WOMEN IN CAPITAL MARKETS YEARBOOK

Kanga News

AUG/SEP 2020 SUPPLEMENT_ VOL 15 ISSUE 120
www.kanganews.com

AUSTRALASIAN FIXED INCOME: GLOBAL REACH, LOCAL EXPERTISE

MAXIMUM AIR TIME

*Profiling the contribution of **women in Australian capital markets**, at a critical moment of change for the industry and society*

KangaNews

SUPPLEMENT TO
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Why the *KangaNews* WICM Yearbook?

The first-ever *KangaNews* Women in Capital Markets (WICM) Yearbook is being published during a pandemic. This crisis has turned on its head almost everything we – rightly or wrongly – recognised as a way of life before. While it is still unclear which COVID-19-induced changes will be permanent, there is greater opportunity for discussion about how we live and work. Gender inequality is high on the register.

As a conference organiser, for many years KangaNews has witnessed first hand the challenges of bringing together balanced agendas that reflect experience and diversity in the debt capital market. Much as we strive to meet client – and our own – diversity targets, sometimes industry hiring outcomes make it hard to break up the male hegemony.

Strides have been made to increase female representation in markets. But there is still more work to be done – as the results of the *KangaNews* WICM Survey clearly demonstrate. Women in the Australian market are still unimpressed by the industry's relative performance on gender diversity, with more than half finding financial services to be "less supportive of gender diversity" than comparable sectors.

The work KangaNews and others are doing in this regard, in particular by giving air time to female leaders in the media and at industry events, is second only to strong employer policies on diversity and social inclusion as a promoter of gender diversity in the industry, the survey shows.

The very clear message we have received, through years of industry conversations, editorial work and conference discussions, is that demonstrating diversity rather than talking about it – a 'show, not tell' approach – is most likely to move the dial.

This approach is highlighted in this yearbook's four industry roundtables – supported by ANZ, BNY Mellon Corporate Trust, Commonwealth Bank of Australia (CBA) and Westpac Institutional Bank. The roundtables highlight areas of capital markets where discussion around progress is ongoing and, crucially, where strides continue to be made.

The reality is that the first wave of COVID-19 changes is creating more inequality rather than less. However, there are also signs that men are increasingly seeing the burden women have carried for years. ANZ, in association with Women in Banking and Finance, hosted business and market leaders to talk through the response so far and the wide-reaching nature of future changes.

The circumstances of 2020 have also put pressure on corporate treasuries. In conjunction with Women in Treasury, CBA hosted female leaders from the Australian corporate-treasury space to talk about adaptation to an unprecedented set of business and working conditions.

The sustainable-finance sector has grown exponentially in the past decade. Already seemingly more gender balanced than financial services as a whole, Westpac and the Women in Sustainable Finance initiative brought participants together to discuss the state of play in the market in 2020 and beyond.

The Australian securitisation industry has been at the front line of market evolution on gender diversity, thanks in no small part to the proactive role played by the Australian Securitisation Forum's Women in Securitisation subcommittee. BNY Mellon and a group of leading market participants discuss the next phase of evolution.

Meanwhile, initiatives at company level to promote workplace gender diversity and inclusivity, such as those outlined by this yearbook's headline sponsors as well as its premium partners – Ashurst, King & Wood Mallesons and TD Securities – are also making a difference.

Intriguingly, respondents to the *KangaNews* WICM Survey tend to feel their own employers are doing better on diversity than the industry as a whole.

The purpose served by industry associations to promote the diversity message is also invaluable. *KangaNews* is delighted to present profiles of 11 key women's networks in Australia in this inaugural yearbook. We encourage readers to contact these associations as the work they are doing is instrumental in the continued positive advancement of gender equality in debt capital markets in Australia.

KangaNews is keen to use its voice and the forum it provides to support diversity in capital markets, and this yearbook is a big step toward bringing together many years of conversation, discussion and efforts in this regard. We would like to thank the sponsors of this yearbook as well as the associations and market participants that have contributed to its content for making the publication possible.

In the future, we would like to develop a speaker register, speaker training, female-only events, and more. If you have any suggestions as to how we can help to further close the gender-equality gap – an issue that is very close to our hearts – please let us know. •

WICM SURVEY:

SIGNS OF PROGRESS BUT MORE TO BE DONE AT SENIOR LEVEL

The *KangaNews* Women in Capital Markets Survey (WICM Survey) is a centrepiece of the WICM Yearbook. Conducted in August, more than 150 women from across the Australian capital-markets landscape shared their views in response to a range of questions that highlight workplace gender diversity and the steps the industry can take to improve further.

BY LAURENCE DAVISON

Survey responses came from women across the market community, though weighted towards more senior executives. This is perhaps unsurprising given the generally senior nature of the *KangaNews* readership, but the goal is to broaden the survey response in future years to build on the insights delivered in the first iteration.

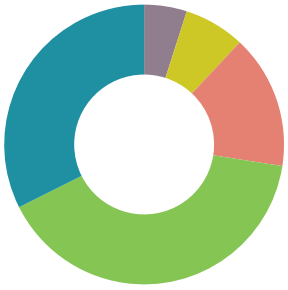
Nearly three-quarters of survey respondents say they have worked in finance or capital markets for more than a decade, with nearly a third being industry veterans of more than 20 years' standing (see chart 1). In the same vein, more than 80 per cent of survey respondents say they are in middle- or upper-management positions (see chart 2).

The spread of survey responses by sector of employment is wide and relatively even. Institutional and investment banks are the most represented sector, followed by investment firms. The survey also prompted a significant response from women working in service-provider firms, commercial banks, corporate treasury, nonbank financial institutions and the government, regulatory and development-bank space (see chart 3).

If there is a key message from the survey, it is that women working in Australian capital markets believe gender disparity in the industry is a real thing and, while it seems to have improved, there is still work to do. For instance, 60 per cent of survey respondents say their gender has disadvantaged them professionally in the past decade, while only 23 per cent say they have never experienced gender-based disadvantage (see chart 4).

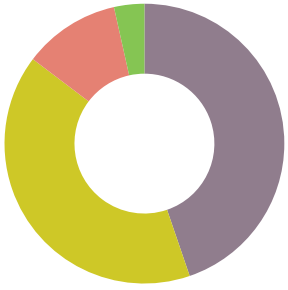
Nor do women in the Australian market find the industry's performance on gender diversity particularly impressive. More

CHART 1. FOR HOW LONG HAVE YOU WORKED IN FINANCE/CAPITAL MARKETS?



SOURCE: KANGANEWS 30 AUGUST 2020

CHART 2. AT WHAT LEVEL OF SENIORITY ARE YOU CURRENTLY EMPLOYED?



SOURCE: KANGANEWS 30 AUGUST 2020

"Today's problems cannot be solved by yesterday's solutions!

It has never been more critical to harness diversity of thought in all levels of all businesses."

- Sue Murphy AO

Appointed an Officer of the Order of Australia in 2019.
Director on WATC's Board.

At WATC, we have an ongoing commitment to diversity. We are proud to have women across all levels and technical areas within the organisation, including a 50 per cent representation on our Board.

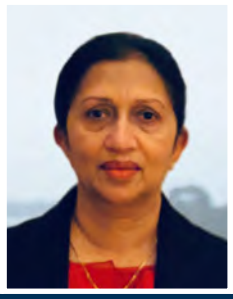
And we are honoured to introduce you to some of the amazing women who work with us.

Erin Collins
Risk Analyst

Lisa Brady
Head of Client Foreign Exchange and Treasury Services

Tomi Oyefeso
Corporate Financial Advisor

Kaylene Gulich
Chief Executive Officer



Dilrukshi Karunaratne
Senior Legal Officer

Carol Whitworth-Hird
Chief Advisor

Fatima Rahman
Dealer Offshore Markets and Funds Management

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TREASURY CORPORATION
FINANCIAL SOLUTIONS FOR THE BENEFIT OF ALL WESTERN AUSTRALIANS

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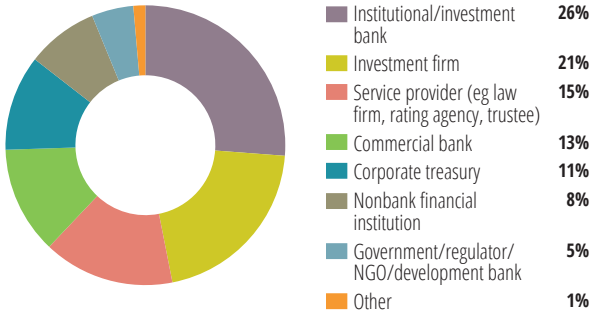
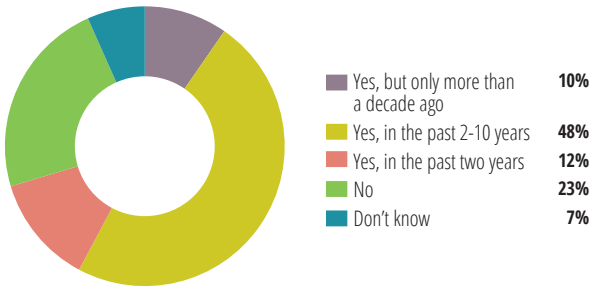
watc.wa.gov.au

CHART 3. WHAT TYPE OF FINANCIAL SERVICES FIRM OR INSTITUTION DO YOU CURRENTLY WORK FOR?



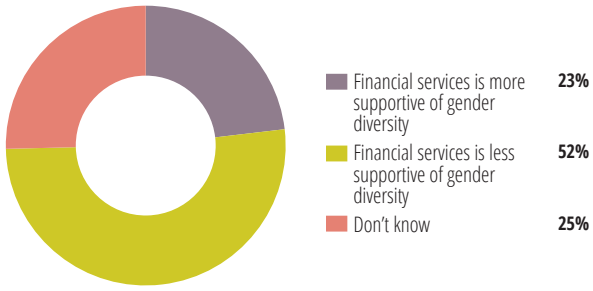
SOURCE: KANGANEWS 30 AUGUST 2020

CHART 4. DO YOU BELIEVE YOUR GENDER HAS EVER DISADVANTAGED YOU PROFESSIONALLY, FOR INSTANCE AROUND HIRING, ADVANCEMENT OR REMUNERATION?



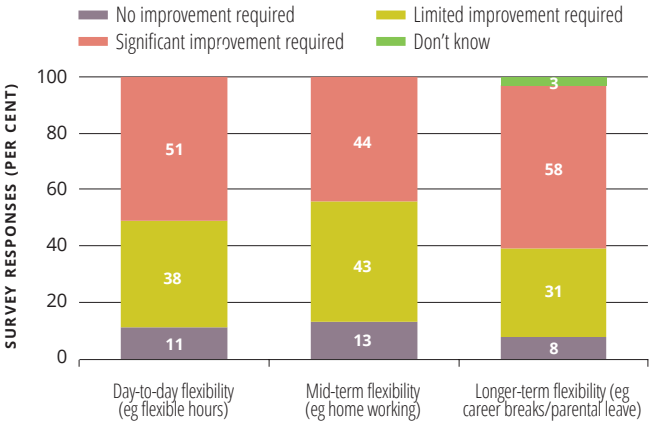
SOURCE: KANGANEWS 30 AUGUST 2020

CHART 5. DO YOU BELIEVE FINANCIAL SERVICES IS A MORE OR LESS SUPPORTIVE ENVIRONMENT FOR GENDER DIVERSITY THAN COMPARABLE SECTORS?



SOURCE: KANGANEWS 30 AUGUST 2020

CHART 6. IS THE INDUSTRY SUFFICIENTLY OPEN TO FLEXIBLE WORKING PRACTICES?



SOURCE: KANGANEWS 30 AUGUST 2020

than half say financial services is "less supportive of gender diversity" than comparable sectors – more than twice as many as believe the sector is an outperformer (see chart 5).

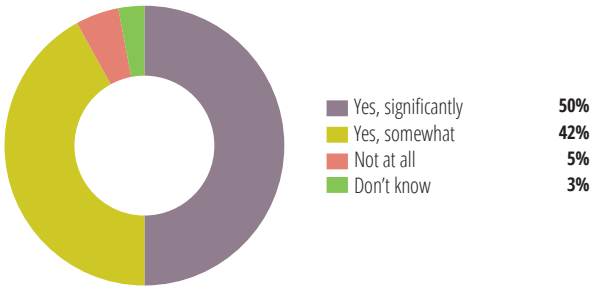
Gender disparity is reflected in a number of ways, of which the KangaNews WICM survey reflects several. In particular, women say the industry could do more to accommodate flexible working practices and believe there is still a disparity in hiring practices – especially at senior level.

Barely 10 per cent of survey respondents believe there is no room for improvement in capital markets when it comes to flexible working practices on a day-to-day, mid-term or longer-term basis (see chart 6).

Meanwhile, more than 90 per cent of women filling in the survey believe taking a career break would be a disadvantage to career progression – 50 per cent saying it would be a significant disadvantage (see chart 7).

The COVID-19 crisis has been held up as a possible catalyst for change across global economies, especially in areas of social

CHART 7. DO YOU BELIEVE TAKING A CAREER BREAK (EG EXTENDED PARENTAL LEAVE) WOULD DISADVANTAGE YOUR CAREER PROGRESSION?



SOURCE: KANGANEWS 30 AUGUST 2020

DEBT CAPITAL MARKETS AND SECURITISATION SERVICES

WHY CHOOSE EQUITY TRUSTEES

Equity Trustees is Australia's leading specialist trustee, with a growing business focused on debt capital markets and securitisation services. With 35 years of specialist experience in Australian and global markets, our key people bring together legal and finance industry expertise in debt capital market transactions, structured/secured lending structures, funds management, administration and compliance for retail and wholesale funds.

SERVICES

Equity Trustees provides a full range of trustee services for banks, financiers, originators, lenders, borrowers, international investment managers and sponsors, for example:

- Note trustee
- Security trustee/agent
- Facility agent
- Issuing, calculation, paying agent and registrar
- Trustee and security trustee for securitisation and master trust structures.
- Trustee and custodian for direct property funds
- Escrow agent
- Document custodian
- Trust manager

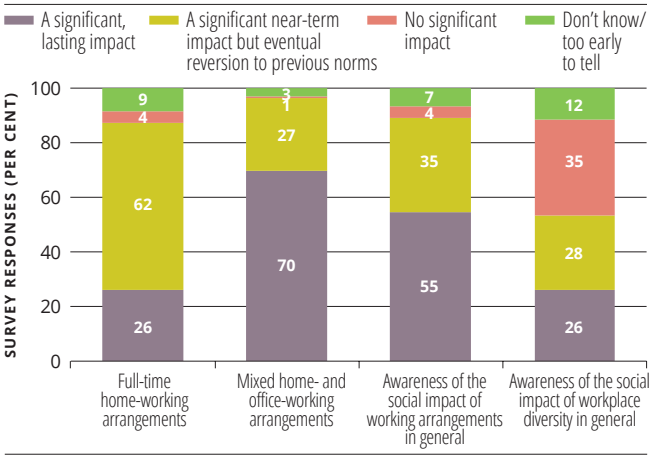
DEBT CAPITAL MARKETS & SECURITISATION TRANSACTIONS

An expert, independent trustee and agent in all types of DCM and securitisation transactions provides peace of mind to noteholders and relieves the issuer of the administrative burden of communicating with noteholders. Furthermore, if there are events leading to a default, a specialised independent trustee will work through the process to ensure that the noteholders' best interests are protected and that any enforcement is carried out properly.

- Equity Trustees is an independent specialised fiduciary with more than 130 years' experience as a trustee
- Equity Trustees is not a financier and will not be conflicted when acting as an agent or trustee
- Equity Trustees' DCM & Securitisation team is based in Sydney
- Equity Trustees' parent company (EQT Holdings Limited) is listed on the ASX. The current Chairman of the EQT Board is the Hon Jeff Kennett AC
- Equity Trustees has a well-resourced, efficient back and middle office infrastructure to administer trustee and agency roles.

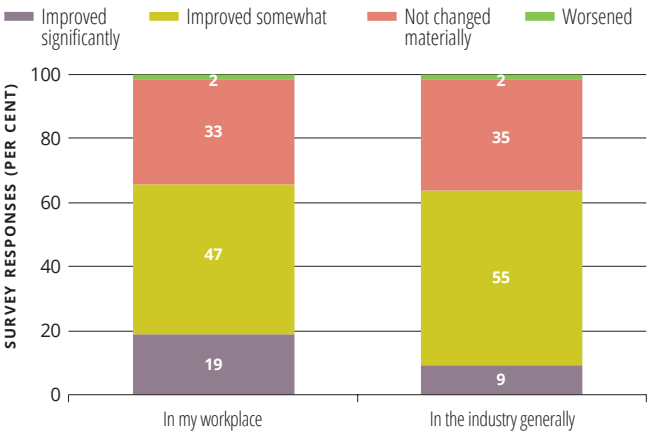
For more information visit www.eqt.com.au and click on Corporate Trustee Services.

CHART 8. WHAT IMPACT DO YOU EXPECT THE COVID-19 CRISIS TO HAVE ON WORKING PRACTICES?



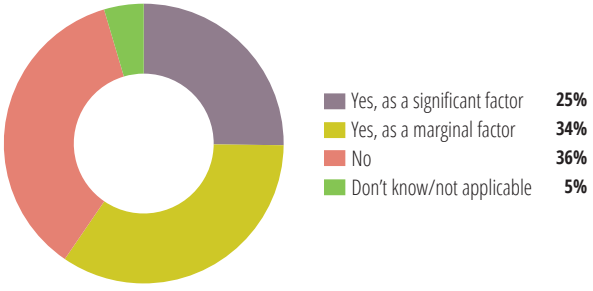
SOURCE: KANGANEWS 30 AUGUST 2020

CHART 9. OVER YOUR TIME IN THE INDUSTRY, DO YOU BELIEVE GENDER DIVERSITY HAS:



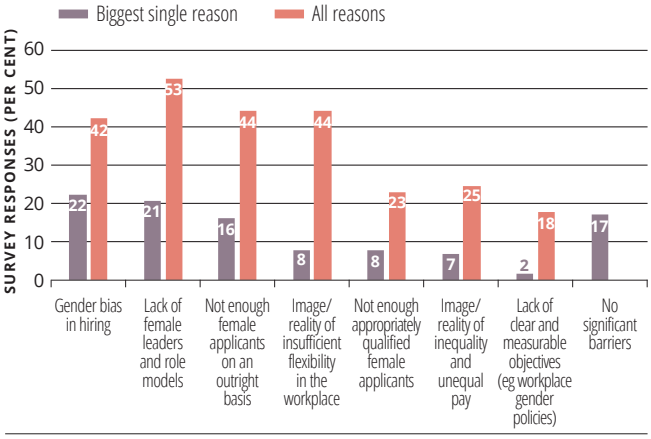
SOURCE: KANGANEWS 30 AUGUST 2020

CHART 10. HAS COMPANY POLICY/ENVIRONMENT AROUND GENDER DIVERSITY EVER INFLUENCED YOUR DECISIONS TO JOIN OR LEAVE AN EMPLOYER?



SOURCE: KANGANEWS 30 AUGUST 2020

CHART 11. WHAT, IF ANY, DO YOU BELIEVE ARE SIGNIFICANT REASONS FOR GENDER DISPARITY AT ENTRY LEVEL IN THE FINANCIAL SECTOR?



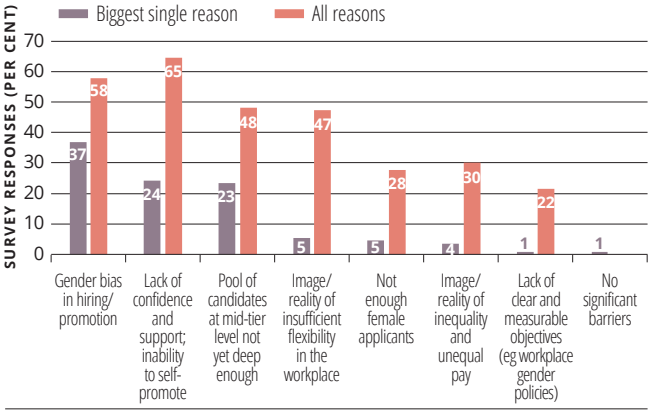
SOURCE: KANGANEWS 30 AUGUST 2020

inclusion and with regard to flexible working. Women responding to the KangaNews WICM Survey are optimistic that the crisis will prompt more flexibility on mixed working arrangements, but there is also a noticeable expectation of mean reversion over time (see chart 8).

On a more positive note, the majority of women working in Australian capital markets believe gender diversity has improved over their careers. Around two-thirds report an improvement in both their own workplaces and the industry in general, though the majority of these say the improvement has only been marginal (see chart 9).

