

# DIVERSITY, EQUITY, AND INCLUSION CODE – **Accelerating change**

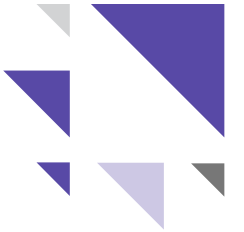
**Sarah Maynard, ASIP**  
Global Head, External Diversity,  
Equity, & Inclusion

# Why diversity, equity, & inclusion (DEI) and why now?

The investment industry is facing an unprecedented level of simultaneous, multi-dimensional challenges:

- Shifting responsibility for long-term saving to the employee changes product need
- Industry stakeholders questioning value for money in the entire investment value chain
- Regulation is driving greater transparency in fees, risk, performance and culture
- Digital technology is changing distribution
- DEI can bring credibility to ESG and sustainable investing
- Talent recruitment and retention are influenced by DEI
- Intergenerational employee expectations of psychological safety are increasingly heterogeneous
- Societal scrutiny via social media means trusted advisor status is harder to earn for individuals and entities.

# Women in the workforce, in the investment management industry, and CFA Institute membership: Key Markets



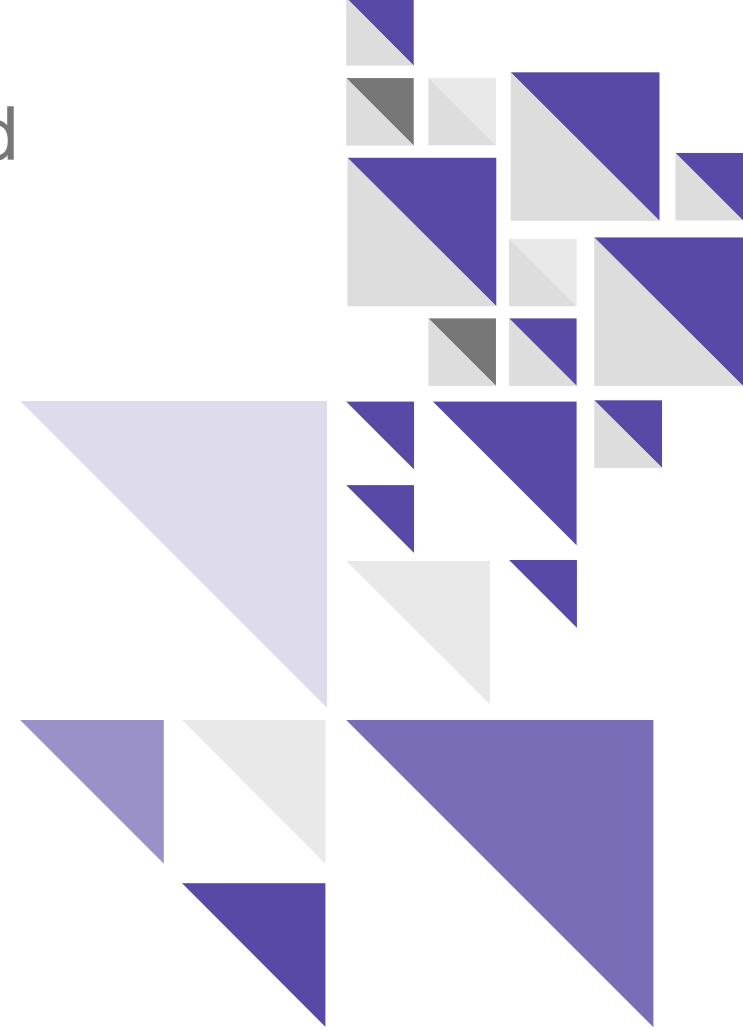
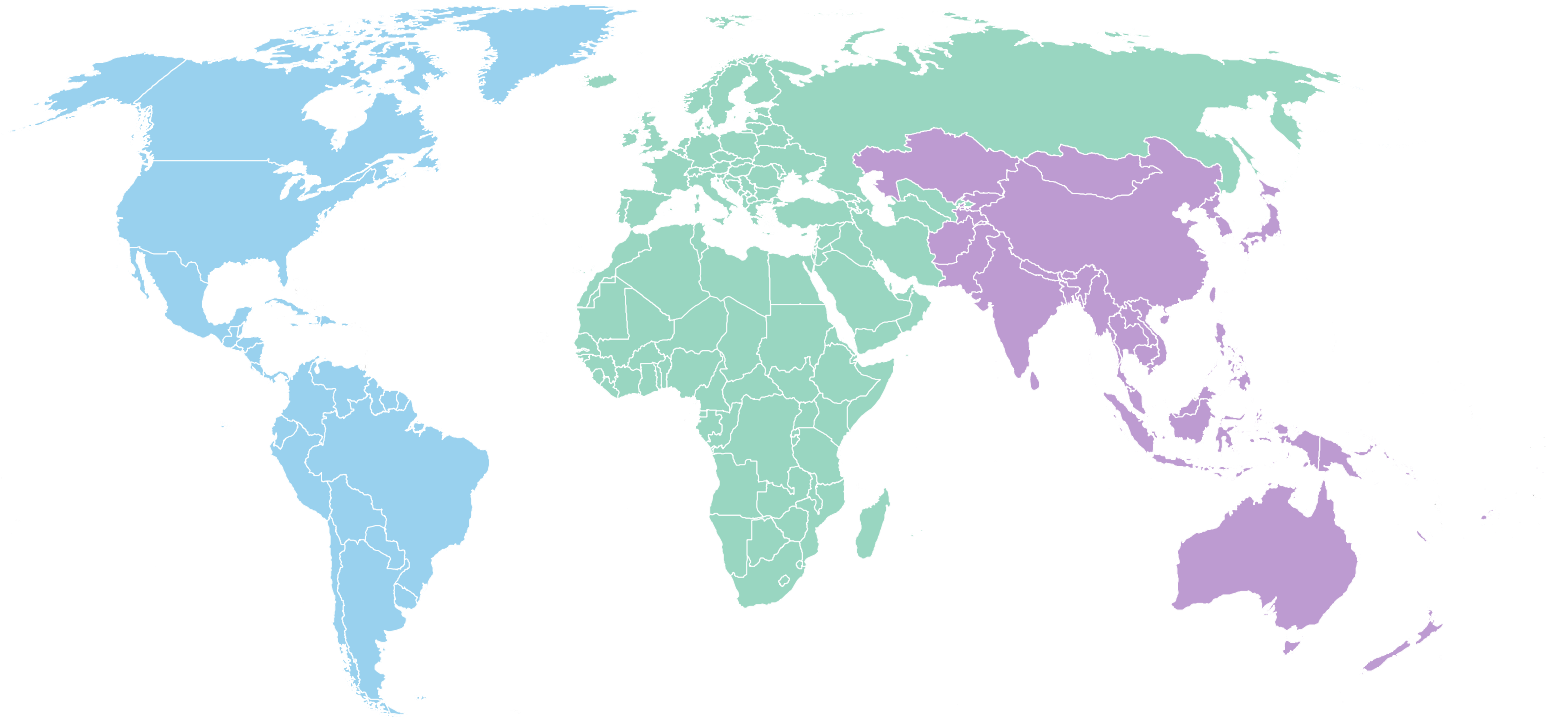
Percentage women workforce participation rates vs. investment industry vs. CFA Institute members



