse talent pipeline,
- Talent Acquisition:** Designing, implementing, and maintaining inclusive and equitable hiring and onboarding practices,
- Promotion and Retention:** Designing, implementing, and maintaining inclusive and equitable promotion and retention practices to reduce barriers to progress,
- Leadership:** Using our position and voice to promote DEI and improve DEI outcomes in the investment industry. We will hold ourselves responsible for our firms’ progress,
- Influence:** Using our role, position, and voice to promote and increase measurable DEI results in the investment industry, and
- Measurement:** Measuring and reporting on our progress in driving better DEI results within our firm. We will provide regular reporting on our firm’s DEI metrics to our senior management, our board and CFA Institute.

CFA Institute aspires to bring more markets into the effort, with regionally focused DEI Codes over time.

Resources

[DEI Code Resources Page](#)

[Launch day Media Release](#)

[Launch event Webinar playback](#)





## About The Diversity Project:

The Diversity Project is a cross-company initiative championing a more inclusive culture within the Savings and Investment profession. We believe that we have an extraordinary opportunity to press the re-set button in our industry: to recruit, nurture and retain the first truly diverse generation of Savings and Investment professionals.

In 2016, the Diversity Project set out to achieve a comprehensive change across the investment and savings industry, bringing together fund management companies, pension fund consultants, asset owners, wealth managers and other firms across the investment industry, to improve diversity and inclusion across all dimensions, and at every career stage.

Diversity is not only our social obligation, but also a business imperative.

### Find Out More:

<https://diversityproject.com/>

## INITIATIVES AND RESOURCES

The coronavirus crisis has shaken up both mindsets and working practices in the investment and savings industry, disrupting practices and behaviours that might otherwise have been hard to change. The Diversity Project will leverage this shift to create faster progress over the next five years.

Its original mission – to create a new generation of diverse talent and an inclusive culture across our member firms – remains firmly in place, though with a sharper focus on results and more targeted interventions to address industry-specific challenges.

### Targets

The Diversity Project has announced new targets around three dimensions of diversity: ethnic minorities, gender and socio-economic backgrounds, focused on increasing representation and participation at all levels of seniority.

The Diversity Project maintains a broad focus on creating an inclusive culture across the industry and has recently published a comprehensive CEO Inclusive Culture Guide.

To support its new targets, International Women's Day saw the launch of the Future Female Fund Managers Programme and the publication of the Male Allies Guide.

### Resources

[Gender Balance by Design | Diversity Project](#)

[CEO Inclusive Culture Guide | Diversity Project](#)

[First-of-its-kind 'Future Female Fund Managers Programme' set to move the dial on diversity | Diversity Project](#)

[Male Allies Guide | Diversity Project](#)

[www.diversityproject.com/IWD2022](http://www.diversityproject.com/IWD2022)



### **About ELFA:**

Our diverse forum of investors engages with other industry bodies and professionals to promote best practices for disclosure and transparency.

We act as the voice of the investor community, seeking a more transparent, efficient and resilient leveraged finance market.

We host regular educational seminars on topics of interest to our members and the wider leveraged finance community through our Seminar Series.

With the support of with our Partners, we keep members up to date on market trends and regulatory developments. We also deliver training for junior team members through our Academy.

#### **Find Out More:**

<https://elfainvestors.com/>

## INITIATIVES AND RESOURCES

ELFA supports diversity and inclusion by creating a platform for sharing knowledge on diversity and inclusion policy programmes within the financial services industry. This includes creating awareness about job opportunities in the sector at the secondary school and university level to support the creation of a more diverse workforce to recruit from and foster a comfortable and flexible workplace where everyone can be heard.

#### D&I Policies Survey & Report:

We also recently published our first D&I Policies Report: A Post-Pandemic Review (linked below), which analysed two surveys we conducted during 2021. The survey results analysed in our Insights report revealed some fascinating trends in the post-pandemic workplace and provided cause for optimism about the trajectory of diversity, equity, and inclusion policies in the asset management industry. We will be re-running this survey next year and aim to have wider representation from the industry.

#### Career Day & CV Workshop:

We recently held our annual Career Day and CV Workshop event. We designed this event to help students facing barriers in their access to financial careers and provide them with advice and networking opportunities. We mainly approached students from non-target universities where this degree of support is less readily available. The event began with a general introduction to the financial services sector. Students then took part in two workshops; one offered tailored advice to students on improving their CV, and the other focused on helping the students stand out in the interview process. The event then concluded with a moderated panel event where four accomplished industry professionals shared their experiences and offered words of wisdom to our attending students.

Students reported finding it very useful, and we look forward to supporting them as they begin their careers in the financial services.

#### Resources

[Diversity and Inclusion Policy Report 2021: A Post-Pandemic Review](#)





## About IADEI:

IADEI is a consortium of asset owners, primarily endowments and foundations, that seeks to drive diversity, equity and inclusion within institutional investment teams and portfolios and across the investment management industry, including directing capital towards diverse managers.

IADEI takes a multi-layered approach to DEI by engaging with and supporting multiple constituencies across investment management, including asset owners, asset managers, and other DEI-focused non-profits, or “cousins.” IADEI is differentiated by its intensive open-source collaboration that aims to advance collective intelligence around diversity, equity, and inclusion.