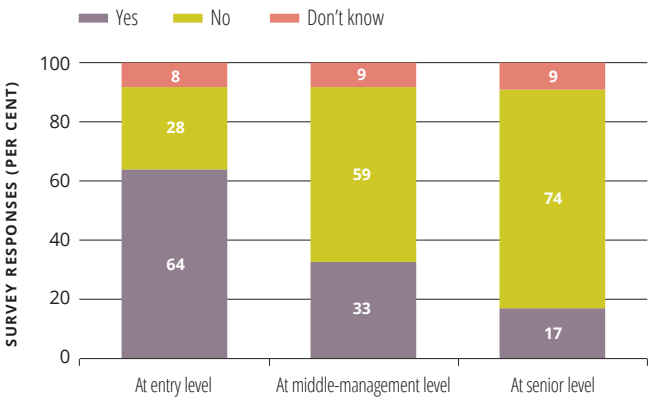
By a small margin, women responding to the KangaNews WICM Survey are inclined to think diversity in their own workplace has improved by more than the industry as a whole. This chimes with the fact that a majority of women say companies' gender-equality policies and environments have influenced their decisions to leave or join an employer – 25 per cent as a "significant factor" (see chart 10).

CHART 12. WHAT, IF ANY, DO YOU BELIEVE ARE SIGNIFICANT REASONS FOR GENDER DISPARITY AT SENIOR MANAGEMENT LEVEL IN THE FINANCIAL SECTOR?



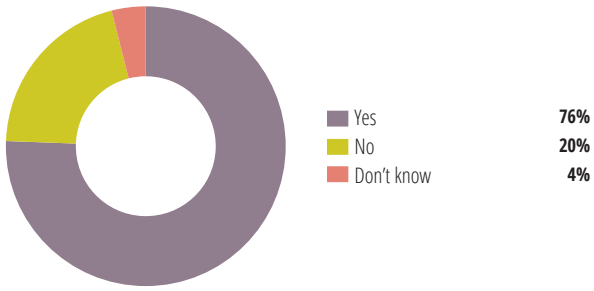
SOURCE: KANGANEWS 30 AUGUST 2020

CHART 13. DO YOU BELIEVE EMPLOYERS ARE DOING ENOUGH TO IMPROVE GENDER DIVERSITY IN FINANCIAL SERVICES?



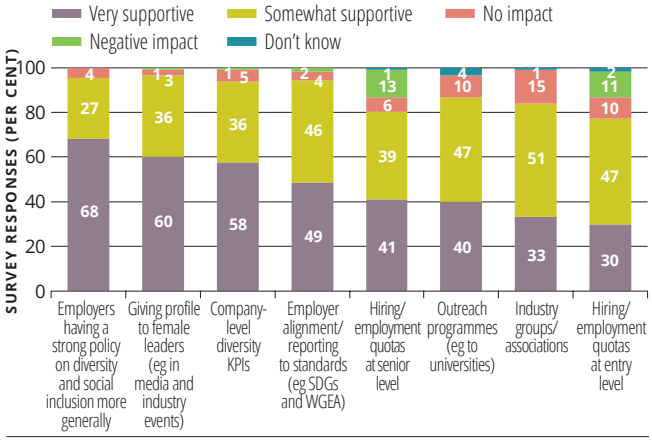
SOURCE: KANGANEWS 30 AUGUST 2020

CHART 14. DO YOU BELIEVE THE HIRING OF FEMALE EXECUTIVES AT VERY SENIOR LEVEL, EG BANK AND CORPORATE CHIEF EXECUTIVES, PROMOTES GENDER DIVERSITY MORE GENERALLY?



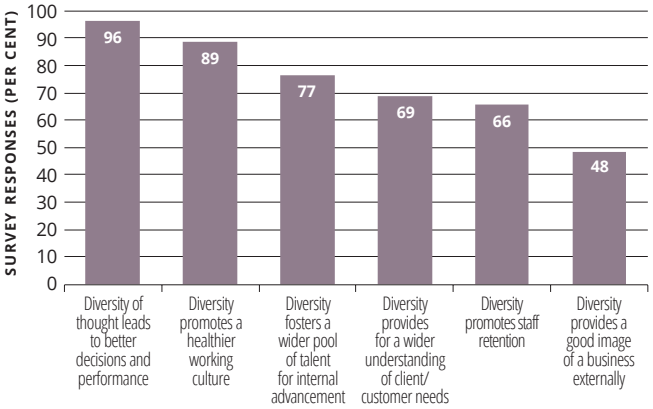
SOURCE: KANGANEWS 30 AUGUST 2020

CHART 15. HOW HELPFUL DO YOU BELIEVE THE FOLLOWING FACTORS ARE IN PROMOTING GENDER DIVERSITY IN FINANCIAL SERVICES?



SOURCE: KANGANEWS 30 AUGUST 2020

CHART 16. WHAT DO YOU BELIEVE TO BE THE MAIN ADVANTAGES OF GENDER DIVERSITY IN THE WORKPLACE?



SOURCE: KANGANEWS 30 AUGUST 2020

Another clear message from the KangaNews WICM Survey is that women working in Australian capital markets tend to feel gender-diversity issues are now more significant at senior level than junior.

For instance, while 42 per cent of survey respondents believe outright gender bias is a reason for gender disparity in the industry at entry level, that number leaps to 58 per cent when it comes to senior management (see charts 11 and 12). A small but significant proportion of survey respondents – 17 per cent – believe there are now no significant barriers to women entering the financial-markets sector while just 1 per cent say the same about progression to senior management.

On this basis, it is not surprising that the survey suggests women believe financial-markets employers are doing enough to improve gender diversity at entry level but not enough at middle-management or – by an overwhelming margin – senior level (see chart 13). Nearly two-thirds of survey respondents are satisfied with the industry's performance at attracting women to join at entry level, but this number shrinks to 17 per cent for senior roles.

This is unfortunate, because survey respondents also overwhelmingly believe the presence of women in high-profile, senior roles helps promote gender diversity across the industry (see chart 14).

This is not the only area in which women believe visibility is key to promoting gender diversity. Survey respondents suggest women believe giving profile to female leaders in the media and at industry events is second only to strong employer policies on diversity and social inclusion as a promoter of gender diversity in the sector, for instance (see chart 15). There is much less support for hiring quotas at either entry or senior level.

Crucially, survey respondents are clear that workplace gender diversity promotes positive business outcomes. Support for the idea that "diversity of thought leads to better decisions and performance" is almost universal, and there is majority support for a range of positive factors derived from a diverse working environment (see chart 16). •

WOMEN IN CAPITAL MARKETS

Lynsey Thorrington
Senior Relationship Manager
Debt Market Services

Q: What is your involvement in Capital Markets, and your thoughts on diversity in this sector?

I have worked within debt capital markets in Australia since 2003, and within Perpetual Corporate Trust since 2007. Being part of an industry with so many visible senior women has been energising. Seeing women hold CEO positions and seats on boards allows you to see that now, more so than ever before, women in leadership is a reality as opposed to a statistic. There are female CEOs, CFOs, Treasurers, and each one of these appointments showcases to women across the industry that, what was once just an agenda item, is now a reality and I think our industry should celebrate that.

Perpetual has a strong commitment to diversity and inclusion and recognises the value of attracting and retaining employees with different backgrounds, knowledge, experiences and abilities. I have been lucky enough to be part of Perpetual's Diversity Council for several years and seen some fantastic strives towards a truly diverse workforce.

Perpetual's commitment to flexible working, its continued focus on cultural diversity and the ongoing work on gender diversity is inspiring.

Q: What have been some challenges relating to diversity over the past year?

COVID-19 and the seismic shift to working from home came with a number of challenges, both for organisations employees.

Working from home whilst caring for dependants, young or old, was a challenge for many, however, across the board I think it has been a positive, with a renewed focus on work life balance. Across Perpetual many employees told us that whilst some of the challenges were great, the benefits, for many of our male employees in particular, of spending more time with their families and share in the "family workload" has changed their lives for the better. The challenge will be for organisations to continue such flexibility post COVID-19.

Q. What do you think are key challenges for women in financial markets this year?

For many Australian women, lower superannuation balances are a real and pressing concern. Many women take time off to tend to families so their super balance is already lower than comparable males. This, coupled with record numbers of women accessing their super early to help during the COVID19 pandemic, the retirement positions of Australian women are limited. Perpetual has recently launched a digital platform, Financial Acuwomen, that aims to increase female financial literacy and confidence in investing, and address issues such as the superannuation gap.

Q: What are you most proud of Diversity and Inclusion strategy?

Perpetual has been granted the WGEA Employers of Choice for Gender Equality (EOCGE) for past 3 years. In 2017, as part of our annual review of WGEA requirements, Perpetual implemented our Domestic and Family Abuse Policy. We recognised the magnitude in Australia and the devastating impact on the personal and professional lives of those who experience.

With that in mind, we developed our formal policy to support employees who are affected and to try and ensure that all our employees are supported within a safe environment, where all employees can thrive professionally and exceed their potential.
I hope initiatives such as these become commonplace at every Australian organisation and we see the eradication of violence, especially towards women and Aboriginal Australians.

Perpetual EOCGE citation for 2020:

- **Promotion of flexible work practices for males and females**
- **Comprehensive Gender Pay Gap (GPG) analysis and commitment to reducing our organisation wide GPG by 10%, by 2024**
- **Extension of 40% female representation targets to the Perpetual Board and Subsidiary Boards**
- **Enhancing our Parental Leave Policy, and return-to-work program to be market competitive**

WGEA Employer of Choice for Gender Equality

ROUNDTABLE DISCUSSION: WOMEN IN TREASURY

The circumstances of 2020 have put particular pressure on corporate treasuries. Where the financial crisis was spawned – and, in Australia's case, largely remained – in financial markets, COVID-19 rapidly developed from a public-health emergency into the greatest shock the real economy has seen in lifetimes. In conjunction with Women in Treasury, **Commonwealth Bank of Australia** (CBA) and *KangaNews* hosted female leaders from the Australian corporate-treasury space to talk about adaptation to an unprecedented set of business and working conditions, the debt market, prospects for long-lasting change and the future place of sustainability in corporate strategy.

PARTICIPANTS

■ **Bláthnaid Byrne** Founder WOMEN IN TREASURY SYDNEY; Head of Structured Finance, Decentralised Energy AGL ENERGY ■ **Diane Crossley** Treasurer CITIPOWER and POWERCOR ■ **Kate Clarke** Treasurer AUSTRALIAN RAIL TRACK CORPORATION ■ **Iole D'Angelo** Director, Debt Advisory AMP CAPITAL ■ **Penny Schubach** Director, Debt Capital Markets Origination COMMONWEALTH BANK OF AUSTRALIA ■ **Lisa Story** Head of Corporate Planning and Treasury INVESTA PROPERTY GROUP

MODERATOR

■ **Helen Craig** Head of Operations KANGANEWS

DEALING WITH THE PANDEMIC

Craig The events of 2020 have put a new perspective on how we do business. Can participants share experiences of how they have adapted to this environment and where the key pressure points have come?

■ **BYRNE** We had already put all our treasury documentation in soft format. We found it to be very important that the various legal teams were comfortable and that we had previously digitised our documentation. It stood us in good stead for the last six months.

AGL Energy is very supportive of flexible working – it is almost an 'if not, why not' approach. As such, working from home was already commonplace and the onset of COVID-19 was merely an extension of this.

I think what is most challenging about working full-time from home is missing out on the informal chat that comes from bumping into someone on the office stairs or in the kitchen, where you might find out about an idea or project that has

"When it comes to change – for example when changing corporate culture – decision-making within an organisation must start at the top. If the executive team is remunerated on business decisions that will affect those metrics, it will facilitate change."

BLÁTHNAID BYRNE AGL ENERGY

> "We have had more engagement than ever before across the business through more direct chats between departments. The to and fro between business and treasury has been more frequent and collaborative. Prior to the pandemic, I think some departments viewed treasury as a restraint rather than an enabler to the business strategy."
>
> **IOLE D'ANGELO** AMP CAPITAL

implications from a funding, or a third-party relationship, perspective. This learning by osmosis is hard to achieve in other ways.

■ **CLARKE** The last six months have not been as hard in South Australia (SA) as I believe they have in some other states. In late March, all Australian Rail Track Corporation (ARTC) staff were advised to work from home but are now largely working back in the office. There was a big focus on how staff would manage through this period and mental health was a top priority.

Generally, our team has worked well during this challenging time. We called each other for chats, had Friday virtual catch ups and tried to retain the culture and the corridor chat that Bláthnaid Byrne mentions.

On a positive note, there is now greater acceptance of working flexibly and from home. Being in SA, and therefore away from many of our relationship managers, it has also been of benefit to be able to engage with them via video conferencing.

As for how we have adapted, we have worked as far as possible toward implementing online forms with electronic signatures. Some banks continue to request wet signatures for the various aspects necessary between dealing and settlement, and in the old days being based in SA meant we could drive forms around for signatures.

Also during this period, we have placed greater emphasis on communication with key stakeholders, including rating agencies and banks, to be proactive around investor relations.

We have had to be more forward looking when it comes to upcoming settlements and drawdowns. Our preparations needed to consider required authorisations. For example, if wet signatures were required we had to begin planning 2-3 weeks in advance in order to have sufficient time to organise documentation where necessary.

Treasury has played a significant part in the large focus on cash flows in this period. We have also supported the business in its related financial or forecast requests.

■ **D'ANGELO** Operating in the real-estate space, a key initial focus at AMP Capital was on stress testing and reporting to management to ensure the various businesses were appropriately funded.

We have used DocuSign for a long time so signing documents electronically was already in play. Of course, when it comes to signing new loan documentation many banks still require wet signatures. Fortunately, our signatories are also in Sydney so it was very common for someone in our team to drive to a colleague's house to get a document signed. Where roll overs needed signing, this was straightforward as these signatures were made electronically.

Working from home has been an option for many years at AMP Capital. However, many staff – myself included – hadn't previously taken up this option before the COVID-19 pandemic hit. I had only ever worked from home for a day every 2-3 weeks.

I think employees will take up this option on a more frequent basis in future, now this experience has proven it is possible and on the basis that people increasingly want different options. Some employees who didn't previously work from home at all are now doing so and, based on the experience they have had, will continue to do so.

I continue to prefer the office environment and I agree with the comments that others have made about the importance of corridor chats. Half the time you learn what the business is doing this way.

Even so, during this period I believe we have had more engagement than ever before across the business through more direct chats between departments. The to and fro between business and treasury has been more frequent and collaborative.

> "So much of what we do in capital markets already happens over the phone that we were able to pivot quickly to the new working environment. When it came to the crunch, we discovered we could manage the business seamlessly from home."
>
> **PENNY SCHUBACH** COMMONWEALTH BANK OF AUSTRALIA

CREDIT-MARKET REBOUND

To the surprise of many, the corporate bond market – including the Australian domestic market – rebounded hard and fast from the early days of the COVID-19 crisis with ample liquidity and competitively-priced deal flow. Treasurers share their views on what could be a new paradigm.

CRAIG How well has liquidity and access to bank funds held up in the first half, and how confident are corporate borrowers in the resilience of capital markets moving into the later part of the year?

■ **CROSSLEY** We found there were always markets open during this period and the market choice pretty much came down to price. A few months back the euro market was very accommodative and, more recently, the domestic market has been going gangbusters. We have also continued to receive reverse enquiries from investors around the globe over this period.

We have closed a number of deals in the bank market, and during this entire period we would have had no issue tapping any market at any time. Most banks, local and international, have been open for business and we only encountered one institution that couldn't provide us with a price. The challenge has been price rather than liquidity.

■ **STORY** I agree that liquidity has stood up well so far in 2020. I think in the early days of COVID-19 there was real concern that liquidity would revert back to global financial crisis-type levels, but fortunately this hasn't been the case. Our key relationship banks were there for us throughout COVID-19. We saw a couple of foreign banks go quiet during COVID-19 but I don't think this had a material impact on liquidity.

■ **D'ANGELO** Our experience was that, within our banking group, only certain foreign banks had limitations, and the top-tier foreign banks were still there for us and lending. It was not a question of liquidity as it was during the financial crisis. Instead, I found pricing was more the focus, including large pricing discrepancies across the banks, domestic and foreign.

We also had the experience that some of the foreign banks had to go back to their 'motherships', which meant approval processes took significantly longer. To be fair, domestic banks are also taking longer as many have introduced various other committees into their approval processes.

Overall, the banks have been generally supportive but the length of time to approve and close a transaction has been longer, even for well-known credits.

CRAIG Was ensuring that liquidity could be made available to local corporates a big focus for Commonwealth Bank of Australia (CBA) during this period? How was that managed?

■ **SCHUBACH** Absolutely. The core committee was running at least four times a week and for at least six hours at a time.

CBA takes its position in the fabric of the Australian economy very seriously, and not only from a corporate support perspective but in retail measures as well. There was a focus on supporting businesses that needed funding to keep Australians employed. This was a priority for deployment of capital.

CRAIG The local corporate bond market has often been accused of not being supportive of domestic issuers during a crisis. What has been the experience this time?

■ **SCHUBACH** There is ample liquidity in the local bond market. I can hardly believe it was only a couple of months ago that we were all working so hard to restore confidence that the market would be there to issuers. Now it has all changed so quickly and significant liquidity is available to corporates.

"I THINK IN THE EARLY DAYS OF COVID-19 THERE WAS REAL CONCERN THAT LIQUIDITY WOULD REVERT BACK TO GLOBAL FINANCIAL CRISIS-TYPE LEVELS, BUT FORTUNATELY THAT HASN'T BEEN THE CASE. OUR KEY RELATIONSHIP BANKS WERE THERE FOR US THROUGHOUT COVID-19."

LISA STORY INVESTA PROPERTY GROUP

Prior to the pandemic, I think some departments viewed treasury as a restraint rather than an enabler to the business strategy.

■ **STORY** The key pressure point in our treasury function was early on when we sought to refinance some near-term facilities. Moving past this initial consideration, the change from being in the office pretty much every day to working from home every day during lockdown was challenging.

I live in a small house with my partner and our three young boys aged six, four and almost two years old. My boys are awesome, but they are loud! My days became really long as I had to stop and start throughout the day to be with the boys.

On the other hand, despite the challenges of lockdown there were some pretty special moments. My youngest son took his first steps during this time and had we not been in lockdown I probably would have missed seeing this.

After the lockdown, I'm now back in the office pretty much every day. The only change from before is that I've somehow assumed responsibility for school drop-offs and pick-ups, and I have to manage my afternoons and evenings around this to some extent.

■ **CROSSLEY** Clearly we have had the most restricted conditions – and the longest – in Melbourne. The current six-week, stage-four lockdown is ongoing until the middle of September.

The reality for most businesses based in Melbourne CBD is that they are unlikely to return to office working before the beginning of 2021.

I work for an essential service so I have an exemption certificate that permits me to go into the office if I need. But I have not needed to do so for the last three weeks. I only go into the office for wet-ink signatures or to obtain any important documents stored there.

> "Mental health is of paramount importance. Networks can help with discussions around working out a strategy to cope with the long haul of working from home."
>
> **KATE CLARKE** AUSTRALIAN RAIL TRACK CORPORATION

It has been an interesting journey over the past six months. I have tried to focus on what I can control and not worry too much about what I cannot. From a treasury perspective, though, it has been business as usual for the last six months. There is nothing around strategy or funding that has not been delivered as it should.

I am lucky that I have worked for Citipower-Powercor for eight years now so I have well-established internal and external relationships. This means I can easily pick up the phone for what I need. I feel sorry for those who are just starting out or are trying to create relationships within the treasury space, as I would imagine it is very challenging.

This is a health crisis rather than a financial or liquidity crisis. But there has been volatility in the Australian dollar and in our counterparty exposures – and an uptick in questions from stakeholders and investors as a result. Dialogue with our investors has continued via email and phone. As an essential service, we are fortunate to be in a regime whereby our revenues are protected by a cap.

In the lockdown situation, I find myself lucky to be kept busy by my work and I feel for those who have lost their jobs or who cannot go to work during the current six-week lockdown period. To be told you cannot go more than five kilometres from home or exercise for more than an hour a day is tough psychologically.

■ **SCHUBACH** We were in the fortunate position at CBA of being able to switch to working from home very quickly. The bank rolled out laptops to employees more than five years ago and many of our people have been able to work remotely for quite some time.

I was one of the least willing to leave the office back in March and I hadn't previously worked from home very frequently, but I am somewhat converted now. This is because, fortunately, the technology has worked – even though there were a few teething problems.

So much of what we do in capital markets already happens over the phone that we were able to pivot quickly to the new working environment. When it came to the crunch, we discovered we could manage the business seamlessly from home.