\* 'Key markets' are defined by CFA Institute.

# Diversity, Equity, & Inclusion Work is Mission Aligned

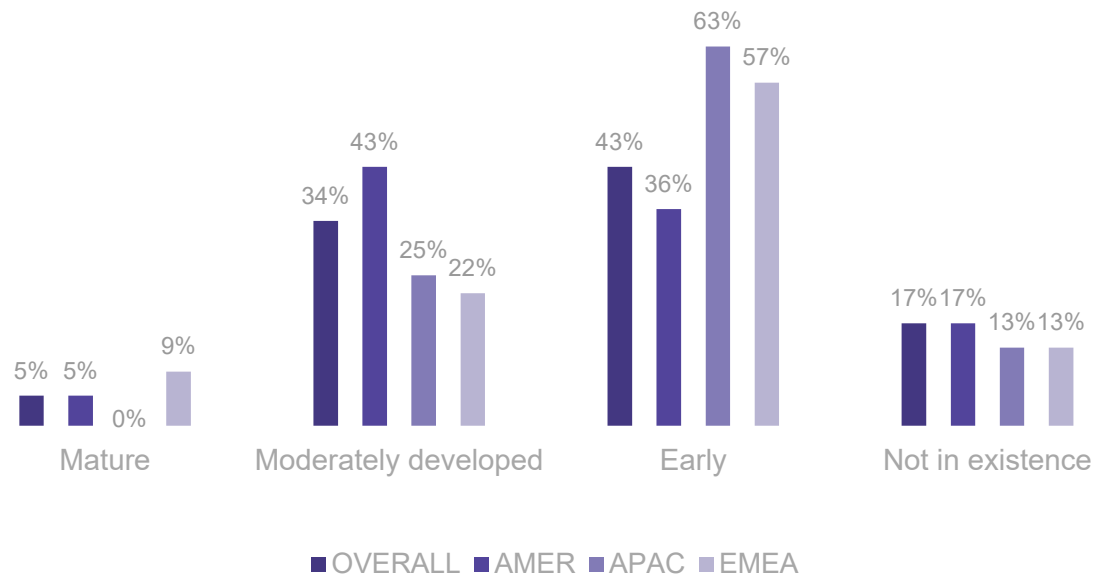
To lead the investment profession globally by promoting the highest standards of ethics, education, and professional excellence for the **ultimate benefit of society**.