IADEI is comprised of over 500 active members from approximately 300 institutions in North America and Europe. Approximately 65% of members are from non-profit endowments, foundations, and health systems, with the remainder representing pensions, state boards, for-profit investment firms, family offices, and “cousin” organizations.

### Find Out More:

<https://iadei.org/>

## INITIATIVES AND RESOURCES

### Events

Bimonthly Diverse Manager Pitch Sessions organized by asset class, each featuring six diverse-led strategies selected democratically by the membership of IADEI

Bimonthly Content Sessions curated to share DEI best practices and resources with members including:

- Preparing to discuss DEI with your IC
- Building a diverse talent pipeline
- Reducing bias in the investment industry

### IADEI Research Library

IADEI has compiled one of the largest collections of research on diversity, equity, and inclusion in asset management. Browse articles and submit new research to this library.

### Open-Source Collaboration Tool

IADEI’s shared resources include a database of over 650 diverse-led firms across asset classes, a database of diverse talent pipeline organizations, and links to many external articles, toolkits, and training resources. The Collaboration Tool is editable by all non-profit, asset-allocator members of IADEI.

### Cousin Convenings

The first “Woodstock for Cousins” discussion was held in December 2021 and was distilled into a series of stakeholder recommendations in two reports: “Want to Invest in Asset Managers Owned and Led by Women and Minorities? Here's How” and “Want to Select and Promote Diversity and Inclusions in your Investment Portfolio? Here’s How”. Follow-up convenings in 2022 will focus on further honing these ideas to create a set of practical tools for investors.

### Resources

<https://iadei.org/research-library>.

[Want To Invest in Asset Managers Owned and Led by Women and Minorities? Here’s How](#)

[Want To Select for And Promote Diversity and Inclusion in Your Investment Portfolio? Here’s How](#)



## About ILN:

The Investor Leadership Network is an open and collaborative platform for leading investors interested in addressing sustainability and long-term growth.

The Investor Leadership Network was launched at the 2018 G7 to facilitate and accelerate collaboration by leading global investors on key issues related to sustainability and long-term growth. As the leading network of investors taking action for people, planet and prosperity, the CEO-led group is composed of 13 global institutional investors representative of six countries, with over US\$9 trillion in assets under management.

Operating as an open and collaborative platform, members pool resources, expertise, and networks to develop, promote and deliver action-based and scalable initiatives on major global issues such as climate change, equity, diversity and inclusion, and sustainable infrastructure. Every initiative is evidence-based, measurable, and drives macro change. Member commitment is leveraged through a central convening body, the Secretariat, that threads the needle among initiatives and tracks and reports impact.

### Find Out More:

<https://investorleadershipnetwork.org/en/>

## INITIATIVES AND RESOURCES

Last year, the ILN conducted internal research on our 13 members' approaches to DEI, both internally and externally as active investors. The report "Creating a More Inclusive Economy, Practical Insights from Global Institutional Investors" highlighted ILN members' best practices, challenges, and opportunities for improving their engagement with DEI.

A challenge identified was investors sometimes have limited access to portfolio companies' diversity data, preventing them more actively managing social factors.

A best practice identified was some members were starting to add inclusion to their portfolio assessments and engagements but needed further standardisation. ILN investors were finding that when paired with diversity, inclusion was becoming a better indicator of team performance and company returns than diversity alone.

ILN identified an opportunity to help investors improve their measurement of inclusion by introducing a reliable set of inclusion metrics and investor guidance on how to engage with them. With the launch of the ILN Inclusion Playbook on March 24th, ILN members will now be moving beyond checking boxes for diverse talent, and instead measuring how included diverse talent is in decision making and how supported they are to succeed. The Playbook provides investors with the business case for inclusion, sets of fundamental and advanced inclusion metrics, and case studies on how ILN members are using the metrics in practice.

### Resources

[REPORT: Creating a More Inclusive Economy, Practical Insights from Global Institutional Investors](#)

[EVENT: Register here for ILN's Inclusion Summit celebrating the launch of the Inclusion Playbook and hear from an all-star cast of investors on how their organizations are implementing the guidance.](#)



Standards Board for Alternative Investments

## About SBAI:

We are a global active alliance of over 150 alternative investment managers and over 90 institutional investors dedicated to advancing responsible practice, partnership, and knowledge. We exist to improve industry outcomes.

Our community is committed to making investing in alternatives more efficient and more transparent. We help ensure the quality and efficacy of the alternative investment arena through the active promotion of responsible standards and the exchange of ideas.

We Solve for Better.

### Find Out More:

<https://www.sbai.org/>

## INITIATIVES AND RESOURCES

### SBAI Initiative:

At the SBAI we have a Culture and Diversity Working Group that is made up of over 90 representatives from global asset managers and institutional investors. We believe that diversity and inclusive cultures are required to maintain a thriving and dynamic industry.

Our Culture and Diversity Toolbox contains work published by this group to date (see Resources section below).

We currently have two areas of focus:

- Increasing Diversity in Allocator Portfolios (in collaboration with ILPA), and
- Helping asset managers set achievable diversity goals.

We continue to highlight Culture and Diversity as part of our Global Events series bringing asset managers and allocators together to discuss solutions.

Resources:

[REPORT: Principles of Culture and Diversity Strategies](#)

[REPORT: Beyond the Metrics: Demonstrating and Assessing Diversity in Smaller Managers](#)

[PODCAST: A Conversation on Culture](#)