I was pleased to learn that the bank was also able to run its treasury and capital positions from home, which I think is a testament to the technology. If the current situation had occurred five years ago, I'm not sure whether this would have been possible across the marketplace.

I think this experience has certainly humanised us all. At the same time, the line between work and home has definitely blurred. We tend to feel the need to turn things around at the same speed and in many cases even more quickly than before, and can feel we ought to be available for calls from early in the morning until late at night.

Of course, there have also been some great benefits. I also have young children and getting my commuting time back means I am able to cook dinner in the evening – something I have really appreciated. CBA has been very supportive of the 'team Australia' notion and this has translated through to the treasury and capital-markets teams.

By losing the corridor conversations and sitting in my home office alone, I also find the days to be a lot more intense. I have very much enjoyed being home with my family, but it has been difficult to manage at the same time.

■ **D'ANGELO** I agree, particularly on the long hours. I have been going to the office every couple of days recently. If I am at home and go out to get a coffee and someone calls, I feel like I must answer the phone. At the office, if I'm on a break I don't feel guilty about not taking a call when it comes through. I know it is purely psychological and there is no difference

> "At the office, if I'm on a break I don't feel guilty about not taking a call when it comes through. I know it is purely psychological and there is no difference between working in the office and at home, but it feels like there is a distinction."
>
> **IOLE D'ANGELO** AMP CAPITAL

TOWARD *TOMORROW'S TREASURY*

The crisis presents an opportunity for leaders to contemplate a long-term view of the nature of their roles. The corporate-treasury function is no different – and sustainability and flexibility are the watchwords.

CRAIG It would be interesting to hear views on how the treasury world will be different for the next generation of leaders – as a result of events in 2020 as well as ongoing evolution. It feels that we are, to use the old phrase, 'living in interesting times'. What will this part of the world look like in future?

■ **CLARKE** A further focus on sustainability will almost certainly be one of the ways in which life will be different for the next generation. It is not a large area of focus for me at the moment but I am keeping a close eye on developments in this regard.

This will lead to greater compliance reporting. But how this will look in the future is unclear and whether it will be a treasury function is unknown.

I wonder how relationship management will manifest for companies that are not located in major capital cities. In other words, whether video conferencing will continue to be a preferred method of communication and whether a higher proportion of meetings will take place in this format. In addition, will some of the training sessions that haven't previously been available remotely become available regardless of location because the capability and technology are available?

I think, with more online and working-from-home options available, there will be more focus on cyber security – not just for treasury but the whole company.

Another question is how financial and debt markets will look in the future. I'm confident other markets, investors and formats will open to us for our funding needs.

I think, if we look back in 10 years' time, we might conclude that things didn't change very quickly. However, sitting where we are today, I think a change in product availability – particularly because there is considerable focus on sustainability – is imminent.

■ **STORY** I think treasurers of the future will need to be resilient and flexible, similar to now. My hope is that, as companies continue to embrace workplace flexibility, more women will choose treasury as a path. I also really hope people learn from these times. I'd like to see the treasurers of the future being kinder, more empathetic and more diverse.

■ **D'ANGELO** Treasurers of the future will need constantly to adapt to their environment, much as we have had to do during this period of dealing with COVID-19. Part of this is learning from the past and developing strategies that can withstand periods of uncertainty.

Corporate balance sheets were stronger and leverage much lower in the wake of the global financial crisis. This is something the current generation of treasurers learned from that period and I'm sure the treasurers that come after us will be learning from where we are and what we are doing today.

Being open to various products, for example in the sustainability space, and looking through what they mean to assess

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>
> **LISA STORY** INVESTA PROPERTY GROUP

between working in the office and at home, but it feels like there is a distinction.

■ **CROSSLEY** In the first days working from home I was finding I wasn't having lunch – I started blocking time out in my diary for this but then the phone would ring and I'd end up taking the call anyway.

■ **BYRNE** We have also lost the time we used to have between meetings – external or even just the time from a meeting room back to your desk. There was a natural gap, whereas now it's a case of meeting after meeting. People are also beginning to develop neck and back issues from the lack of movement.

STRUCTURAL CHANGE

Craig From the experiences of the last six months, are there any particular aspects of change that are likely to be sticky or ripe for permanent and structural change, or will everything revert to previous norms?

■ **SCHUBACH** We have seen that we can conduct transactions from home and we have proved that we don't need to have a physical roadshow ahead of executing every deal. At the same time, I think the deal roadshow will come back even if it looks slightly different.

I also think we have all realised how much we value relationships and the majority of issuers are now realising how well their relationships with investors and banks are serving them during this period.

■ **CROSSLEY** I would ordinarily by now have been to three or four different investor events in person this year. None of these have taken place. It is this kind of communication that I'm finding I'm missing the most.

what they can bring to the funding suite is going to be as important as being as adaptable, flexible and resilient as possible. At the end of the day, we share a common goal of wanting our businesses to grow, to be sustainable and to meet current and future objectives.

■ **BYRNE** I agree that flexibility will be a widespread change. This could see more women move to more senior roles within treasury. With this, I hope we will be able to bring more empathy to the treasury function and move away from the more traditional 'alpha' environment.

ESG [environmental, social and governance] is here to stay and will inform more decision-making in the future, including around funding and how partnerships are formed.

This can only lead to more focus on risk, which will be widespread and across the board – including foreign-exchange and equity risk, and more broadly protecting what you have.

I also believe geographical diversity of funding may become more of a focus going forward. I can't say whether this is positive or negative, but the way countries are currently protecting 'their own' may play into funding options in the future.

This of itself may lead to treasurers looking to ensure as much access as possible to the various markets to ensure that, if one were to be closed to them for whatever reason, many more are still open and accessible.

■ **CROSSLEY** We would all like to think KPIs will have a sustainability focus going forward and certainly that gender diversity, in the form of women in senior positions in treasury, management and at board level, can only bring a better, balanced and more empathic regime to the world.

Personally, I'm looking forward to when we can start meeting in person again, even though we still do not know what the new normal will be or what the new formal greeting will look like. Is the shirt and tie gone forever? What are we all going to be wearing when we go back to the office? I'm looking forward to finding out.

■ **SCHUBACH** As a service provider to all our clients, the markets will have to evolve and become more agile, and we will need to be more flexible in what we provide. We have a lot ahead of us.

■ **D'ANGELO** This period has shown that everybody can work from home, but this is because we only expect it to be so for a fixed period. If we believed we would have to work from home forever, I think we would be bumping up against significantly greater mental-health concerns. One of the things missing is human interaction. We are doing okay with what we have at the moment – and the VC format of this roundtable is a fantastic example. But our ability to meet and connect with people outside our known connections and industries is far reduced without in-person interaction.

As Penny Schubach says, it is now proved that you don't need a roadshow ahead of a deal for successful execution. But, again, this is because everyone thinks this situation will only last for a fixed timeframe. It fits with the idea that 'we are all in this together'.

Going forward, I expect there will be certain transactions for which a roadshow will always be a requirement even if it is not necessary for all investor interactions. I expect a general roadshow will be necessary at least every couple of years.

■ **SCHUBACH** I agree – I think the frequency might change but at the same time everyone is realising the value of personal relationships.

■ **CLARKE** It has historically been difficult for women adequately to balance their careers and their families without feeling guilty about one or the other. That balance could potentially be better embraced in the future, post-COVID-19, working environment.

■ **SCHUBACH** We have had two graduates roll through our business from CBA's graduate programme during the lockdown period. I have been pleasantly surprised by their confidence and efforts to immerse themselves in the business, but it will be interesting to hear from them whether they feel it has reduced the opportunity to learn by osmosis.

Craig What role can the Women in Treasury network, and professional networks more generally, play in supporting engagement and interaction?

■ **BYRNE** I think associations and networks have a critical role to play in this regard. Only last night I had a call with some senior treasurers organised by the Finance and Treasury Association, which was very much an opportunity to share information around different treasury experiences.

In the main, corporate treasuries are relatively small teams so the network around you becomes more important and comes into its own at times like this. This is a perfect example of why we need networks

Within Women in Treasury specifically, we had been running coffee catch ups at the beginning of the year and have just switched these to virtual format. We haven't had one for

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DIANE CROSSLEY CITIPOWER-POWERCOR

"It has historically been difficult for women adequately to balance their careers and their families without feeling guilty about one or the other. That balance could potentially be better embraced in the future, post-COVID-19, working environment."

KATE CLARKE AUSTRALIAN RAIL TRACK CORPORATION

about six weeks but I'm conscious that we need to start these again.

This is from the perspective of giving people the help they need around transactions and funding as well as, more importantly, offering another conversation option. We have had members struggle, though, working longer days and having less down time. They reached out and it is great that they have felt comfortable to do so. Networks are more important now than ever.

■ **CLARKE** I agree. Mental health is of paramount importance. Networks can help with discussions around working out a strategy to cope with the long haul of working from home.

■ **BYRNE** I wrote my university thesis on teleworking in Germany, and at that point Dell was working this way – specifically hotdesking, satellite offices and working from home. It was all very nascent back then. The general consensus on the optimal working environment, from a productivity perspective as well as the family environment, was three days in the office and two at home. This encompasses the social benefits of office working and the positive benefits of being able to work flexibly from home.

Craig The way we have been working in 2020 seems to lend itself relatively easily to business as usual. But how much harder will it be to deliver new projects and the like in a more disparate working environment?

■ **BYRNE** From a cultural perspective, this period has shown that anything is possible. For the naysayers on flexible working, it has demonstrated working from home is achievable if we are pushed to it. It should allow people to be more open to new ideas and to be more creative in their thinking.

The part of the AGL business where I currently work is very much future-focused: the virtual power plant concept and value proposition is being designed and iterated as we go. There is no history or legacy to point to so we are doing everything for the first time. It is all very much trial and error, albeit using an agile approach.

SUSTAINABLE FUTURE

Craig It has been suggested in a number of areas that one of the positive outcomes from the COVID-19 crisis is that it affords the opportunity to think about and work towards a more sustainable economy. What does this mean for large businesses, especially on the finance and treasury side?

■ **SCHUBACH** For a while we were worried that environmental, social and governance (ESG) issues would be put in the bottom drawer as corporates focused on getting deals done. However, in recent weeks we have seen sustainability, including green bonds, remain a priority.

Craig There has been a lot of talk about the growth of social finance, including social bonds. But this has to date been concentrated in the government and supranational space. Is it fundamentally harder to align corporate goals with social outcomes than environmental ones?

■ **BYRNE** It is essentially very hard to align social finance with corporate goals. Originally, we planned to include three metrics – two environmental and one social – in our sustainability-linked loan. We struggled with the social aspect, though, because in a lot of ways being rewarded for doing what you ought to be doing anyway is difficult to factor in.

One example is ombudsman complaints – I am not sure that as a business we should be rewarded for reducing

"For a while we were worried that ESG issues would be put in the bottom drawer as corporates focused on getting deals done. However, in recent weeks we have seen sustainability, including green bonds, remain a priority."

PENNY SCHUBACH COMMONWEALTH BANK OF AUSTRALIA

> "I think what is most challenging about working full-time from home is missing out on the informal chat that comes from bumping into someone on the office stairs or in the kitchen, where you might find out about an idea or project that has implications from a funding, or a third-party relationship, perspective."
>
> **BLÁTHNAID BYRNE** AGL ENERGY

the number of complaints that get sent to the ombudsman. Another example is hardship. Should we be rewarded for putting people onto hardship programmes? Of course not – we should be rewarded for helping to get people out of hardship. But this means moving them back to normal payments, which also doesn't feel right as a goal.

We engaged in multiple conversations with our third-party sustainability ratings provider around this and we provided several ideas of how it might work. But it wasn't clear enough for any of the involved parties.

It is a difficult one and I'm not suggesting companies shouldn't be investigating this as a financing avenue. But it needs more exploration as in many cases it is not an obvious fit for a corporate issuer.

Schubach AGL's board and management are tied to very strict KPIs around emissions. Are debt instruments the best corporate vehicle to pursue these social mandates or are other levers better?

■ **BYRNE** We need as many options in the toolkit as we can find. Funding is almost more important from the perspective of how a bank chooses which companies it will lend to, so it is as much around our due diligence and the banks' responsibilities to their shareholders, investors and employees.

From a corporate perspective, I think remuneration linkages are the gold standard. For now, this is how things will get done. As we all know, when it comes to change – for example when changing corporate culture – decision-making within an organisation must start at the top. If the executive team is remunerated on business decisions that will affect those metrics, it will facilitate change.

Craig Are there any ESG funding instruments that might be viewed differently in the context of the period we are traversing?

■ **STORY** Investa was already active in the ESG space before COVID-19. I don't think our position on this will change. All our bank debt that has been refinanced has been done via green loans.

■ **CROSSLEY** We have not yet issued a green or sustainability-linked bond but we continue to monitor activity in this space. We have not yet made any decisions around which option may be best suited to us but we are certainly aware there is a plethora of options. It is about finding the most appropriate way forward for us. •

A MORE LEVEL *PLAYING FIELD*

Linda Hutchison, executive director, institutional sales, and **Anne McLeod**, head of agency origination, at **Commonwealth Bank of Australia** (CBA) in Sydney, talk about their careers in finance and how gender equality has changed over this time as well as how the pandemic-induced shift to working from home could help further level the playing field.

We should start by hearing about you and your experiences in financial markets, including a brief career overview as well as some highlights.

■ **MCLEOD** I started in finance 30 years ago as a credit analyst with NatWest. I later moved to London where I took a contract role with the European Bank for Reconstruction and Development, working in the oil and gas team.

On returning to Australia, I took a job as a relationship banker at a Japanese bank. From there I joined BZW doing derivatives documentation before moving to a project-finance portfolio-management role. That is one of the highlights of my career to date and I threw myself into learning many new things in this role.

I joined CBA six years ago and was appointed head of agency originations a year ago. I lead a team of six originators who pitch to perform facility-agent, paying-agent and security-trustee roles for institutions that have entered into a syndicated loan or issued a bond. It is like outsourcing a part of the institution's treasury function, in the sense that we act as the institution's intermediary with its group of lenders.

■ **HUTCHISON** My working life started with a trip to London. It was supposed to be for six months, however it became two years. During this time I had a temporary job, working for NatWest in their back and front office.

When I came back to Australia, in the late 1980s, I took an opportunity to be a trainee swaps trader at County NatWest. From there, I spent 20 years as a swap trader – 10 years at County, which is now Citibank, and then another 10 years at UBS. The last few years were in a purely proprietary trading position.

I then moved into a sales role at ANZ. Having been a trader for 20 years, I believe, can make you a better salesperson. It brings another dimension to what you can offer the client as well as giving you the requisite knowledge to understand the traders.

I have been with CommBank for the past 18 months, primarily servicing clients in the areas of derivatives and fixed income.

Looking back over your time in the financial services industry, can you highlight some positive and important experiences for you as women working in financial markets and in your current roles at CBA?

■ **HUTCHISON** I really love working at CBA. The environment is very thoughtful, collaborative and inclusive. For example, we often receive emails offering different support initiatives for many issues including parental assistance and mental health for you and your family.

People listen and want to know what you need, and what your thoughts are on a situation. CBA is very dynamic and supportive, which enhances synergy and fosters a collaborative environment.

■ **MCLEOD** I agree that working in the capital markets team at CBA is a dynamic experience. You feel like part of the team, and you are treated with respect and listened to. It has been a very positive experience.

Have you faced any equality hurdles through your career and, if so, how did you overcome them? Do you have a sense that things have changed materially over the course of your time in the industry?

■ **HUTCHISON** Early in my career – and we are going back 25 years – salaries and year-end bonuses weren't administered in the same way as they are now. Back then, much of the decision was up to your manager. I remember being in one

"More women are coming through on graduate programmes across the industry nowadays, but still not as many as I think there should be. Women are still not gravitating toward finance and it still is not spoken enough about as a career path."

LINDA HUTCHISON

of those conversations and being told my male counterpart would receive more than me. We have come a long way and things are a lot different – that type of thing isn't acceptable behaviour any longer.

I think it is significant that women now have fewer barriers to advancement in financial and capital markets. Success is genuinely performance-based nowadays.

■ **MCLEOD** In the very early days of my career, it was hard to be taken seriously and the reality was that you weren't listened to as much as male colleagues. Like Linda, in my first relationship-banking role my male colleague doing the same job was better paid. This would have been in the early 1990s.

Then, after returning to Australia with 18-month old twins, I was told it was impossible to get a part-time job. I eventually got my days reduced to four, but it still wasn't what I wanted. I spoke to other women in the industry, and eventually received a call from BZW and got a part-time role there.

My sense is that financial institutions started to understand the need for gender diversity because their clients did.

Given the type of progress you have both described, how important is it to you personally to keep raising awareness and dialogue about equality? How do you believe the market as a whole can help with this conversation?

■ **MCLEOD** Awareness still needs to be raised and this includes a need to call it out to management. When it comes to flexibility, as a mother working in finance, there were times when it was hard. Having three children, I really wanted to work part-time but those roles were very hard to find. There were incredible hurdles all the time, like getting kids ready for school and getting into work, and then coming home to them after a busy day.

It is of course a little easier for those who can afford good quality childcare. But for many women – not only in finance, but generally for women who are working – juggling childcare and work is very difficult.

This is why – and when – we see a lot of women leaving the industry. When they have children, and when they are at a particular level of an organisation, it becomes too difficult due to the lack of flexibility.

■ **HUTCHISON** More women are coming through on graduate programmes across the industry nowadays, but still not as many as I think there should be. Women are still not gravitating toward finance and it still is not spoken enough about as a career path. Maybe at university level there should be more promotional work done for women to persuade them to look at finance as well as becoming doctors and lawyers.

Markets and societies are making their way through some unprecedented times in 2020. Off the back of the COVID-19 pandemic, we saw a transition to working from home for many market participants, many of whom will not have operated in this way previously. Given diversity in the workplace is the theme of this yearbook, what are your thoughts around the extent to which this turn of events may eventually help level the playing field?

■ **HUTCHISON** I think the whole gender issue has been taken out of the equation. Giving clients the right information and strategy, and getting them prices quickly, puts the spotlight on doing your role to the best of your ability, working with the team and facilitating whatever is needed.

This is where we really need to go the extra mile. It is completely about how good you are at your role and how you do it, and this is more the case now than ever before.

■ **MCLEOD** Years ago, when bringing up young children there really was the view that, even if you were logging in from home, you were skiving off. Now COVID-19 is showing corporations how productive people can be working from home and, in return, employers are allowing more flexibility.

At the end of the day, most people want to work. It stimulates them and gives them a sense of achievement and of self. If you can find the right balance between meeting the needs of your clients, your team and yourself when working flexibly, you are going to get a better result for yourself and for the company. Overall, this benefits the family and society as a whole.

I think the workplace needs to be slightly more flexible and, hopefully, companies will now see that it can work. When institutions become more flexible – and, to be clear, there has been such progress in this respect – I think this is when there will be an even greater degree of gender equality. •

"If you can find the right balance between meeting the needs of your clients, your team and yourself when working flexibly, you are going to get a better result for yourself and for the company. Overall, this benefits the family and society as a whole."

ANNE MCLEOD

ROUNDTABLE DISCUSSION: WOMEN IN SUSTAINABLE FINANCE

The sustainable-finance sector has grown exponentially in the past decade. As part of the Women in Sustainable Finance initiative, **Westpac Institutional Bank** and *KangaNews* brought together Australian and global experts to discuss the market in 2020 and beyond.

PARTICIPANTS

■ **Debbie Connelly** Head of Corporate and Institutional Origination and Distribution WESTPAC INSTITUTIONAL BANK ■ **Daniela Jaramillo** Senior Responsible Investment Adviser HESTA ■ **Johanna Köb** Head of Responsible Investment ZURICH INSURANCE ■ **Sophia Li** Treasurer AGL ENERGY ■ **Eliza Mathews** Director, Sustainable Finance WESTPAC INSTITUTIONAL BANK ■ **Fiona Trigona** Head of Funding and Balance Sheet NEW SOUTH WALES TREASURY CORPORATION ■ **Kate Turner** Responsible Investment Specialist FIRST SENTIER INVESTORS

MODERATORS

■ **Michael Chen** Head of Sustainable Finance WESTPAC INSTITUTIONAL BANK ■ **Laurence Davison** Head of Content and Editor KANGANEWS

THE IMPACT OF 2020

Davison Why is sustainable finance so important in today's market and economic environment? What does it do that cannot already be done by normal markets?

■ **CONNELLY** Business has a crucial, and perhaps also a moral, role to play in combating climate change. What makes sustainable finance stand out is that it allows business to operationalise sustainability strategy and seek associated financing to support it. I have been working in financial markets for more than 30 years and I am surprised by the pace of growth in the sustainable-finance market in Australia, not to mention in Europe.