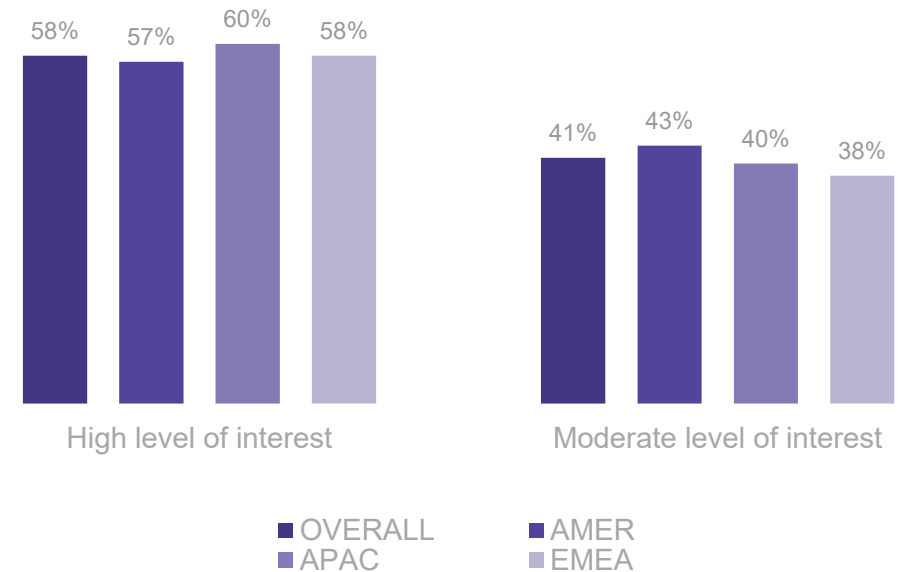
# Across all regions CFA Institute Society Leaders report that while still in the early stages of development, DEI interest is strong



Currently, what stage of development is your society's DEI program in?



How would you characterize your society's general level of interest in DEI?



# CFA Institute Industry Codes and Standards

GLOBAL INVESTMENT  
PERFORMANCE  
STANDARDS (GIPS®)

ESG DISCLOSURE  
STANDARDS FOR  
INVESTMENT PRODUCTS

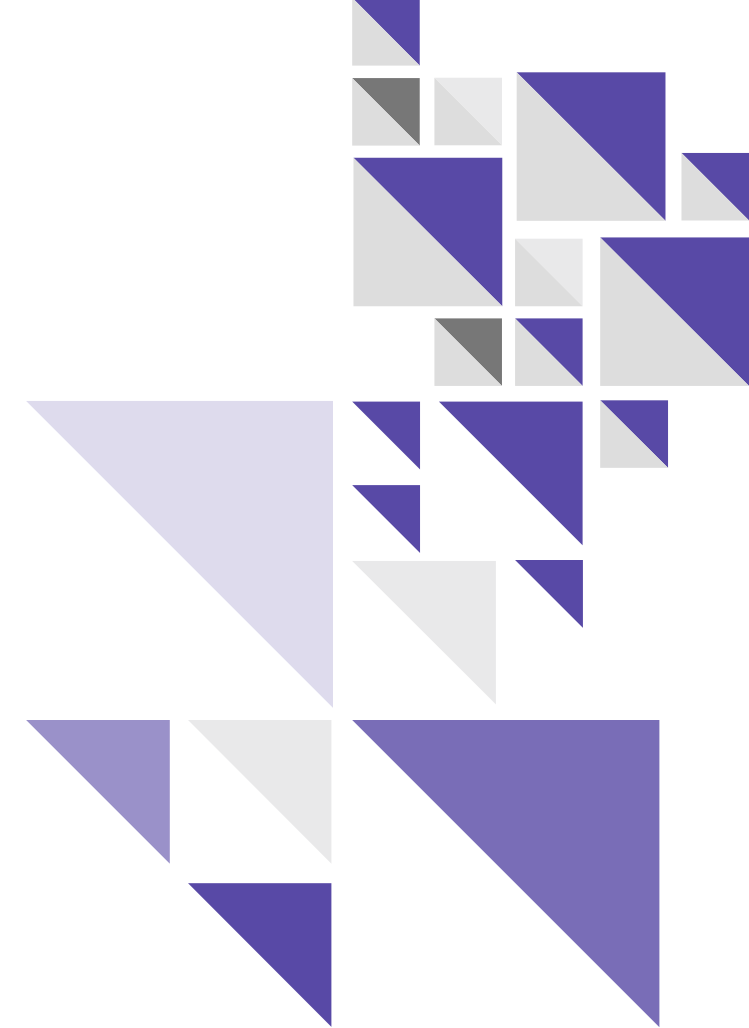
CODE OF ETHICS AND  
STANDARDS OF  
PROFESSIONAL  
CONDUCT