We are all wrestling with how to meet the goals set by the Paris Agreement, the UN Sustainable Development Goals and, of course, our own aspirations. Westpac is committed to supporting this ongoing development and we are focused on understanding how best to facilitate these goals for our customers.

I am proud of Westpac's achievements in this area, particularly with customers in the bond and loan markets. For example, we recently structured a green-loan transaction for Local Government Super in a first for the superannuation sector. Westpac is also playing a part in the Australian Sustainable Finance Initiative (ASFI) and the Principles for Responsible Banking.

However, we all know there is an incredible amount of work still to do to decarbonise the economy and meet all these goals. The types of discussions like the one we are having today allow us to elevate this topic, to bring more options to what already exists and to discuss what we need to develop.

Chen How have the events of the past six months influenced the evolution of the sustainable-finance market?

"Business has a crucial, and perhaps also a moral, role to play in combating climate change. What makes sustainable finance stand out is that it allows business to operationalise sustainability strategy and seek associated financing to support it."

DEBBIE CONNELLY WESTPAC INSTITUTIONAL BANK

TURNER Environmental, social and governance (ESG) issues have not disappeared due to the pandemic. They have remained front and centre, and topics such as climate change continue to be headline news.

It is not always helpful to divide ESG into its three component parts. But to the extent we are prepared to do so, there have been further developments in the market in recent times.

In particular, investors have been starting to take more stock of social issues because of the pandemic. It has exacerbated issues around workplace rights, health and safety, and mental health. Issues that we were already thinking about, such as modern slavery, have also worsened during the crisis.

If there was not as much focus on these social issues before, they have really come into focus over the last six months. This is great to see.

KÖB We have also seen a lot of research around ESG data and sustainable finance in these tumultuous times. I think this has driven home three points.

The first is the nature of responsible investors: they have taken a more long-term view and been more loyal to their asset managers. In the crisis, dedicated mandates for sustainable-investment products have proved to have more stamina. Turnover has been lower and they held better through the trough.

Second, sustainability has gained even more attention and sustainability funds are among the few to have shown inflows during this time.

Finally, research conducted by Zurich Insurance in partnership with the World Economic Forum has highlighted how deeply interconnected sustainability topics are. The pandemic is linked to biodiversity, climate change, risk preparedness and governance.

JARAMILLO The pandemic has brought to the surface the need to think at a system level. As asset owners, we call ourselves 'universal owners' – this means we cannot diversify away from risk by not being exposed to certain sectors as we will always have exposure to the whole economy.

It is not necessarily just about how prepared companies were with their workforce or their health and safety practises. I think the common thread across companies that have done well through this period is that they were ready for system-level disruption and were considering all the E, S and G factors as well as everything within them.

MATHEWS COVID-19 has elevated the importance of social finance and the social-bond market has grown significantly in response.

I have been impressed by some of the government positions taken in Europe and Canada, where COVID-19 response was used as leverage to encourage improved sustainability performance. This includes the French government requiring Air France to work towards becoming the world's most environmentally friendly airline in order to qualify for bailouts. This association of finance and sustainability is very powerful.

KÖB This is true. The pandemic could have pushed climate change off the radar. But we know it is the even bigger crisis on the horizon. To keep economies afloat, governments are willing to spend rescue packages of a size one could consider to be the next generation's money. If we are doing this it is absolutely necessary to invest in a more sustainable recovery.

Saving jobs and investing in climate-change adaptation and mitigation do not have to contradict each other. It is encouraging to hear so many voices advocating for this.

It also seems that some lessons from the financial crisis have been learned. Today, a lot of governments in Europe are signalling to companies that they need to plan carefully. For example, paying out dividends now and then asking for a bailout later is not going to work. This is a way of privatising returns and socialising costs.

Companies have also been made aware that help might come with sustainability strings attached. This is an encouraging move – but not yet universally applied.

Davison In the financial-crisis era there was a lot of talk early on about a more equitable recovery, but the situation reverted to previous norms pretty quickly. Can we be confident that this mindset will be maintained as we move beyond the immediate stages of COVID-19?

KÖB I hope so – but it is probably too early to judge given the space between the event happening, the talk of a reaction to it and then the actual action. I am heartened by the calibre of people advocating for a sustainable recovery – such as the secretary general of the UN.

It is fair to say there is very wide global diversity in how governments have acted. The discussion seems to have progressed in Europe but it is not consistent even within the EU. Poland, for example, has been quick to ask that the

"The pandemic has brought to the surface the need to think at a system level. As asset owners, we call ourselves 'universal owners' – this means we cannot diversify away from risk by not being exposed to certain sectors as we will always have exposure to the whole economy."

DANIELA JARAMILLO HESTA

LABELLED ISSUANCE TRAJECTORY

Sustainability has been a watchword in 2020 but issuance of green, social and sustainability (GSS) bonds has fallen in Australia. Market participants are much more optimistic about the future path of deal flow, though.

CHEN Has the pandemic shifted issuer thinking around sustainability financing?

■ **TRIGONA** New South Wales Treasury Corporation (TCorp)'s funding task has increased materially. As an example, we have issued more than A$10 billion (US$7.2 billion) since March as we fund the government's stimulus response to COVID-19.

As one would expect, these measures also comprise a large portion of funding relating to social outcomes. We have been working closely with the New South Wales (NSW) Sustainability Committee and meeting regularly with our asset-identification group to identify projects that could qualify for our asset pool. TCorp is focused on ensuring assets added to the pool can be accurately reported and will be accepted by our investor base.

GSS issuance remains front of mind for TCorp and we are encouraged by the year-on-year growth in GSS bonds. We closely monitor developments in the sector and have been assessing the International Capital Market Association's update to its Social Bond Principles (SBP), released in June, to align with our programme.

We are cognisant of putting the right amount of time into this to ensure we get the best asset pool and maintain the integrity of our programme.

CHEN How much green capex, that could help build out the GSS asset pool, does the NSW government's programme include?

■ **TRIGONA** Given the nature of government expenditure there is a considerable quantity of potential assets. But one of the key considerations is the reporting aspect. TCorp has been very strict on qualifying assets given we issue use-of-proceeds bonds for tenors out to 10 years. This characteristic makes reporting the integral piece for us.

DAVISON The global numbers may be impressive but the reality is we have not seen a lot of GSS bond issuance in Australian dollars over the last few months as most issuers have been focused on immediate liquidity needs. Could we have hoped for more by this point?

■ **MATHEWS** It is a good point: the GSS bond space has been quiet in Australia. Our sustainability market is less mature than Europe's and we have felt COVID-19 impacts more strongly. Additionally, financial institutions typically make up a large portion of GSS issuance in our market, however due to COVID-19 support packages banks have not been raising either vanilla or green funds in the local market.

It is a different story on the loans side. Corporates have been coming to banks for funding and we continue to work with borrowers on transactions, although I note timelines have been pushed out as corporates bed down their own financial situations.

A sustainable-finance transaction is a new concept to almost every market participant in Australia and there have not yet been many repeat local issuers in bond or loan format. Every conversation is about education – and this takes time, perhaps time that has been extended over the COVID-19 period.

It is comforting that we have not seen borrowers deciding sustainable finance is no longer relevant for them.

■ **LI** From our perspective, there are definitely concerns with COVID-19 and the added complexity of lack of liquidity and execution certainty. On the other hand, while a GSS transaction might take longer I don't think there has been any pullback in demand from issuers or investors.

We have a debt maturity next year and we are keen to start engaging with investors in what we intend to be a transparent and open dialogue about the appetite for a sustainability-linked or a transition bond. There has not been much of this type of issuance in the

"WE HAVE A DEBT MATURITY NEXT YEAR AND WE ARE KEEN TO START ENGAGING WITH INVESTORS IN WHAT WE INTEND TO BE A TRANSPARENT AND OPEN DIALOGUE ABOUT THE APPETITE FOR A SUSTAINABILITY-LINKED OR A TRANSITION BOND."

SOPHIA LI AGL ENERGY

European emissions trading system should be paused so it can focus on jobs and the economy. There are still voices in both camps.

Zurich Insurance has come out strongly in support of a sustainable recovery and is supporting this position across a range of initiatives. We are part of the Net Zero Asset Owner Alliance (NZAOA), which involves pledging fully to decarbonise our portfolios by 2050. Together, the members of this alliance have also written a position paper outlining routes to a sustainable recovery.

The economic crisis and climate change are not two different things. We need to find a way of marrying the responses because the idea that profit and people, the real economy and the financial market, and the environment and society are all neatly separated is simply not true. We do not live in a vacuum.

Chen Is what we have heard about the focus on all components of ESG and the performance of these assets through the crisis translating

Australian bond space. It is important to get feedback from investors on the structure as well as the appetite for tenor and KPIs.

We are willing to work with investors to come up with the right deal structure. The pandemic may prolong this process as we cannot meet face to face, but technology enables us to engage with any potential domestic and offshore investors.

There may be some nervousness to do it this way because these types of transactions have not been done before in Australia. But we are not pulling back from the idea or deviating from the path we have gone down in sustainability financing.

■ **TRIGONA** The unique market circumstances of the past few months required issuers to move quickly, and this timeline naturally lends itself to using benchmark bonds over GSS bonds.

We continue to receive investor feedback for our sustainability and green bonds, but we did not have the capacity to issue a large transaction in this format quickly.

We view our sustainability-bond programme strategically, and there is still more work to be done around investor engagement and building out of the asset pool. We are focused on building a more even mix of green and social assets that we can include as part of the sustainability-bond pool.

CHEN Have recent events led AGL to think more about transition or social finance?

■ **LI** AGL has come out with a few different structures and mechanisms to assist customers that need help during COVID-19. These could potentially be bundled into a transition-finance instrument. The difficult part would be scale. Our refinancing will be sizeable and we could have a portion of this linked to social elements of the business. But the majority is likely to be linked to measures around our carbon emissions.

■ **MATHEWS** Everyone has agreed transition is important and that we need to be focusing on high emitters to make a real impact in decarbonisation. But there is still a lot of debate around what qualifies as transition finance and not as much consistency across jurisdictions.

Coming to agreement on this would really help issuers like AGL. Without strong guidance from investors and the market more broadly, potential issuers are in limbo. They want to come to market with strong ambitions and be comfortable their offering will be a successful transaction. The market needs to continue focusing on setting clearer standards and guidelines on what qualifies as a transition product.

into capital allocations and investment decisions?

■ **JARAMILLO** Things do not move that quickly – but we are thinking and trying to make decisions at the system level.

We have recently announced a target to be net-zero carbon by 2050. When we were thinking about this, we recognised it would be easy to do it by allocating capital to a low-carbon portfolio but this would not really achieve any change at the system level because emitters would still be doing what they do. This would mean the rest of the economy continues to suffer; it is very unlikely we will be able to meet net-zero by 2050 unless the whole economy is decarbonised.

Therefore, we are focused on achieving our target through prioritising active ownership. We decided to work with emitters to identify the right strategies to decarbonise the system, not just our portfolio.

■ **LI** AGL Energy is Australia's largest greenhouse-gas emitter and we do not shy away from this. The point about the system and achieving a holistic transition is key. For us, this is about managing and bringing investors along on the journey of transition.

Equity investors and bondholders acknowledge that this will be a long journey. We will not be leaving coal in the immediate future because we also have to make sure we can supply affordable and reliable power to Australia – where the majority of the grid is coal-powered.

It is great to hear these thoughts on approaches to capital allocation. AGL is in a unique position to make a huge impact towards decarbonisation.

Chen Are there any other thoughts on how market evolution has been affected by the events of the past six months?

■ **TURNER** For people in this group – and others who are already focused on ESG – COVID-19 has not really changed thinking. Instead it has reaffirmed the importance of this type of investing and of system-level thinking.

At First Sentier Investors we are having the conversation around what sustainable investing looks like in a post-COVID-19 world – and the answer is that it is all the more important.

■ **MATHEWS** These comments really resonate. Through my time working in sustainable finance, there have always been cynics asking what would happen to this market if we were to hit another crisis and an assumption that the focus on climate change would take a back seat.

As we make our way through this crisis, the ongoing focus we have seen from corporates on sustainability strategy has been impressive, and growth of investment flows into ESG and SRI [socially responsible investment] funds management has been at a record high. This should allay any concerns regarding the strategic importance of sustainability.

INTERNATIONAL ALIGNMENT

Jaramillo The Australian market seems to need more certainty in this area. Does the EU taxonomy help address this limbo and give clarity around exactly what qualifies as green and social, or what qualifies for a transition instrument?

■ **KÖB** I think it really does help, in particular with two elements. First is the government and regulatory angle, and second is the market angle.

"Governments find it much easier to find social assets by virtue of what they do – they are always financing social outcomes. It is much more difficult for the corporate sector to align with a social bond."

FIONA TRIGONA NEW SOUTH WALES TREASURY CORPORATION

On the market angle, there has always been a discussion around what is 'green enough' for a green bond and the taxonomy gives us all a vocabulary to address this.

When we set up our first green-bond mandate at Zurich Insurance, in 2013, the entire green-bond market amounted to less than US$10 billion and our mandate had an investment target of US$1 billion. What came from this was a lot of internal discussions around what is green enough to qualify as a green bond for us. Impact reporting has really helped in these conversations because it adds facts and figures.

Investors need much more information to assess transition technology, because it is quite complex. For example, look at gas as a transition energy source. For how long is it acceptable to use gas instead of coal before transitioning fully to renewable energy? Depending on a country's starting point it may take 15-20 years before the base-load issue is fixed.

Nowadays, a lot of green-bond issuers will provide us with good reporting on CO_2 avoided as an impact KPI, which we can aggregate. We invest around the globe, and having these numbers allows us to compare and contrast across jurisdictions and technologies.

It's a great learning exercise for both sides. If an energy provider gives us numbers that are vastly different from a similar company in another jurisdiction we can go to them and ask why.

The deepest impact we are seeing – in tonnes of CO_2 avoided per US$1 million invested – is in the supranational sector, because a lot of its projects are in renewable energy in Asia and also in Australia. This does not mean we would stop investing in renewable energy in Europe and the US: we have money there and we need to deploy it.

In the regulatory space, we have been talking for a long time about the 'purity requirement' of green bonds. This is because we see two types of investors. Some are very sophisticated and take a deep dive into the technologies so they can measure their depth of impact – which can be much higher in the transition space.

Then there are those that want to make sure they invest best-in-class, so will prefer assets that are already green. This tends to split along the lines of retail and institutional – where retail wants to be as green as possible today and institutional investors have a longer-term horizon.

Debate ensued in the marketplace on whether transition means making something brown 'less brown' or whether it should be reserved for brown-to-green transition.

There is a climate-transition working group under the Green Bond Principles and it has done a lot of market research. It asked the market whether we need separate transition instruments for assets that go from brown to less brown, and the answer that came back was a resounding "no". Transition could take 30 years, but it should aim at Paris-alignment no matter the starting point.

The EU has gone forward with its taxonomy and there are now several in different parts of the world. We worked closely with Brussels from the beginning of this process. We said we have been digging into the topic for a while, but what would really be useful is to have regulators working with scientists to produce an evidence- and science-based definition for the thresholds of appropriate standards.

Having a dictionary out there on what is 'green enough' and where transition starts makes it much easier for investors to make a call on where their investments stand. It also allows for deeper engagement with issuers, where discussions can be had on exactly where they are regarding transition and what their trajectory is.

Chen Does this align with what is happening in the Australian market?

"Use of proceeds versus the overall issuer strategy is an ongoing discussion but I think there is a role for labelled product in bonds and loans. From an investor perspective, these instruments are relatively straightforward and allow funds to flow, at scale, into assets consistent with the Paris Agreement."

ELIZA MATHEWS WESTPAC INSTITUTIONAL BANK

"Capital has started to move and it is changing allocations, but this is within a certain bandwidth and at the margin. The core problem can only be fixed by fully pricing in externalities. This has to be addressed at a higher – regulatory – level, though."

JOHANNA KÖB ZURICH INSURANCE

TURNER Locally we have ASFI, which was set up specifically to answer these questions. Transition in Europe will take a different form from transition in Australia, because of the nature of the markets.

Hopefully we will be able to move beyond seeing climate change as a black-and-white issue. I agree institutional investors are prepared to see it this way, but retail investors less so.

If we don't consider transition at all it could potentially leave us immediately excluding a company like AGL, and therefore we could be missing an opportunity to make a real difference.

JARAMILLO I would add that we are trying to identify indicators that show whether a company is on the right trajectory. We don't want to reinvent the wheel, though, so this can be something like a carbon target.

We are part of the Transition Pathway Initiative, which is trying to assess specific things such as targets and governance. We want to identify the right indicators to show a transition. When it comes to ESG, I think we are past the time where just having a diversity or climate-change policy is enough – we need to see targets that are focused on outcomes, and if possible real-world outcomes.

Mathews If we are measuring impact by metrics such as tonnes of CO_2 saved per US$1 million invested, does this not put transition automatically to the back and favour companies that are already green? How can we reward companies that are making a genuine transition?

KÖB On the contrary: real change from a browner starting point tends to create larger marginal impact.

As I mentioned earlier in this discussion, we are a founding member of the NZAOA. This means thinking about how we can decarbonise our portfolio without making it a divestment exercise. We want to make sure the economy shifts, not just the portfolio.

Some European utility companies are large emitters. Some of these have already made very fundamental changes to their energy mix and started to change their production. The absolute change in emissions is astronomical. Some have managed to bring carbon emissions down by around 20 per cent in only a few years, which can amount to tens of millions of tonnes of CO_2.

SOCIAL FINANCE

Chen Social-bond issuance has seen huge growth globally in the last couple of months and it has been interesting to observe the kinds of issuers coming to market, especially as many are using proceeds to fund COVID-19-related projects. How can we encourage more corporate issuance in this space?

TRIGONA The social aspects we have incorporated into our sustainability-bond programme are a transport-access programme and a schools programme. These both facilitate access to essential services.

The transport-access programme provides access to railway stations and ferry wharves for people with mobility issues. The schools programme updates school infrastructure and builds new schools. There is more than A$500 million (US$357.9 million) of assets in these programmes.

A lot of work happens in the background to have these approved for inclusion in the sustainability-bond asset pool. We know now, with the projects that have been announced recently, that a lot more could come into the programme. But it all depends on the reporting and what investors expect to see.

Guidelines are being updated all the time and particularly so with the issuance we have seen this year related to COVID-19. We think we are getting to the point where we can incorporate more assets in our programme, hopefully over the next few months.

Water assets, such as those for water sustainability and wastewater management, are very important and could potentially be incorporated. We are not just targeting one area – all the funding the state does to meet its objectives is being considered, including a number of green and social assets.

Our target is to come to the market with a transaction incorporating some of these COVID-19-related assets as well as other social assets before the end of the year.

MATHEWS The need has arisen from COVID-19 to broaden the Social Bond Principles (SBP) to cover a more general population so these assets can comply. I am hopeful this will have far-reaching impact on the variety of social-bond issuers.

I have had trouble in the past identifying social assets for the private sector because it needs to be doing things that make profit. If the sole purpose of the SBP is to meet the needs of under-served populations, which likely means goods or services

WHAT NEXT FOR *SUSTAINABLE FINANCE*?

Economies and markets are clearly at an inflection point in 2020. The year ahead could set the stage for a radically reshaped future.

CHEN The past few months have been tumultuous. Where will the market go in the next 12 months?

■ **TRIGONA** New South Wales Treasury Corporation (TCorp) sees an opportunity for GSS [green, social and sustainability] issuance to play a larger role in our overall funding mix going forward. This is not only due to our larger issuance programme but also measures the government has taken in response to COVID-19 that we may be able to incorporate into our asset pool.

We suspect this will also be the case for other types of public-sector issuers, which should be supportive of the sector. We are encouraged by the growth of the wider GSS sector and the interest the investor base has shown in TCorp GSS-branded bonds. I see this becoming a mainstream form of issuance.

■ **KÖB** I like to dream big and I think, at the end of the day, sustainable finance will be the mainstream form of finance. All bonds will tell us where their proceeds go and social factors will be properly priced in. These exercises will not be undertaken on the side – they will be normal. I don't think this will happen in the next 12 months but the progress being made in this direction will continue.

■ **LI** I agree. At some point in the future we will not be talking about sustainable finance because everything in finance will have a sustainability matrix or sustainability factored into it. If you are not considering ESG, there is an increasing chance investors will not finance you or at least you will have to pay a penalty. Hopefully we see this develop in the near future.

■ **TURNER** An important step to achieving this is the regulation we are starting to see emerge. In the next 12 months we will start to see some of this regulation come into force in different jurisdictions. We will also see the final Australian Sustainable Finance Initiative roadmap released, which will help shape sustainable finance here.