ASSET MANAGER  
CODE™

PENSION TRUSTEE  
CODE OF CONDUCT

ENDOWMENTS CODE OF  
CONDUCT

DIVERSITY, EQUITY, & INCLUSION CODE  
– US AND CANADA



# Diversity, Equity, and Inclusion Code Working Group Members

Working Group appointed in March 2020 by our DEI Steering Committee. Comprised of senior investment professionals from across the industry, including from a consultant/allocator, an endowment, a public pension fund and asset managers.

- **Dominique Cherry**, Head of Capital Markets, Philadelphia Board of Pensions & Investments
- **Orim Graves**, CFA, Managing Partner, David Hill Group,
- **Keon Holmes**, CFA, Managing Director, Cambridge Associates
- **Erinn King**, CFA, Managing Director, Payden & Rygel,
- **Archana Kumar**, Chief Operating Officer, Northern Trust Asset Management
- **Kim Lew**, CFA, CEO, Columbia Investment Management Company
- **Marlene Timberlake D'Adamo**, Chief Diversity, Equity & Inclusion Officer, CalPERS
- **Wylie Tollette**, CFA, EVP, Client Portfolio Solutions, Franklin Templeton – supported by **Kimberly Strand**, CFA, SVP, Head of Fundamental Research & ESG Integration, Franklin Templeton
- **Justine Phoenix**, Vice President - Head of Diversity Project North America, NICSA
- **Sarah Maynard**, ASIP, CFA Institute, Global Head, External DEI

# Diversity, Equity, and Inclusion Code

- Principles based
- Four Principles cover the investment professional career lifecycle
  - One specific Principle for asset owners, consultants and asset allocators
  - One specific Principle for measurement – determining metrics to form industry KPIs
- Underpinned and informed by tested Implementation Guidance from the Experimental Partner Program and leading DEI experts
- Collaborating with Diversity Project North America, Nicsa
- 60-day public consultation launched 7 July 2021
- Regional-versions will be offered in 2022/23
- Implementation guidance to be updated by-annually
- Annual confidential reporting will drive further evolution
- CFA Institute will report its overall findings on industry progress annually.
- Requires commitment, collaboration, accountability.





# Diversity, Equity & Inclusion Code (USA and Canada)

## – Six Key Principles:



In Canada, we commit to implementing the Truth and Reconciliation Commission of Canada Call to Action #92, and we embrace Indigenous reconciliation.

In addition to the Principles, we undertake to accelerate and amplify their impact by making the economic, business, and moral case for DEI as follows:

#### COLLABORATE

with other firms to publicize careers in the investment industry and provide informational materials, combined with concerted outreach to extend **economic** opportunities.

#### SHARE

tried and tested DEI practices with other signatories, working and learning together to develop new, aspirational strategies, building awareness that integrating DEI can improve **investment** outcomes and enhance **business** success.

#### PROMOTE

acceptance and implementation of the Principles within the investment industry by speaking about our progress and socializing the DEI Code and the Principles with our global workforce and colleagues to improve understanding of the **wider society we serve**.



# Our purpose as DEI code signatories

We recognize that a diversity of perspectives will lead to better investor outcomes; an inclusive and equitable investment industry will better serve our diverse society. Further, we recognize that an organization with an inclusive culture, awareness and education, and effective working relationships is a better place to work. We also understand the importance of improving equity while acknowledging the magnitude of the task. Therefore, our scope is within the workplace where we have direct agency and where we have influence as investors. Our commitment to this Code is a long-term commitment to cultural change at all levels in our organization.



# THANK YOU – QUESTIONS?

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