■ **JARAMILLO** I hope in Australia we are able to see more policy certainty and more consistent language. If in 12 months' time we can have a 'dictionary' to talk about transition and climate change it will be a great development.

■ **KÖB** Language matters. We have seen this in the green-bond space, where there is now a much more developed vocabulary and it has helped the expansion of the market.

■ **MATHEWS** From the perspective of a bank, and considering our relationships with customers, going beyond 12 months I hope there is not a need for a specific sustainable-finance department. Environmental, social and governance is an integral part of what we do and sustainability performance is fully incorporated into our credit ratings.

being provided at lower-than-market prices, it becomes very difficult for the private sector to identify good social assets.

This broadening of the SBP could have a long-lasting impact in that it allows access to companies with these objectives and with strong social angles. This could apply to universities, health-sector companies and even wider – it is certainly a good development.

■ **TRIGONA** It certainly is. Governments find it much easier to find social assets by virtue of what they do – they are always financing social outcomes. It is much more difficult for the corporate sector to align with a social bond.

Chen Can the market do anything to encourage issuance of sustainable-finance structures, particularly on the corporate side?

■ **TURNER** It would be good to see more products. A lot of funds out there are looking for green bonds but there are fewer looking for social or transition bonds. This would give issuers more confidence. It is a bit chicken and egg, but it would be good to see.

■ **KÖB** The question for corporates especially is how many of them fund social projects and, then, why they are doing so. Is the target of the project they are financing really social development?

This question comes back ultimately to our societal structure – and markets are not necessarily going to change this. They may make what is already there more visible, though, and can focus discussions on what is working and what is not.

We are very careful when assessing the impact of social bonds. We would not just accept anything that has a social 'side effect' and is repackaged as a social bond.

On the government side, social bonds reinforce the need to measure some of the impacts that are happening. From a public management point of view, this in turn could encourage analysis of which programmes are being effectively deployed and which are not.

What social and green bonds have both been good at is making the use of proceeds more visible, educating market participants and leading the sector on a journey to start internalising externalities.

There is a certain distance we can go with this voluntary approach, but we cannot fundamentally change systemic decisions on what is priced and what is not. Take climate change as an example. Capital has started to move and it is changing allocations, but this is within a certain bandwidth and at the margin. The core problem can only be fixed by fully pricing in externalities. This has to be addressed at a higher – regulatory – level, though.

■ **MATHEWS** In some ways this is what the sustainability-linked loan market is trying to do. It is still a pretty blunt instrument but it works by encouraging companies to improve their sustainability performance by linking it to cost of capital.

> "If companies are not performing their social responsibilities well, it is detrimental to their social license to operate and for their broader business success. As an investor these things are very concerning if they are not being managed well."
>
> **KATE TURNER** FIRST SENTIER INVESTORS

This is perhaps a band-aid approach until we get some mainstream capital-allocation guidance, or ESG is more broadly incorporated into credit assessments.

The sustainability-linked tool is an important one, though. If it can be accepted in the bond market it could have a similar impact to what we have seen in the loan market.

■ **KÖB** Fundamentally it comes back to the societal contract and the role we give businesses to start with. There are different systems out there, from those that are more purely capitalist to more social-economic societies.

If we are in the mindset of thinking businesses are there purely to make money while governments and charities take care of the social side, that is difficult to change.

Measuring social impact is also more difficult. We set targets based on "people benefited", but once we go into the details there is a lot of variation and disagreement. It is a more complex topic, which can make it more complicated for investors. Of course it is inherently difficult to define mathematically what is and what is not social benefit.

We are becoming more aware of it, though – and the 'S' component of ESG is certainly becoming better understood.

■ **TURNER** There are reputational, legal, and potentially financial consequences if we are investing in companies that are not managing their social issues well.

Knowing what is happening in your supply chain and making sure there is no modern slavery there, having good worker health and wellbeing, managing community relations well – these are corporate responsibilities. But it is not necessarily easy to craft a social bond around them.

If companies are not performing their social responsibilities well, though, it is detrimental to their social license to operate and for their broader business success. As an investor, these things are very concerning if they are not being managed well.

■ **KÖB** Especially during COVID-19, social ratings have moved into the spotlight. The pandemic has highlighted the materiality of social factors and studies have shown pricing and performance differences for companies with better social ratings. The pandemic has also highlighted that when social topics are mismanaged they can cause a lot of reputational damage, which also translates into valuation.

■ **JARAMILLO** This concept is really about understanding how social factors are key value drivers. Societal expectations are changing but I don't think many boards have their heads around how their reputation can be affected to the point where they can actually lose their social license. Perhaps when this happens it will be a bit easier to put a price on it.

Chen We have spoken about capital markets not being able fully to solve these issues but that they can play a role in highlighting them, and also how ESG is evolving in capital markets to be integral to whole-business credit analysis. Will there still be a role for labelled products going forward?

■ **MATHEWS** Use of proceeds versus the overall issuer strategy is an ongoing discussion but I think there is a role for labelled product in bonds and loans. From an investor perspective, these instruments are relatively straightforward and allow funds to flow, at scale, into assets consistent with the Paris Agreement.

In fact, there remains a shortage of supply in the GSS [green, social and sustainability] market. We fully expect companies with GSS assets available and willingness to issue these products will continue to be strongly supported by the market. A lot of work has been done to get the market to this point of maturity and we should recognise it.

I also really like the sustainability-linked structures. I like that they are forward-looking and use a variable pricing mechanism. They also focus on an issuer's overall ESG strategy, which is very important for companies that are going through transition. These can serve as great guides for other companies that might see what their peers are achieving with sustainability-linked financing. Overall, sustainability-linked products will play an increasingly large role in the market but I do not think use-of-proceeds instruments will fall away because of it.

■ **TRIGONA** It depends on the kind of issuer. For a frequent borrower, such as New South Wales Treasury Corporation, issuing a sustainability-linked bond requires materially more work than having an overarching programme from which we can issue multiple transactions.

We believe our sustainability-bond framework will remain relevant and that we will be able to issue from it, whether in green-, social- or sustainability-bond format, going forward.

■ **TURNER** They are different tools in the sustainable-finance toolbox and they are appropriate for the different needs of various issuers. The overall strategy of a company is of course important and nothing should be considered in a vacuum. This does not mean we should not look at use of proceeds as well. •

DIVERSITY AND INCLUSION *A STAPLE AT WESTPAC*

Three Sydney-based members of **Westpac Institutional Bank** (WIB)'s debt capital markets team speak to *KangaNews* about diversity and inclusion (D&I) in the Westpac group. They are **Debbie Connelly**, managing director and head of corporate and institutional origination and distribution, **Eliza Mathews**, director, sustainable finance, and **Michelle Smith**, associate director, corporate sales.

How did you find your way into capital markets? Can you each share a positive or important experience for you as a woman during your career?

■ **CONNELLY** I have always worked in financial markets, in sales and trading, and mostly in distribution roles working with customers. Capital markets are ever changing and are interconnected with what is going on in the world, and I enjoy the rapidly changing environment.

I am defined by the need to prove myself to myself. In the early stages of my career, my leadership was based on expertise. As I have matured, the focus has been more on leading through my people and through the strategic direction of the business. I take pleasure from seeing other people grow.

I have worked in financial markets for 30 years, so I have seen plenty. What I can say with confidence is that the workplace environment is materially different now from how it was at the beginning of my career. The opportunities for women have never been better than they are today.

Even though there are still challenges in the industry, the barriers to entry are vastly reduced and the stereotypes have diminished considerably. It is a supportive environment for women today, which is quite different from the late 1980s.

One of the ways I would characterise the late 1980s and early 1990s is that there was an unconscious rule that if I was in a meeting and had a view on something I didn't have an equal right to offer a meaningful contribution to the issue at hand. It was never spoken about. It was simply an unwritten rule that there wasn't a seat at the table, and you adapted to that role because that was how people saw you.

There has been a generational shift around women in the workplace. In today's environment, I don't think being a woman holds me back in any way. I feel a responsibility and a desire to help as many young women as I can. We just need a more balanced representation in our industry.

■ **MATHEWS** Prior to moving into sustainable finance, the majority of my career had been in the loans business. I worked in Sydney before moving to Singapore and Hong Kong for several years. When I moved back to Sydney, in 2016, I joined sustainable finance and became more involved in capital and financial markets.

It was a change to a side of banking that was new to me but that I really enjoyed learning about. Moving into sustainable finance has been a real career highlight for me. Being able to match my personal objectives around sustainability with my role has been very rewarding.

I agree with Debbie that the market has changed significantly. Aside from the types of comments Debbie has raised, I have heard that, in the past, women didn't support women. This just doesn't happen anymore. What I see is senior women supporting other women.

The important next step in achieving gender balance is supporting men to take on what has been traditionally a woman's role – that is, a more balanced family life. This step change is being achieved through policies on everyone having access to flexible working such as encouraging men to take paternity leave. This is the only way to make the next leap, in my opinion – family life needs to be balanced for both parents. I am seeing organisations support this.

How do you expect parenthood to affect your career?

■ **MATHEWS** Career is important to me and I really enjoy my job. I have worked incredibly hard to build relationships and to produce high-quality transactions. While I am very excited to enter parenthood, I am aware that my career has good momentum and the challenge is around how it might be affected when I step away for a short while.

I have supportive colleagues, including senior sponsors, around me. I also look to people like Debbie, who have been through this experience and have had very successful careers. Hearing their perspectives, I feel confident this new experience will be a positive one and I look forward to continuing to drive progress in the market.

■ **CONNELLY** I needed the stimulation and satisfaction that I got out of work. It is part of who I am. I was cognisant that I still needed fulfilment from work to be the best mother I could be.

If you decide motherhood is your new vocation, that is okay too. There is no way to know ahead of time. However, women should not be worried about their career trajectories and there are plenty of examples of women having a parenting break and surging on.

What practical measure do you think is best for creating a greater gender balance across the financial sector?

■ **MATHEWS** There is no doubt unconscious bias exists. There are programmes in place to raise awareness and having targets is one means by which policy can be beneficial. We have recently recruited for the sustainable-finance team. We had 50 per cent representation of women in the shortlist and on the interview panel.

I would like to say I don't have a bias but I am sure I do, despite my best efforts. The 50 per cent quota acts as a support to ensure every applicant is heard properly and has their merits assessed by a broad and diverse group.

Can you explain how Westpac's D&I approach supports the bank's publicly stated ambition to be "one of the world's best service companies"?

■ **SMITH** I am involved with the D&I council at WIB level and we liaise with number of representative bodies throughout the group. We tailor an approach for each business unit, and the D&I council is also supported by 10 different employee action groups (EAGs). These can be anything from Women of Westpac, which is focused on gender equality, to ABLE, which is focused on non-able-bodied people, and various cultural groups.

What stands out for me about these EAGs is that they are constantly evolving and changing. We had a flexibility EAG that was designed to promote workplace flexibility throughout the group. It got to the point that flexibility is so well engrained in the culture of the Westpac group that we didn't need the EAG anymore, which speaks highly of the organisation.

From a WIB perspective, the area that receives a lot of focus is gender diversity. Recently, though, we have also seen a greater focus being placed on flexibility. While the flexibility EAG has been disbanded, the concept is important in WIB at the moment.

■ **CONNELLY** There are business practices that affect outcome and a number of tactical things we do to ensure representation is appropriate. For example, we have hard targets for women in leadership, hiring mandates around the percentage of women on candidate shortlists, and radars for top talented women and for the development of women.

DEBBIE CONNELLY

ELIZA MATHEWS

MICHELLE SMITH

What are the positive impacts of inclusion?

■ **MATHEWS** We often focus on gender diversity but it is also important to consider diversity more broadly, including diversity of experience. Westpac seeks to hire people from diverse backgrounds and this helps us better understand customer needs.

■ **CONNELLY** Sometimes I wonder why we still debate the positive impacts of inclusion, because they are so obvious. The best way for us to connect with the rest of the world and to get a perspective that mirrors reality is to have diversity in our workforce.

While I think there is a strong will at Westpac, it has proved challenging to move the dial. We are still not where we want to be, and I sometimes find this bewildering. The leadership team is heading in the right direction of achieving the right outcomes but the results are slow to materialise.

■ **SMITH** I agree that we are not where we want to be. But the continual work and focus we have around diversity and inclusion is what motivates me. It is a moving target and I think it would be very dangerous to be content with ticking boxes. The workforce is continually changing so we have to be flexible and adaptive to what diversity and inclusion goals will evolve to be going forward.

Has COVID-19 meant any immediate changes in how Westpac operates and do you see any coming through in the future?

■ **SMITH** Flexibility at group level is very well engrained to the point that it is business as usual. From a financial-markets perspective, in WIB, it is a little less so. We have regulation that makes it difficult for us to work from home – but clearly this is not the only way to work flexibly.

The inability to work from home because of regulation is something that has had to change because of COVID-19. Flexibility may have been lower on the priority list but it has come to the forefront in the last couple of months.

We have been looking at ways in which we interact within our teams and with each other. The group has also sent information on mental and physical health to everyone to ensure new working arrangements are supported. We have shifted and changed with the times.

Flexibility is going to need to be talked about as we start the return-to-work process, because everyone's perception of flexibility has changed. We have potentially turned the corner a lot faster, perhaps even by a couple of years. This is not just Westpac, this is globally. We have shown that a lot of things we doubted are possible, because we have been forced to do them. •

Banking on leadership

The bank treasury function typically remains a male-dominated realm globally – especially at executive level. **TD Bank** (TD)'s Toronto-based executive vice president, treasury, corporate development and strategic sourcing, **Barbara Hooper**, is an exception, providing the bank with experience and perspective on treasury, leadership and diversity that few other global institutions can count on.

Hooper has spent the vast majority of her three-decade working career at TD. She joined the wholesale bank and worked in various groups in TD's fixed-income business. This included the securitisation group at a time when the industry was burgeoning in Canada. "The securitisation market was very new in Canada so it was an exciting time to be working in that space and to have had a part in developing the market," Hooper says.

In 2006, she moved to TD's corporate development group, where a busy period for mergers and acquisitions was underway. Hooper became well-versed in strategy and transactions, working closely on TD's transformative acquisitions of Commerce Group and Chrysler Financial, as well as the Maple Group's acquisition of TMX and TD's sale of TD Ameritrade to Charles Schwab.

In 2015, Hooper took over leadership of TD's treasury and has recently added the strategic sourcing group to her roster of responsibilities.

Hooper represents TD on the Canadian Bankers Association treasurer group, which liaises with the Federal Department of Finance, the Bank of Canada and the Office of the Superintendent of Financial Institutions on industry issues.

She was also part of the industry team that established the Canadian Business Growth Fund, designed to provide an independent, private-sector fund focused exclusively on the patient minority capital gap facing growth SMEs in Canada.

In 2018, Hooper was named as one of the Top 100 Women in Canada by the Women's Executive Network, an accolade she says gives her a platform to help others. "The public recognition I have received has given me a wonderful opportunity to share my experiences with a larger circle of individuals, who in turn share within their own circles. This continues and propagates, and has the potential to reach more people than I could ever hope to reach on my own."

Personnel focus

Hooper is one of the few female bank treasurers around the world and the only one among Canada's major banks. For good reason, the treasury function typically has a heavy emphasis on technical skills. But Hooper says this can be to the detriment of an also-important focus on nontechnical skills such as leadership and relationship development.

Hooper brings a balance of technical know-how and people skills. "People management is a component of running a big-bank treasury department. You cannot focus on one or the other – the technical side is critical but so is investing in people and developing talent within the team."

She continues: "Taking the time to listen to your team, understand their thought processes and find out what is important to them provides knowledge you would not get if you do not actively listen."

The presence of female mentors in the workplace is something Hooper says would have allowed her to aim higher at the beginning of her career, and it is now a key focus of TD's Women in Leadership initiative (see box on p40).

Hooper explains that lack of female professionals to connect with meant the corporate world felt distant prior to and at the beginning of her career. "Early in my career it did not occur to me that I could advance beyond one or two steps from where I was at any given point. I believe some of this goes back to the stereotypical inclination or predisposition that women have to 'check all the boxes' on the job description, whereas men are typically known to apply for jobs without meeting many of the qualifications."

Finding roles in supportive environments, with leaders that give constructive feedback, has been critical in Hooper's career progress. Now in a leadership position herself, she says she has the opportunity to perpetuate the cycle to

> "EARLY IN MY CAREER IT DID NOT OCCUR TO ME THAT I COULD ADVANCE BEYOND ONE OR TWO STEPS FROM WHERE I WAS AT ANY GIVEN POINT. I BELIEVE SOME OF THIS GOES BACK TO THE STEREOTYPICAL INCLINATION OR PREDISPOSITION THAT WOMEN HAVE TO 'CHECK ALL THE BOXES' ON THE JOB DESCRIPTION."
>
> **BARBARA HOOPER** TD BANK

the benefit of women at the beginning of their careers. "At TD, positive feedback is very powerful. When others acknowledge your value you start to appreciate it more, which gives you the confidence to aim higher and thus to achieve more," she comments.

Hooper is aware of her own responsibility to further this discussion, but also says it is incumbent on the workforce as a whole to drive progress. "If you do not see yourself represented, leadership is not likely to be a concept in your realm of possibility. As we continue to see the number of women in executive functions grow, my hope is that external pressure on the next generation of young female professionals will lessen."

She summarises the advice she gives to young women: "Always aim higher, give yourself a stretch target and acknowledge the experience you will develop."

Crisis perspective

The COVID-19 pandemic could be a boon for the advancement of women in the workplace. But it also brings challenges around people development in a virtual working environment, while research suggests it could have a disproportionate negative financial impact on women.

The economy-wide shift to working from home and other flexible working arrangements has served as a leveller for juggling domestic responsibilities with the workplace, where previously the burden of responsibility was primarily borne by women. This trend was already in place prior to COVID-19 but has undoubtedly accelerated in its wake.

Hooper says: "It is not uncommon – especially in the current environment of remote work – to have a colleague say 'I can't talk right now,' or 'I need 20 minutes,' because of an at-home obligation. Whether it be kids, a partner, parents or pets, people are generally more comfortable discussing their personal lives and responsibilities."

There are certainly positives to be gained from the COVID-19 pandemic, but also challenges inherent to the new working environment. Mentorship in particular is more difficult in a virtual setting that does not offer the same networking opportunities or informal interactions.

Flexibility and culture

Hooper says it is important to ensure opportunities for flexibility in working arrangements remain while also maintaining culture within organisations – particularly where it pertains to career development and coaching.

"I think there is an opportunity to maintain this flexibility, if we are thoughtful and deliberate about what the workplace can look like as things transition back to a more normal environment. In the meantime, we will need to try to make sure employees are getting the same experiences and developing a professional network as they would in an office setting."

There is a challenge also to ensure the economic recovery from the COVID-19 crisis is inclusive of female-dominated industries, particularly given the economic impact so far has been disproportionately on women.

Hooper explains: "The reality is that more women than men work in hospitality and retail, which means women are losing their jobs in greater numbers than men. From the personal and family perspectives, the pre-pandemic reality – in which women, on average, carried more unpaid housework and caregiving responsibilities than men – has only been augmented. It will be important to ensure the recovery is as inclusive as possible and to support the career progression of women so they do not lose ground as a result of the pandemic. •

> "IT WILL BE IMPORTANT TO ENSURE THE RECOVERY IS AS INCLUSIVE AS POSSIBLE AND TO SUPPORT THE CAREER PROGRESSION OF WOMEN SO THEY DO NOT LOSE GROUND AS A RESULT OF THE PANDEMIC."

TD'S WOMEN IN LEADERSHIP

TD Bank (TD)'s Women in Leadership (WIL) initiative has been running since 2005, working to increase representation of women at senior levels and attract women to work in areas traditionally dominated by men. It is the bank's largest employee network, with more than 15,000 members.

Barbara Hooper, executive vice president, treasury, corporate development and strategic sourcing at TD, says the bank has a longstanding commitment to diversity and inclusion as people are its greatest asset. "We have a responsibility to create an environment that values everyone's unique contributions and reflects the communities we serve."

Through WIL, TD is building a female leadership pipeline via informal and formal opportunities. One of these is its Allies for WIL programme, which brings together women and men from throughout the business to build career-development plans and strengthen networks.

Hooper adds that TD has also established compensation programmes and structures that are gender neutral and designed to achieve internal equity and fairness.

As a result, in 2020 and for the fourth year in a row, TD has been included in Bloomberg's gender-equality index, which measures internal company statistics, employee policies, and external community support and engagement.

Hooper says the organisation has made great strides but has further goals for inclusivity and diversity in view. "It is important to acknowledge that there is so much more to do. Recent events in particular have put a spotlight on racial and LGBTQ2+ inequities. Our growth going forward will look at these intersectionalities so we can do our best to represent and champion all women, including those who identify as members of multiple groups."

DIVERSITY AS *A WAY OF LIFE*

While women make up more than 50 per cent of law students and graduate lawyers, they are underrepresented at partner level and in other senior legal roles. For many years, **King & Wood Mallesons** (KWM) has been committed to changing this.

Gender equality and achieving gender balance across the firm is one of KWM's core strategic priorities. The firm is focused on empowering women from the very beginning of their careers by removing barriers and biases, and having structures in place that allow women to progress at the same rate as their male peers.

As a firm, KWM has a target of 35 per cent female partners in Australia by 2022 and 40 per cent by 2025. Currently, 31 per cent of its Australian partners are women – an improvement on where the firm was historically, but with more work to be done. Within its DCM team in Australia, 60 per cent are women, as are two of the six DCM partners. Three of KWM's female DCM lawyers (see box on p42) share their views.

What has been a career highlight for each of you?

■ **CHUNG** For me, it was a transaction that brought together all of my experience and skills – QBE Insurance Group's issue of gender-equality bonds in additional-tier-one capital format in 2017.

The rarity of a social bond at that time was appealing to a growing investor base. There was the added complexity of working with the regulator and a client with a tight timeframe while delivering a specific request for seamless execution. It was challenging – and not just from a legal perspective. There was also the issue of coordinating and collaborating with colleagues in Sydney, Melbourne, London and Singapore, which meant relying on the strong relationships I had built over many years.

It was an extremely successful deal for the client and it was a rewarding achievement to ensure everyone's needs were met.

I place a strong focus on developing young lawyers. This means working collaboratively to motivate, challenge and stimulate, and leading by example to be a good role model – particularly as an Asian female – to strive for diversity and inclusion. I am proud of the fact that my team continues to grow and is resourced with talented individuals.

It was a positive experience to have my team celebrate my nomination for the *Lawyers Weekly* Women in Law Awards because it was a recognition of what is important to me personally, aligning with what I do professionally.

ANGELA CHUNG

JO DODD

ANNE-MARIE NEAGLE

■ **DODD** My career highlight would have to be making partner in 2016. I was the first female DCM partner in our Sydney office, after Anne-Marie in Melbourne. I was one of two female banking and finance partners to come through from my cohort, out of the three banking and finance partners who came through that year. It was a big year for women and a highlight for me, as coming back from in-house to private practice a little later in my career meant I had to run hard to get to partnership.

■ **NEAGLE** I would like to call out my recent involvement, on behalf of the Australian Securitisation Forum (ASF), in leading the structuring and documentation for the Forbearance Special Purpose Vehicle facility.

The facility enables the federal government, through the Australian Office of Financial Management (AOFM), to provide liquidity to Australian nonbank financial institutions and their securitisation structures. It required me to lead a project to bring all the industry participants together in search of a common solution and then help them bank that solution with the AOFM. It was very bespoke from a structuring and documentation perspective and the physical backdrop was one of lockdown – working from home and home schooling.

I am proud of this transaction because it allowed me to support our clients in the nonbank space as well as broader outcomes of keeping capital and credit available in the system and

for underlying borrowers during this difficult time.

The way we executed this transaction stands as concrete evidence that doing things differently and flexibly from home, while home-schooling or otherwise, does not mean doing them unsuccessfully.

What is your take on diversity more generally in DCM in Australia?

■ **NEAGLE** Greater progress seems to have been made in the securitisation sector. A large part of this is due to the ASF's Women in Securitisation initiative, which includes mentoring, networking, collaboration and shared experiences.

However, there is still a lot of work to be done in securitisation and in debt markets more broadly. A lot of women are coming up through the ranks and performing increasingly senior roles, but how many truly exceptional, top-of-their-game women role models do we recognise?

Collectively, as an industry, we need to ensure we have more exceptional women of note and that we stand behind them.

■ **DODD** I have seen a change during the last five years, particularly in treasury teams. We need to encourage women in the early stages of their careers so they gain the confidence to progress through the ranks at the same rate as men.

■ **CHUNG** As legal advisers, diversity of perspective and insight is appreciated. We bring a different perspective to the table, and often our insight and ability to highlight pressure points and issues is invaluable to the client.

In what ways is diversity in corporate life likely to change following the current health crisis and what is the role of the legal profession in supporting these changes?

■ **CHUNG** The most challenging issue facing the legal profession, pre-and post-health crisis, is finding ways to provide flexibility in our working arrangements while striving for an engaging and fulfilling career and providing our clients with world-class service that meets their needs. We have been able to continue to do so while adapting to working from home, and the flexibility this offers is here to stay.

We will continue to build from here to support social interaction and professionalism. As much as our business is focused on providing legal services, it is also fundamental to build relationships – whether with our colleagues or our clients.

I am personally looking forward to the added flexibility as I am about to embark on the journey of motherhood.

■ **DODD** Working from home is now much more widely accepted and I am hoping it will prevail, as it is hard to see how we will be returning to a pre-COVID-19 normal any time soon. Some face-to-face working will return at some point, but this lockdown experience has demonstrated that everyone can work effectively from home.

It may be harder for younger lawyers because they often learn by osmosis in the office. We try to be very organised for them and make a conscious effort to be in touch regularly both on the phone and on Webex or Zoom. It can be harder for senior lawyers too, who rely on having a team around them.

■ **NEAGLE** There is a gap in incidental social interaction and mentoring. We must be deliberate about filling this and we need to focus our efforts on the junior ranks.

At the same time, I think there is some liberation in interacting via VC as we can gain more focused and deliberate interaction this way.

I have mentees in different states. I have spent a lot of time travelling in my career, but I can catch up with my mentees much more frequently now. We still need to find the right balance, but I think we can learn a lot from what we have been able to uncover during the working-from-home experience.

What we have now is a big opportunity to use the difficulty we are experiencing as momentum for important structural change. If I reflect on my time and my career as a woman in law, particularly as a 'mother in law', some of the structural barriers we face as women lawyers can be impediments to success.

Although firms have adopted great flexibility policies in recent years, COVID-19 has given us the opportunity to demonstrate these policies in practice in such a way that we can make them part of our life, not just something we talk about.

It is very important that we harness this opportunity for structural change and reflect in a considered fashion on what works well and what doesn't. But, above all, we must not lose the opportunity the crisis presents. •

Angela Chung is a special counsel in KWM's Sydney office. She also specialises in debt capital markets transactions with a particular focus on Kangaroo bonds and has worked on virtually every Kangaroo bond transaction over more than 10 years.

Jo Dodd is a partner in KWM's Sydney office. She specialises in debt capital markets transactions, with a particular focus on hybrids and regulatory capital, and works closely with the mutual sector. She has more than 20 years' experience in international and domestic capital markets, having worked in the DCM team of a magic-circle firm in London for several years and supported the National Australia Bank treasury team in Melbourne for a couple of years.

Anne-Marie Neagle is a partner in KWM's Melbourne office, specialising in securitisation, derivatives, hybrids, convertibles and structured capital markets, and finance transactions. Aside from a brief period working in structured finance with a magic-circle firm in London, she has been with KWM for more than 20 years.

ROUNDTABLE DISCUSSION: WOMEN IN SECURITISATION

The Australian securitisation industry has been at the front line of market evolution, from its position at the eye of the financial-crisis storm to the proactive role played by the Australian Securitisation Forum (ASF)'s Women in Securitisation (WIS) subcommittee.

BNY Mellon and *KangaNews* gathered leading structured-finance market participants to discuss how years of experience at the leading edge will be used to deliver the next phase of evolution. Topics of conversation include developing the government intervention that has provided crucial support to the market in 2020, issuer and investor response to the crisis and getting back on track with industry initiatives.

PARTICIPANTS

■ **Florence Coeroli** Head of Asset Backed Product, Asia SOCIETE GENERALE ■ **Chris Dalton** Chief Executive AUSTRALIAN SECURITISATION FORUM ■ **Fiona Gaal** Director, Structured Capital Markets ANZ ■ **Sonia Goumenis** Partner CLAYTON UTZ ■ **Todd Lawler** Managing Director, Treasury and Funding BLUESTONE GROUP ■ **Lillian Nunez** Executive Director, Debt Investments IFM INVESTORS ■ **Anna O'Sullivan** Regional Head of Transaction Management, Asia Pacific BNY MELLON ■ **Robert Wagstaff** Managing Director and Market Head, Australia BNY MELLON

MODERATOR

■ **Matt Zaunmayr** Deputy Editor KANGANEWS

MARKETS AND DEAL PROCESS

Zaunmayr The Australian securitisation market has bounced back quickly from the first phase of the COVID-19 crisis so far, greatly supported at least initially by intervention from the Australian Office of Financial Management (AOFM). How does deal execution compare with before the crisis?

■ **GAAL** The market has returned sooner than expected. To date, this has been mainly for the nonbank sector, which does not have the benefit of alternative government support mechanisms to access funding.

We find engagement with investors has a very clear COVID-19 focus. They are keen to know what issuers are doing to manage hardship and what the percentage of COVID-19 affected borrowers is in each pool.

From a transaction-management perspective, there is probably an extra element of correspondence with investors prior to public mandates being released. This was particularly the case in initial transactions as investors began to understand the implications of COVID-19 on asset portfolios.

> "I think we have all been dragged quickly into the 21st century by COVID-19. The flexibility that has been enabled by the embracing of technology in the industry has added to the smooth running of transactions."
>
> **ANNA O'SULLIVAN** BNY MELLON

This has extended the deal timetable somewhat and has also led to an expansion of material needed, such as amendments to investor reports and presentations to cover points investors want to understand. These include loan servicing, what happens when borrowers complete their COVID-19 hardship arrangement period and how arrears will be reported going forward.

This will evolve. COVID-19 is obviously still present and we are all very aware of what is happening in Victoria. This could have wide implications for how deals look going forward. But it is clear that engagement between issuers and investors on what is being reported needs to continue to be aligned.

■ **LAWLER** The deal timeline is not necessarily longer but different things in the usual process need to happen earlier – particularly investor engagement. Investors want more time to think through how COVID-19 is affecting pools and how we are managing it.

I think investors are starting to be comfortable with how issuers' processes are working. Issuers have done a good job communicating a consistent message, that we are managing the crisis prudently and as well as could be expected.

We care for our customers and are being responsible in how we are cutting back credit to originate loans that make sense in the current environment.

■ **NUNEZ** It is an interesting time for us as investors. The crisis had a significant impact on securitisation and also on how we manage our portfolios.

We experienced a huge amount of volatility in the first few weeks of the crisis. From our perspective, it was very much about understanding the value of what we held. A number of deals were put on hold as market participants stood on the sidelines waiting for the first to price after this period of volatility.

Our immediate concerns were about note performance. We invest in mezzanine notes in many public transactions and warehouses as well. What was occurring, how it was being reflected in arrears, what was being newly originated in warehouses and what quality of assets were going into new transactions were the considerations.

There was a lot of engagement with issuers to determine the asset quality included in deal structures and how they would perform. Once we had clarity around this, and saw the level of support from the AOFM, we gained a better idea of what we would be comfortable to purchase.

We are still cautious and mindful that a lot of the support that has been put in place will come off in time, so we are being selective. But what the AOFM has done has been very supportive. It has been a positive recovery.

Zaunmayr How does the Australian environment compare with other securitisation markets around the world? Has the rebound we have witnessed locally been as noticeable elsewhere?

■ **COEROLI** In comparison to other markets where we are active, such as Europe and the US, the Australian market recovery has been quite impressive. This is largely due to the flexibility and intervention of the AOFM.

The European primary market is still very quiet and issuers have been focused on securing their warehouse funding. There is some activity in the US, but volume is down. In China, where the crisis first started, we have seen some recovery in the past few months. It is not quite back to normal but it has stabilised.

It is interesting to see the Australian market cementing a healthy volume of public deal flow compared with these other markets. There have been large benchmark deals and some of them have been achieved with little or no support from the AOFM.

■ **LAWLER** The AOFM support in Australia is unique and is one of the main reasons why the market is so healthy. The AOFM has created a level playing field that allows transactions to happen.

Rather than simply dipping cash into primary issuance, the AOFM has deployed a multipronged approach including support for the secondary market where, in the early days of the crisis, there was no price making. This allowed investors to see what their paper was worth in the secondary market so they could be confident to bid in primary.

It then became a matter of access to cash for investors, who were managing uncertainty around redemptions. By facilitating switches, the AOFM again facilitated investor participation in primary markets.

Finally, the forbearance special purpose vehicle (FSPV), which has been pulled together by the AOFM and the ASF, has allowed the investor community, to a degree, to put the COVID-19 effect on individual transactions aside and instead focus on the credit an issuer has provided.

"Finding new investors for programmes and assets is difficult as there is a tendency for investors to focus on what they know at times like this. At the same time, other investors will see opportunity."

FLORENCE COEROLI SOCIETE GENERALE

THE VALUE OF *DIVERSITY*

The Australian Securitisation Forum (ASF)'s Women in Securitisation (WIS) subcommittee has been an advocate of industry diversity for many years. Its value has never been more apparent.

ZAUNMAYR Workplace and industry diversity has become a major focal point. What are the current work areas of the ASF's WIS subcommittee?

■ **GAAL** Like all subgroups at the ASF, there is a focus on engaging with members so the current inability to meet face-to-face makes it more challenging. We are looking at initiatives to allow us to engage members virtually, for mentoring online, public speaking for younger members and some more casual ways of catching up and networking.

ZAUNMAYR The consequences of economic crises often fall unevenly onto those that are systemically disadvantaged in the economy, even though the advantages of maintaining a diverse workplace are well known. How can the securitisation industry and business more broadly ensure progress toward workplace equality is maintained as the COVID-19 crisis plays out?

■ **COEROLI** It is interesting that governments led by women, such as Germany, New Zealand and Finland, have generally been better at handling COVID-19 than those led by men. I think this can translate into business as well. When I started in securitisation, there were not a lot of women in the industry. There has been a change over the past decade, including a lot of emphasis on hiring women at junior levels and then keeping them. This is of course very important so they can progress to intermediate and senior management levels in an institution.

These efforts are ongoing and it is very important they are maintained regardless of the backdrop. In times of crisis, it is important to be agile and have different points of view. When a team is dominated by people of the same background and characteristics, it is not the type of environment where one will get the best ideas.

■ **NUNEZ** I agree with this: diversity of thought will always be helpful in a crisis. As an industry, it is incumbent on us to push forward and make sure we are a diverse group. I think securitisation is doing a good job of this compared with other industries.

There is of course more to do. One area where we can perhaps focus efforts is in getting more diversity in conferences and industry meetings. The more this is encouraged, the more the younger cohort will find the area appealing and believe it is an industry they can be successful in over the long term.

■ **GAAL** The securitisation industry has shown how agile it is to be in the position where issuers have brought transactions to market while everyone is working from home. Issuers have also renegotiated credit policies on the fly even

"MEN HAVE TYPICALLY ALWAYS WORKED IN THE OFFICE AND IT HAS BEEN WOMEN THAT BALANCED HOME AND WORK LIVES. WE HAVE NOW ALL HAD REAL EXPERIENCE OF WHAT THIS ENTAILS."

CHRIS DALTON AUSTRALIAN SECURITISATION FORUM

I have found investors very open to transactions because this support is available. Australia stands out around the world for its success in keeping the market going.

■ **GOUMENIS** The AOFM's role in supporting warehouses is also quite unique. Negotiating intercreditor terms where the AOFM has gone into warehouse structures as a mezzanine provider has been very helpful in that it sets a bar for what the AOFM expects minimum requirements for a mezzanine investor to be.

Previously, mezzanine investors had to negotiate this position and the outcome depended on their bargaining power within a transaction and on who the senior participant was.

Zaunmayr The trustee and documentation parts of a deal process are typically in the background during a transaction but are nonetheless integral. In what ways have these changed or evolved in the last few months?

■ **O'SULLIVAN** From a documentation perspective, we are typically seeing an increase in the number of consent solicitations we are being asked to put to investors. These cover things like general deal amendments, looking at stop-origination events and general disclosure obligations as a result of COVID-19. Timing has been an issue as the consent process is often urgent and coordinating parties including clearing systems can take time.

FORBEARANCE SPV

Zaunmayr The ASF has had a lot of input into what is expected to be a crucial piece of the AOFM's support going forward, the FSPV. What is this expected to achieve and how integral has industry input been to its establishment?

■ **DALTON** This came about as a result of what the banks were doing as a group in providing relief arrangements once the impact of the pandemic became evident. The nonbank industry questioned how support could be provided effectively so it could offer similar relief to its customers.

As an association, we are fortunate to have a large membership and a constructive mindset within it. The initiative

while not really knowing what the consequences of COVID-19 would be.

This shows how people can collaborate even when they are not together physically in an office. I think we need to take all these examples of how we have pivoted and use them going forward to make businesses more diverse and have people more actively involved in decision-making.

This is good across the board, but particularly for women where flexibility of arrangements can make them feel more engaged and able to contribute.

■ **GOUMENIS** Flexibility is key in achieving diversity. One of the positives of the pandemic is that we have all been forced to work flexibly. It is no longer just seen as a women's issue. It would be great to take this forward and have it embraced more broadly so women and men are doing it.

■ **DALTON** I think the experience in the past is that men have typically always worked in the office and it has been women that balanced home and work lives. We have now all had real experience of what this entails.

I hope the future working environment in securitisation is flexible so people are not concerned about taking breaks in their careers or being away from the office.

■ **LAWLER** Flexibility is certainly here to stay. There used to be stigma around people working from home in that it was assumed they were just taking a day off. This does not happen anymore. I can't imagine that we will completely go back to the office-centric way we worked before.

■ **O'SULLIVAN** I have loved seeing everyone working from home and having children interrupt video calls. This is real life. Working from home has been easy with technology support but sometimes it can be more draining. Often the work day extends well into the evening and weekends with no separation of work and life, so people will probably want to go back into the office at some point. But the increased flexibility is undoubtedly a good thing.

came together quite quickly by suggestions to form a working group that considered the impact of these arrangements on public and warehouse trusts.

A collaborative effort through key ASF members put a concept to the AOFM, which engaged quickly and constructively to develop a termsheet. The working group then collaborated with the AOFM to finalise the facility and programme documents.

It is certainly the case that it is a unique structure – and this is evidence of the experience and sophistication of the Australian market. From an association point of view, the fact that it was devised, debated and executed in a relatively short period of time is quite an achievement.

I am aware a focus of investors when they are talking to issuers is whether the issuer will participate and use the FSPV as a backstop, given the uncertainty they are facing.

■ **O'SULLIVAN** We have been thrilled to be a part of the establishment of the AOFM's FSPV. The willingness of all parties to get the structure up and running as soon as possible has been a great initiative to support.

■ **GOUMENIS** Clayton Utz acted for the AOFM in the establishment of the structure and it has been a genuine career highlight to be involved. It has been fantastic to see the collaborative effort and huge congratulations have to go to Chris Dalton, the ASF's advisers and the working group at the ASF.

It is not an easy vehicle to put together and establish. What it is trying to achieve is very complex and it has to fit within the AOFM's narrow mandate. It was great to see the industry come together and find a solution during a difficult period.

It is also great to see such a great number of senior women involved in establishing the FSPV structure. Senior women were involved in advising the AOFM and the ASF across the spectrum of stakeholders as well as within the ASF working group, the trustee – BNY Mellon – and the collateral verification agent, Deloitte.

Zaunmayr BNY Mellon has been appointed as trustee for the FSPV. What are its responsibilities in this role?

■ **WAGSTAFF** The ASF and AOFM have opted to use a very traditional trust structure that borrows money from the government and delivers funds to participating trusts. This is a traditional mechanism for ringfencing assets for the benefit of the investor.

It is mainly the heavy lifting of administration in the trust-manager role where we are adding the most value to the structure. The AOFM is a relatively small group of people so it has outsourced a lot of the operations to enable it to have as wide a remit, covering as many issuers, as possible.

We are able to use our technology and our team to connect with many originators and facilitate the participation of what will likely be more than 100 trusts in the structure. We are taking the analytical and administrative roles of getting the money where it needs to go as fast as possible.

Zaunmayr Some issuers intend to apply to be eligible for the FSPV even though they may never need to use it, so it essentially serves as an emergency liquidity backstop. Is this consistent with what intermediaries and issuers are hearing?

■ **GAAL** We are also hearing there are issuers that don't think they will need to use the facility but are seeking access to it. I think the first reason for this is that it provides comfort to investors that it is there if it is required. So much the better if the issuer has already gone through the documentation and approval process.

Second, it provides us as a warehouse provider comfort that the issuer has been through the process of accreditation to access the facility. In conversations with our internal credit team this has been a positive point of discussion and a clarification for internal processes to determine how issuers are dealing with the impact of COVID-19.

"We have found ticket sizes have increased and offshore investors are keen to participate in Australian dollars deals – in some cases for the first time for some issuers. Offshore demand has been quite strong, which is actually a bit of a surprise."

FIONA GAAL ANZ

■ **NUNEZ** We view it as positive and supportive of existing transactions. It provides a liquidity backstop. Usage will depend on what happens over the coming period but we get the impression it will not be a highly called-upon facility.

The set up and process behind it are constructive, even so. We don't know what will happen in the next period but if there is further economic deterioration and the recession becomes more severe than we thought, it is good to know this facility is available.

■ **LAWLER** I agree – having this as a liquidity backstop for our transactions is invaluable.

Zaunmayr How close now is the FSPV to deploying funds?

■ **DALTON** The programme documents to establish the FSPV were executed by BNY and the AOFM on 21 July. Under the structure, the ASF is holding the capital units in the FSPV and the AOFM is holding the income units.

The template documents have been finalised through the negotiations between the AOFM and our legal counsel, King & Wood Mallesons. These are now available for potential participants to review and engage the AOFM to begin the approval and onboarding process. I understand at least one party has been approved and onboarded, and that drawdowns will begin from 1 August.

DEMAND PICTURE

Zaunmayr Demand has returned to the Australian securitisation market to such an extent that it has often been possible to price multiple benchmark-sized deals in the same week. But how broad is the investor base compared with before the crisis?

■ **LAWLER** The breadth of the market is a little less than pre-crisis. A few investors that used to participate I would say are on pause. They are definitely not out of the market, though – they are just watching and waiting.

Those that have come back tend to be putting in larger orders than they used to – and this is true of international and local investors. I suspect this is due to there being less supply of bonds globally. Some fund managers have plenty of cash to deploy and fewer options to put it into.

■ **GAAL** I agree with this. In the transactions ANZ has been involved in, we have found ticket sizes have increased. Meanwhile, offshore investors are keen to participate in Australian dollars deals – in some cases for the first time for some issuers. Offshore demand has been quite strong, which is actually a bit of a surprise.

Demand has been mainly focused on the higher-rated end of the capital structure. I think it is still quite thin in the mezzanine piece.

■ **COEROLI** When the crisis started investors focused on two main topics: liquidity and credit. It can become quite expensive for offshore investors that do not have a natural source of Australian dollar funding and in troubled times they are likely to be less interested, given liquidity concerns.

With things having stabilised now, the credit performance of Australian dollar assets is very good. From a macroeconomic perspective, Australia entered the crisis with a strong economy. The level of household indebtedness is important but the forecast for GDP growth was very good compared with a lot of other economies.

With the level of support given by the government through JobKeeper and other stimulus packages, investors should look positively at the Australian market on a global basis. There are certainly opportunities for international investors, who continue to see Australia as a strong credit jurisdiction.

"It is great to see such a great number of senior women involved in establishing the FSPV structure. Senior women were involved in advising the AOFM and the ASF as well as within the ASF working group, the trustee – BNY Mellon – and the collateral verification agent, Deloitte."

SONIA GOUMENIS CLAYTON UTZ

"The breadth of the market is a little less than pre-crisis. A few investors that used to participate I would say are on pause – they are definitely not out of the market, though – they are just watching and waiting."

TODD LAWLER BLUESTONE GROUP

Zaunmayr How much work are issuers and intermediaries putting in at the moment to bring these investors back or even find new investors offshore?

■ **COEROLI** Finding new investors for programmes and assets is difficult as there is a tendency for investors to focus on what they know at times like this.

At the same time, other investors will see opportunity. We discuss what is happening in Australia with a lot of investors, and in recent months we have had a lot of material to present and explain the performance of the market.

■ **LAWLER** We are in constant contact and discussion with investors in Australia and overseas. This is not necessarily on a transaction basis – it is more to find out where they are at and let them know where we are. There is a lot more informal communication to understand how everyone is going in the current environment.

■ **GAAL** A lot of offshore investors have been doing their due diligence on Australia for a long time. They may not have participated in transactions in the past but they may still have had ongoing engagement for a long time.

Most issuers have been engaging with investors that may not have purchased in Australian dollars before but have shown interest – which includes through their own due diligence, reaching out and in some cases doing site visits. This is an ongoing process of engagement that we expect to continue.

■ **NUNEZ** We have offshore clients that invest in this market. The protections we have in Australian securitisation are quite robust. Also, the way Australia has managed COVID-19 relative to the rest of the world stands out, even with the unfolding situation in Victoria, and this may be an appealing point for offshore investors.

The fiscal position of the economy was strong prior to COVID-19, which allowed the government to manage the pandemic quite well. Overall it looks like it may be a more positive outcome than could be expected in most parts of the world.

The credit spreads offered on Australian securitisation remain elevated. When investors compare these to other regions on a risk-adjusted, relative-value basis it is still a compelling opportunity.

Zaunmayr The debt capital market appears so far to be trading through the new spike in COVID-19 cases in Victoria and the ongoing acceleration of cases globally. Is it the case that the risks are known and economic support in place so the market has a clearer picture to work with?

■ **NUNEZ** We expect there to be more volatility in the market. As the government stimulus support mechanisms expire in the next few quarters, we believe there will be a discovery period for which sectors are most affected and how they perform without support. Trading activity will also depend on what is going on offshore as this always influences the trading price of the Australian market.

What we have seen with the AOFM support, though, is that there is a potential floor for existing transactions.

■ **LAWLER** There are two components from an issuer perspective. One is the back book and how it performs, which I think is well understood and benefits from the government support.

We do not know what will happen in the future, though. Will cases be brought under control in Victoria? Will New South Wales manage to keep its cases in check? We just do not know and there will likely be economic impacts from this.

One thing that can help smooth volatility is issuers learning how to operate and lend in this new environment. We can limit our lending criteria. At Bluestone, we have done this because our view was that, from a responsible lending standpoint, it is difficult to lend to people when you do not know the value of their collateral and you do not know what their sustainable income will be.

As the industry has reviewed credit policies for the current world there should be a floor in property valuation in the mortgage space. Degrees of income will continue and parts of the economy will still function, so a degree of lending will remain possible.

With the various levels of government stimulus, I do not think there is a case for the Australian market shutting down again. It may look different and evolve, but it will continue.

INDUSTRY EVOLUTION

Zaunmayr Crises can often provide a catalyst for change and the securitisation industry has so far proven nimble in responding to this one. Are there any further changes market

NEW ISSUER *PIPELINE*

One of the challenges of remote working is pulling together new and innovative projects. A test of the securitisation market will be how smooth any future new issuers find their path to market.

ZAUNMAYR What is the situation with potential new issuers in the securitisation market?

■ **GOUMENIS** I have been quite surprised because we have been speaking to a lot of potential new clients throughout the pandemic. There seems to be investor appetite to provide the credit these clients want to access so there should be opportunities in the market for newer players. This is particularly the case for those driven by technology and data.

■ **WAGSTAFF** I agree. There still seems to a lot of new activity in the auto- and debtor-finance spaces. The banks generally are not well suited to auto lending so there is ongoing opportunity for nonbank providers in this sector.

Debtor finance is part of SME funding. The AOFM [Australian Office of Financial Management] is supporting a number of clients doing different types of lending against receivables or particular specialist asset classes, in medical receivables for example. We are surprised at how resilient the pipeline has been.

■ **DALTON** We started getting interest from new players, mostly in the fintech sector, through the latter part of 2019. This was partly the result of the government establishing the Australian Business Securitisation Fund and looking to stimulate lending in this part of the market.

Over the last 4-5 months, with the impact of COVID-19 and the activity of the AOFM through the SFSF [Structured Finance Support Fund] and FSPV [forbearance special-purpose vehicle], we have had approaches from institutions looking to become Australian Securitisation Forum members. They want to be involved with the community and undertake our education courses.

ZAUNMAYR Do investors have the bandwidth to look at new issuers and assets?

■ **NUNEZ** We are always looking at everything! We are a diversified credit investor and structured credit is only one part of what we do. We also invest in investment-grade corporate bonds and loans, and subinvestment-grade, private corporate debt. When we look at securitisation, we review it against all these other credit sectors and assess the relative value.

We consider alternative structured-credit assets and we are very much involved in the asset-backed space across autos, cards, fintechs and trade-receivables financing. We are comfortable to look at new opportunities but it is important new issuers can show a track record managing these assets through cycles. There is a lot of early discussion when looking at new assets and it can be a long process, but we are happy to engage.

There has been some rebalancing of demand from some investors. But, on the whole, we view structured credit as a well-protected, yield-generating diversifier, which is attractive to our clients. The appetite volume may have declined through this volatile period but we remain a key player in this market.

"THE AOFM IS SUPPORTING A NUMBER OF CLIENTS DOING DIFFERENT TYPES OF LENDING AGAINST RECEIVABLES OR PARTICULAR SPECIALIST ASSET CLASSES, IN MEDICAL RECEIVABLES FOR EXAMPLE. WE ARE SURPRISED AT HOW RESILIENT THE PIPELINE HAS BEEN."

ROBERT WAGSTAFF BNY MELLON

participants would like to see in the Australian or global securitisation markets?

■ **WAGSTAFF** I think there is greater scrutiny on the type of financial modelling that has been developing in securitisation. To date, a lot of work has been done on Excel and various other tools by third parties. The AOFM is instilling a lot of discipline on what these models are and who is checking them. Better use of technology and outsourcing could be something we see more of.

Many providers are entering the market for these services. They are predominantly being taken up by new issuers coming to market that do not necessarily want to get a license to be a trust manager.

There are also economies of scale involved in doing these types of calculations. It can very expensive for a small originator to have the bespoke technology and the team required to do the work involved in these models.

■ **GAAL** Data is everything, and the ability to report and be able to change data fields to accommodate new types of reporting, on arrears for example, is the way forward. Having adaptability in issuers' systems will be key, whether in-house or outsourced. Investors, warehouse providers and regulators will all expect it.

■ **WAGSTAFF** Arguably this is why nonbanks have proven to be more nimble in their reporting.

■ **NUNEZ** We are looking at a product to consolidate our data requirements. We review many issuers and the underlying collateral and data fields provided are often quite different and inconsistent. We are looking at a potential external provider that could collate this information and improve efficiency.

■ **GOUMENIS** There is a lot to be said for having an independent set of eyes looking over data and the reporting being produced for any transaction. This has come to the fore in the FSPV and the role BNY will play there as trust manager is critical to its function, as the key interface with participating originators.

"We are still cautious and mindful that a lot of the support that has been put in place will come off in time, so we are being selective. But what the AOFM has done has been very supportive. It has been a positive recovery."

LILLIAN NUNEZ IFM INVESTORS

■ **COEROLI** We would like to see anything relating to transparency of data, reporting, and the ability to get more information in a standardised format. Across the globe, regulators are applying pressure to get more information from market participants. This is also in line with the objectives of the AOFM.

■ **O'SULLIVAN** I think we have all been dragged quickly into the 21st century by COVID-19. Documents are reasonably robust in our market but adding the ability to execute digitally when working remotely has been fantastic. The flexibility that has been enabled by the embracing of technology in the industry has added to the smooth running of transactions.

Zaunmayr Will there be any change to the characteristics of deal structures coming out of this crisis?

■ **COEROLI** When you experience a crisis, you realise the sizing of attachment points and having appropriate liquidity reserves is important. Prior to the crisis, there were structures coming in many markets that could be a bit loose because the demand was there and conditions were good. I think we will see deal structures become more conservative again.

■ **LAWLER** Investors I have spoken to have been keen to know whether our structures will be able to withstand the current environment. The answer is that they will. In fact, they have performed very well since the financial crisis while the FSPV adds more strength to these structures.

Everyone is talking about consistency in data and reporting. Investors like to invest in things they have seen before and understand, so I think what we will see is fewer fringe or creative transactions and more simplicity.

■ **COEROLI** I agree and I think this will be the case particularly for rated, public securitisation deals. Perhaps where it may be different is in the private market, where transactions are unrated and can be a little more aggressive or bespoke – especially in the mezzanine tranches.

■ **NUNEZ** I agree there is a difference between the public and private markets, particularly in the warehouse space. For a while we have been quite engaged with issuers regarding the warehouse side, looking at protections available to us and asking whether changes can be made.

This type of crisis is when you discover how strong those protections are. We get push back from issuers but we will continue to monitor new structures, because going forward the environment and performance will be different despite all the stimulus and support facilities. This will set a new measure of what should be included in transaction protections.

Rating agencies are also looking at how their methodologies may change as a result of this crisis. A lot of forward-looking discussions are based on what has happened in the last 10 years – a period in which there have not been any stress events.

■ **GAAL** This is exactly right. At this point in time there is nothing flowing through in the data or methodology for what losses may look like in certain asset classes. COVID-19 overlays to methodology could be put in place and give extra protection for investors.

Zaunmayr What workstreams does the ASF have that have either been on hold during the crisis or delayed by it? What are the prospects for starting again and thus advancing industry evolution?

■ **DALTON** Two are particularly relevant. We have restarted our engagement with the Australian Securities Exchange (ASX) because we have an interest in working with the exchange to extract and use the data on trading activity it has in Austraclear. This could provide information and metrics around secondary trading of securitisation notes.

The ASX has spent a couple of years establishing a sophisticated data platform. One of the challenges is that the data record changes of ownership but do not necessarily store ratings and other information that would be useful for the securitisation market.

This workstream is ongoing and we are doing what we can to progress it, including complementing data from the ASX with data from other providers. The topic of secondary-market liquidity often comes up in this industry so we are doing what we can to provide an empirical assessment as opposed to just having an anecdotal view.

A second workstream that is likely to stay on hold for longer is one where we engaged the AOFM to work together on established standards and common data reporting for SME receivables.

I think this will be important for the future. If we can establish standards and guidelines for what data should be captured for SME receivables it will help the asset class become familiar and acceptable to a wider base of investors. This is unlikely to restart before 2021, but it is still on our agenda. •

BNY: Engagement within and beyond the walls

BNY Mellon's initiatives to promote workplace gender diversity and inclusivity involve wide-ranging internal and tangible external engagement. Two of the company's senior executives in the Asia-Pacific region, **Anna O'Sullivan** and **Lauren Stewart**, discuss the programmes and their aims to tackle systemic societal issues.

BNY Mellon's commitment to gender diversity is exemplified throughout its businesses. Women account for 33 per cent of the board of directors, 40 per cent of new hires and 41 per cent of the global workforce. Anna O'Sullivan is BNY Mellon's APAC head of transaction management, corporate trust, in Sydney. Lauren Stewart, also based in Sydney, is the firm's vice president, APAC communications.

O'Sullivan says gender diversity is a very important part of BNY Mellon's culture and is not viewed in isolation. She explains that the company has made strong financial and advocacy contributions to many social-justice movements and is focused on promoting ethnic and cultural diversity internally to the same extent as its commitment to gender diversity.

Stewart says BNY Mellon is not only advocating for diversity but demonstrating it, pointing to the company's new country head in South Korea, Hyon Joo Park, and the chief executive of its investment management business, Hanneke Smits. In both cases, it is the first time a woman has held these roles in the company. Women represent 55 per cent of BNY Mellon's Asia-Pacific workforce.

The company's pursuit of gender and cultural diversity is supported internally by the BNY Mellon Women's Initiative Network (WIN), which has grown to have more than 6,000 employee members from just a handful when it was established in 2009. O'Sullivan is co-chair of the WIN Australia branch while Stewart is co-chair of the APAC branch.

WIN promotes professional development within BNY Mellon by giving members the opportunity to network with and access senior leaders, and by providing professional training and access to diversity-related research and content at no cost to the employee.

O'Sullivan says: "WIN is not just about improving employees' negotiation and networking skills or improving their visibility within the business. It also provides practical training for skills like reviewing financial statements and access to continuing education, live feeds and articles on gender diversity."

WIN also tries to reach beyond BNY Mellon and have an impact on the wider community. For example, the Australian chapter has supported Dress for Success Sydney for four years.

Dress for Success provides professional clothing, career-development tools and a support network to women with the aim of promoting financial independence and self-sufficiency. Often, these services are provided to women who are escaping harmful relationships or are otherwise coming from a disadvantaged background.

BNY Mellon provides support every month primarily by way of mentoring, and interview and CV preparation. Stewart says a recent experience with Dress for Success involved speaking with a woman looking for work in investment management. Providing insight, expertise and feedback in this particular area was rewarding, Stewart adds, though BNY Mellon's mentoring through the programme is not exclusive to its specific areas of business expertise.

"It is astonishing how many highly educated women are finding it difficult to get back on their feet and into the workforce," Stewart explains. "BNY Mellon is seeking to make a tangible community impact to help tackle some of society's structural issues with gender diversity."

O'Sullivan continues: "Recent research shows that the fastest growing cohort of homeless people in Australia is women over the age of 50. It is crucial that the workforce is a safe and welcoming place for women to return to after they have had children so they can be financially

> "IT IS ASTONISHING HOW MANY HIGHLY EDUCATED WOMEN ARE FINDING IT DIFFICULT TO GET BACK ON THEIR FEET AND INTO THE WORKFORCE. BNY MELLON IS SEEKING TO MAKE A TANGIBLE COMMUNITY IMPACT TO HELP TACKLE SOME OF SOCIETY'S STRUCTURAL ISSUES WITH GENDER DIVERSITY."
>
> **LAUREN STEWART** BNY MELLON

EXECUTIVE *SPOTLIGHT*

Anna O'Sullivan, APAC head of transaction management, corporate trust, and Lauren Stewart, vice president, APAC communications, are two of BNY Mellon's leading executive women in the Asia-Pacific region, with experience across multiple roles and jurisdictions.

BNY Mellon's businesses in Australia cover services in corporate trust, asset servicing and investment management. The Sydney office serves as a key hub for BNY Mellon's business in Asia, which the firm sees as an ongoing growth opportunity. O'Sullivan and Stewart's roles at BNY Mellon cover markets in North Asia, South-East Asia and Australia.

Their careers span years with BNY Mellon in Australia and elsewhere. O'Sullivan first joined Chase Manhattan Bank in 1999 in London. This business subsequently came under the J.P. Morgan umbrella and, through an asset swap in 2006, became BNY Mellon. O'Sullivan left BNY Mellon around this time but stayed in corporate-trust management and returned to run its transaction team in Sydney in 2017.

Stewart began her career managing strategic internal and external communications for financial-services companies in Australia before moving to London in 2003.

In 2015, while still in London, Stewart became EMEA communications manager for BNY Mellon's investment-management business. BNY is one of the world's largest investment managers with a total of around US$2 trillion of assets under management across eight firms.

Stewart returned to Australia in 2016 and remained with BNY Mellon, taking up the role of vice president, APAC communications.

O'Sullivan says a career highlight came recently while working with the Australian Office of Financial Management and other stakeholders to establish the forbearance special purpose vehicle (FSPV). BNY Mellon is trustee, trust manager and security trustee for the FSPV, which will be deployed under the Australian government's Structured Finance Support Fund and is intended to provide crucial support to the lending industry through the COVID-19 crisis.

"This has been a very rewarding experience and it has been particularly good to have so many senior women from across different organisations involved," says O'Sullivan.

Stewart has been instrumental in channelling global investment funds toward companies and initiatives that support diversity.

More recently, she has been involved in communication around the launch of BNY Mellon's Dreyfus Japan Womenomics Fund, an equities fund which focuses investments on companies that support and provide services to women. Stewart has also been crucial in organising BNY Mellon's annual International Women's Day events, which often attract more than 150 of Australia's leading business men and women.

https://www.bnymellon.com/us/en/disclaimers/business-disclaimers.jsp#corporatetrust

independent. Having a workplace ensures women have a support network, income and are accumulating superannuation for a healthy retirement."

Stewart points to the superannuation gap as another area of focus fior WIN. Industry Super Funds estimates women in Australia typically retire with 47 per cent lower superannuation balances than men, leading to precarious retirements and likely contributing to Australia's ballooning population of homeless women over 50.

Tackling the gender pay gap is critical in resolving these socioeconomic issues, Stewart says. "If women earn the same as men it is not only a more equitable society but a more prosperous one, where global wealth per person increases substantially."

BNY Mellon's internal and external pursuit of gender diversity and inclusivity outcomes focuses on micro and macro challenges. Ongoing leadership on these fronts will be crucial in the wake of the COVID-19 economic crisis.

O'Sullivan says BNY Mellon remains resolute in its commitment despite the chill winds of the latest crisis. Its internal advocacy and engagement is ongoing, and its external support for programmes such as Dress for Success has been maintained by digital means throughout the crisis. Furthermore, O'Sullivan says, it is encouraging to see the continued development and expansion of diversity in the wider banking and finance industry. She says much of this is being driven by women in leadership positions but there is also a proliferation of support from male allies within the industry.

"A lot of firms are being proactive in this area. This is good because the wider the buy-in, the greater the impact. At BNY Mellon we want continuity in the progress and momentum achieved in recent years, so it remains a big focus for us," O'Sullivan explains. •

> "IT IS CRUCIAL THAT THE WORKFORCE IS A SAFE AND WELCOMING PLACE FOR WOMEN TO RETURN TO AFTER THEY HAVE HAD CHILDREN SO THAT THEY CAN BE FINANCIALLY INDEPENDENT. HAVING A WORKPLACE ENSURES WOMEN HAVE A SUPPORT NETWORK, INCOME AND THE BUILD-UP OF SUPERANNUATION FOR A HEALTHY RETIREMENT."

ANNA O'SULLIVAN BNY MELLON

ROUNDTABLE DISCUSSION: **WOMEN IN BANKING AND FINANCE**

The COVID-19 crisis is having a profound impact across economies, markets and societies. **ANZ** and *KangaNews*, in association with Women in Banking and Finance, hosted business and market leaders to talk through the response so far and the wide-reaching nature of future changes.

PARTICIPANTS

- **Jacqueline Chow** Senior Adviser MCKINSEY and Nonexecutive Director COLES; NIB; AUSTRALIA-ISRAEL CHAMBER OF COMMERCE
- **Jen Dalitz** Chief Executive WOMEN IN BANKING AND FINANCE
- **Jen Driscoll** Chief Executive, Australia and New Zealand ALLIANCEBERNSTEIN
- **Jacki Johnson** Adviser IAG; Nonexecutive Director COMMUNITY FIRST CREDIT UNION; Co-Chair UNEPFI and AUSTRALIAN SUSTAINABLE FINANCE INITIATIVE
- **Carol Lydford** Treasurer TOYOTA FINANCE AUSTRALIA, Board Member LIFELINE NORTHERN BEACHES and Nonexecutive Director TOYOTA SUPER

ANZ PARTICIPANTS

- **Karen Brown** Director, Diversified Industrials
- **Felicity Emmett** Senior Economist
- **Gwen Greenberg** Head of Corporate Debt Capital Markets Australia
- **Katharine Tapley** Head of Sustainable Finance
- **Christina Tonkin** Managing Director, Corporate Finance

MODERATOR

- **Helen Craig** Head of Operations KANGANEWS

2020 PERPSECTIVE

Craig What are the market issues you have been thinking about most over the months of the COVID-19 crisis, whether related to the nature of work or the way we do business?

GREENBERG The biggest challenge I have faced is ensuring the younger members of my team, who may not be privy to all the conversations taking place, are moving up the learning curve and getting enough exposure and experience.

From a debt capital markets perspective and, more specifically, transactions and execution, what was really challenging at first was day-to-day communications. For example, determining what required wet signatures and what was okay to sign electronically, and then properly inserting that electronic signature into a document when we did not have technical support standing by. It can be quite frustrating.

LYDFORD Some of the market issues we saw at the height of the crisis are continuing, at least to a certain extent. Issuers and investors did not know how long the crisis was going to last and for how long markets were going to be affected.

The commercial paper (CP) market in Australia came to a grinding halt. Given the short tenor of CP, it runs off the book faster and, as such, we had to source additional funds to replace this debt in other ways. The same thing happened in the US and Europe.

"We are now seeing some organisations' behaviour changing. Some are questioning whether they should be outsourcing to offshore, whether they should be importing and exporting, and whether we should be more self-reliant."

JACQUELINE CHOW MCKINSEY

The uncertainty and rapidly evolving nature of the crisis led to some unintended consequences in the capital markets from decisions that were made to support the broader economy. By this I mean decisions like allowing individuals to access up to A$10,000 (US$7,158) of their superannuation if they are in distress.

This is a great initiative that I fully support. However, one of the consequences was that superannuation funds started liquidating assets. They were not investing in shorter-dated paper and everyone wanted to hold cash in reserve. This had a broader impact on the functioning of capital markets. Investors did not want to lock money away in either short- or longer-dated bonds. This is a lesson learned for the future.

The other thing, from a treasurer's perspective, is that one is always reflecting on decisions being made to support the company's liquidity. I need to think whether what I am doing is a two- or six-month decision, and to consider potential transactions from every angle – maturity profiles, liquidity needs and profitability.

There is substantial education undertaken to ensure management is on board with decisions and understands the rationale for recommendations. Having the confidence to make these decisions and act on them is critical.

■ **JOHNSON** The crisis is teaching us about short- and long-term decision-making, which we often only do in disaster situations. It reminds me of the recovery from the earthquake in Christchurch, where the long-term decisions were made very early on.

The current situation is not only testing our employers and leaders but it is also testing directors. We cannot just show up every month to board meetings. It is more important than ever to be across the topics and information that we may not have had as much access to in the past – not to mention there is no symmetry of information right now.

This event is hitting everyone globally. It challenges how we all think about the way we were and are working, but also the way roles and accountability are structured. We all have to pitch in.

The strength of the banking sector is helping us through. Financially we are very strong, which means we have more liquidity in the system. But we must be prudent in how we lend. From a responsible lending point of view, if people are not going to have a job in 12 months' time we need to be very conscious of how we evaluate their needs. I echo Carol Lydford's point about the short- and long-term balance of our decisions being more critical now than ever.

■ **DRISCOLL** We too are fully supportive of the superannuation access the federal government granted. However, in the context of our business and the impact on the superannuation industry – and when you look at it in combination with the coming recession, the rise in unemployment and reduced population growth – there will be consequences. Rainmaker expects the superannuation industry will no longer grow to the forecast A$10 trillion by 2040, but to A$7 trillion.

Superannuation funds in their role as investors have a significant impact on Australia's economy. As a fund manager that is part of the overall value chain, I see this as a shared issue and challenge we will have to address as it will have a long-term effect.

The technology impact has been significant in the past six months – both our dependency on it and in the efficiencies it can create. Assessing our ability to leverage technology to continue to operate effectively has been a critical focus and an issue we explored with our peers. Equally, though, we recognise other organisations have not been able to embrace this as effectively and we are trying to figure out what it means for us as we engage with the marketplace.

Picking up on the workplace comments, a lot of elements of flexible work are very important. I would also add to this the importance of employee wellness and mental health. This is an issue that the crisis has brought to the fore given the challenges presented by working from home. It also tests management skills and leadership abilities.

■ **CHOW** It has been interesting hearing the perspective from debt capital markets and fund managers. As users of markets, our preoccupation is the structural shifts that are occurring on the demand and supply sides. There were some big geopolitical and social events before the pandemic hit, and now of course they are gathering momentum. The shifts were towards populism and protectionism, exemplified by Brexit and Donald Trump's America.

On my side, in the supply world, we have always espoused diversification for managing risk and for good commercial sense. But we are now seeing some organisations' behaviour, across all sectors, changing. Some are questioning whether they should be outsourcing to offshore, whether they should

"On the initial impact, everyone was rushing to assess the situation and were thinking it was going to be quite short term – so they took an all-hands-on-deck approach. As time has gone on, fatigue has set in and attitudes have changed."

CHRISTINA TONKIN ANZ

HIRING *CHALLENGES*

One of the biggest challenges of the crisis is, as a general theme, doing new things in a disparate working environment. Bringing completely new people on board is a focal point of adaptation efforts.

CRAIG How are organisations hiring people, particularly graduates or those that are new to the industry, in the current environment?

■ **LYDFORD** We have not been hiring many new recruits in the past few months, but where we have gone through this process interviews have taken place via video conference.

We have just launched the recruitment programme for the next graduate intake, but the process is protracted. We hope that by the time we are ready to do interviews we will have returned to some kind of normality and therefore are able to meet potential candidates in person.

■ **TAPLEY** We have just made a hire for the sustainable finance team. Admittedly it was an internal hire, but I found the virtual environment sped up the process. Because of the availability of people – particularly myself, as in a previous life I spent a lot of time flying – the interview was able to be executed quickly. Everyone was also very comfortable with the process and I found it refreshingly simple compared with other recruiting experiences.

■ **TONKIN** ANZ, like other organisations, is not doing a significant amount of external recruiting at the moment. We would advertise externally only for a critical capability and for which we could not hire internally. One of the benefits of this has been that we have ended up with significantly more internal movement at senior level. Previously, if a senior employee moved on, our automatic reaction would be to hire externally.

Not that I necessarily want this to happen forever, but the current process has been quite a positive stop-check. It gives me the opportunity to move people around and in some cases promote people who arguably would not have had the opportunity otherwise.

I am a big supporter of our graduate programme. One of the things I have constantly said is that we must not stop hiring at graduate level. The programme has enabled me to bring in more graduates to fill gaps as others move up the ladder.

But I agree that the online approach has sped up the hiring process, as it has been easier to gather panels. To some degree, it is a more intimate process and is less intimidating. I also think, in many cases, candidates have performed better on screen.

■ **CHOW** We have had a great problem to solve at Coles Group because we have employed 15,000 people in the past six weeks. The pipeline and the diversity of that pipeline has been a joy to see – including drawing from the

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JEN DRISCOLL ALLIANCE BERNSTEIN

be importing and exporting, and whether we should be more self-reliant.

On the demand side, of course, consumer behaviour has changed. Customers want the most frictionless experience and it is not risk aversion that is compelling them but fear. We have been preoccupied with the permanence of these shifts.

■ **EMMETT** After the global financial crisis, with the dislocation that happened and some of the stimulus measures introduced, we saw a big increase in inequality. It was not so much the case in Australia, but certainly in the US and UK we saw this disparity of outcome – specifically around intergenerational inequality. Over time we have seen the repercussions of this with Brexit and the election of populist governments in the UK and US.

We are seeing the economic consequences play out now alongside the social consequences, and I think this is one of the more permanent changes that will need to be considered. This crisis has hit everyone but, while jobs have been hit and wages have declined across all industries, younger people and women have suffered much more.

Unless there are very determined efforts to address these issues around inequality, this problem will worsen over an extended period. The consequences are difficult to foresee, too. I think this will be a very big issue for policymakers going forward.

■ **DALITZ** We kicked off an initiative at Women in Banking and Finance (WiBF) to invite representatives of our member firms to speak on a range of topics – the first one being flexibility.

I should preface what I am about to say by pointing out that being forced to work from home is not necessarily flexibility. But we have seen some roles performed remotely for the first time. One of the discussion points was that, post COVID-19, it may be beneficial to work with regulators on a model flexibility policy that would determine what aspects of roles can be done

hospitality and airline industries. We would not previously have been able to tap into such a wide pool of talent.

It takes Coles six months to plan for Christmas shopping in December. Every day of this pandemic has been Christmas day. We could not go on like this and we have had to shift how we go about business.

An example of this has been a capital ask for five pop-up distribution centres. We have all probably been customers of pop-up stores of our favourite brands, but having an entire pop-up distribution centre is something we would not have dreamed about six months ago. Nor is hiring 15,000 people.

It is impressive that we, and everyone else, have been able to pull this off – but it requires a mindset shift.

■ **JOHNSON** The social shift is something I have not seen throughout my career. Certain sectors are under stress while others need employees.

I saw the same with Insurance Australia Group (IAG) around bushfire claims. Its joint-venture partner, RACV, has now been hit with hospitality industry challenges so IAG has been able to recruit RACV staff to help with claim applications.

I think how we are breaking down our mindsets about the skills people have and how they are transferable to other sectors is interesting.

■ **DALITZ** We have seen this extensively across the retail banks, too. During the peak of the crisis, call centres were overwhelmed with up to 25,000 calls an hour. The big banks redeployed anyone they could upskill, quickly, to take calls and undertake a triage approach across thousands of staff. It was largely redeployment, though, rather than employment.

■ **DRISCOLL** The lack of this type of thinking has been one of my frustrations. Transferable skills are one of the most important factors to identify when recruiting, yet recruitment firms have often just ticked the boxes we specified.

We now have a good opportunity to challenge this approach, which has often negatively affected women applying for a role that immediately speaks to them. It helps to advance the positioning around the characteristics and skills we want for a role rather than the role's requirements – these are two different things that, I feel, limit the pool of talent we want for a role.

■ **LYDFORD** Similarly, we have moved a large proportion of our customer sales staff to assist in responding to customer calls regarding hardship – to deal with increasing queries in this part of the business.

It has been very good to see this development. There is a clear mindshift now. Rather than Carol being someone who works in treasury, Carol is someone with a particular skillset which enables her to work in various areas of the business, to remain flexible and adaptable.

■ **BROWN** The link to flexibility, agility and resilience is key. We were executing transactions virtually that would normally take months and be done in physical meetings with presentations and the like. Everything has been completed in compressed timeframes through processes that were historically run in very different ways.

This is what you want from people: the ability to be flexible in the times when it is most beneficial. This kind of flexibility and resilience makes for a better organisation and enables greater success.

"WE HAVE JUST MADE A HIRE FOR THE SUSTAINABLE FINANCE TEAM. ADMITTEDLY IT WAS AN INTERNAL HIRE, BUT I FOUND THE VIRTUAL ENVIRONMENT SPED UP THE PROCESS. EVERYONE WAS ALSO VERY COMFORTABLE WITH THE PROCESS AND I FOUND IT REFRESHINGLY SIMPLE COMPARED WITH OTHER RECRUITING EXPERIENCES."

KATHARINE TAPLEY ANZ

remotely, how we deal with security of information, and any potential conflicts – perceived or otherwise – of working in markets roles remotely. This has been a hurdle in the past.

CRISIS RESPONSE

Craig Those tasked with deciding where to set the line to protect lives and the economy do not have an enviable role. What do you think of the measures taken?

■ **EMMETT** We've seen extraordinary stimulus around the world. This is a very well-defined crisis – it is not like the financial crisis or even the early 1990s recession where waves of problems hit policymakers and they had to troubleshoot along the way. In this instance, we know very clearly what the problem is.

We don't know the shape of the virus curve going forward but we do know what the problem is, so policymakers have been swift and heavy-handed with stimulus, including in Australia. The International Monetary Fund estimates the fiscal stimulus, so far, is three times what we saw at the time of the financial crisis.

The authorities have taken the right approach in not separating the economic and health outcomes. The debate that has played out in the media suggests there is some trade-off between the two, but I don't think this is quite right.

Even without mandated lockdowns, if there are high case numbers people will stay home. Sweden, where government-sanctioned shutdowns were quite limited, announced in early August that its second quarter GDP was lower by close to 9 per cent. It has taken a heavy economic toll as well as a heavy death toll.

Policymakers in Australia have done a good job. The question, though, is whether they will be able to continue. We have a fiscal cliff at the end of September when federal

"This environment of everyone working from home has presented more challenges when it comes to change or significant projects. Strategic initiatives may also be stalled as companies have not had the ability to lead change programmes as effectively as they might wish."

JEN DALITZ WOMEN IN BANKING AND FINANCE

government support is due to drop to around 3 per cent of GDP from 13-15 per cent. There is really no way the private sector can lift activity to fill this gap.

It is not just the fourth quarter. The federal government must step up with some short- and long-term measures to help support the economy. This will have implications for markets. There will be much more emphasis on fiscal support and much less on the monetary side going forward.

Craig Financial markets appear to be ploughing on despite the spike in COVID-19 cases in Victoria and the problematic situation globally. Is it the case now that the risks are known and the economic support in place so markets can largely carry on with business as usual?

■ **EMMETT** Markets have been buoyed by the level of stimulus – you can see it in the stock market in particular. In Australia, the RBA [Reserve Bank of Australia]'s intention has clearly been to keep the short end of the curve lower and a cash-rate target of 25 basis points. This has helped smooth and support markets but it is something policymakers must keep a close eye on.

We don't know how things like the end of the mortgage-deferral programme and the insolvency-forgiveness period are going to play out in the economy. Not to mention how these potential problems influence markets and banking, or whether there are other market dislocations.

■ **BROWN** The stock market is continuing to perform well considering the impact of COVID-19. But there is a big question around how the stimulus will taper off and what the impact will be. Some industries will be more affected than others. There are very different stories among those we support, which include nondiscretionary and discretionary retail, tourism and the airline industry. It is going to be a long path back to normality.

There will also be opportunities, though. Some businesses are performing very well and are setting themselves up to grow.

■ **LYDFORD** The stimulus packages have been very well received and are assisting in market recovery. But there will be a long-term impact on social welfare and mental health in Australia, which, even after the immediate recovery of the markets and economy, will continue to be a concern. There will be lasting effects on our society even once COVID-19 is under control.

It is not just COVID-19, though – we have had the bushfires and floods. Many Australians are without work, have lost friends and loved ones or are simply tired. This is where the mental-health piece comes into play. There will need to be strong government support for ongoing health issues and, as there already is, to agencies that support the fallout from these significant events.

■ **CHOW** One thing I have been thinking a lot about is that the two actors in this crisis have been governments and regulators. I am very intrigued to hear whether a lasting role for these will continue be welcomed in the banking sector and debt capital markets.

■ **JOHNSON** From an Australian Sustainable Finance Initiative (ASFI) perspective, it is significant that, globally, roadmaps that are supporting the UN Sustainable Development Goals (SDGs) have been government-led but industry-backed. Sometimes strong roadmaps upfront are followed by a struggle to implement because they did not bring the industry along.

At ASFI, we have been doing the reverse for the past 18 months. The industry came together and funded ASFI, which has received government support via the regulators that observe the steering committee. We have been mindful to balance what

"There are many young and bright individuals coming through the workforce and we have stepped into their world of technology. Managing how they become our future leaders as we use technology even more than we were before will be interesting."

CAROL LYDFORD TOYOTA FINANCE AUSTRALIA

> "This crisis has hit everyone but younger people and women have suffered much more. Unless there are very determined efforts to address these issues around inequality, this problem will worsen over an extended period."
>
> **FELICITY EMMETT** ANZ

they regulate with what we think is a good systemic roadmap to get a long-term benefit for environmental and social outcomes.

One question I have been reflecting on as a challenge for us as a sector is what skills will be required in future. This is not only for our current workforce but the pipeline of future employees, and what role we will have to play as a sector to get the skills we require. One of the issues in delivering services is going to be having the right employees.

Thinking about lessons from the financial crisis, studies from the US and Europe show that how we skill people up will have a huge impact – and this will be one of the first of many shocks to the economic welfare of the system.

The big difference with the financial crisis period, of course, is that it is often said the financial sector caused the crisis – albeit not in Australia. This time we are being called on as one of the actors to assist fixing something that was not of our own making. Across our sector, everyone has stepped up and has been adaptable – and we should be very proud of this.

■ **DALITZ** We have seen this across our membership. There is a degree of fatigue due to the quantum of additional work that has been created to manage everything – from hardship cases to reworking deals to transformation projects.

This environment of everyone working from home has largely seen little change in output and performance. But it has presented more challenges when it comes to change or significant projects. Strategic initiatives may also be stalled as companies have not had the ability to lead change programmes as effectively as they might wish. It is one thing to perform call-centre duties and quite another to transform business systems and undergo a full reorganisation.

Just as organisations are operating at different speeds, so too there is some differentiation around the pace at which people have been operating and have been able to redirect resources within organisations.

■ **TONKIN** There are positive aspects. From ANZ's perspective, a lot of relationships are being solidified and taken to a higher level. ANZ is a relationship bank and we have been working closely with our clients in many respects. It means we have had a strong alignment between looking after employees, working with customers, dealing with stakeholders and engaging with regulators on a more personal level.

With everyone working from home and using technology, all levels of the organisation have been a lot more accessible. We have been running a lot of information webinars for customers on all aspects of the economy, with hundreds of people joining in. They have dialled in from all levels, too – from board directors to the front line.

COVID-19 still has some way to run from a health perspective. From a financial-system perspective, it arguably has years to run. It will be important for investors, corporates and the financial system to work with government on the recovery.

It is affecting each company differently. Some of our customers are performing very well and others less so. The struggling entities are going to be profoundly affected and we see this even within the same industry, such as the resources sector with the oil and gas industry relative to iron ore.

One of the things that preoccupies my mind as this crisis goes on is how perspective has changed. On the initial impact, everyone was rushing to assess the situation while also thinking it was going to be quite short-term – so they took an all-hands-on-deck approach. As time has gone on, fatigue has set in and attitudes have changed. For example, those who were initially relaxed about working from home have become more anxious to return to the office.

Similarly, those with more mature careers found working from home more easily achievable, because of this maturity and experience. But, as has been said earlier, the impact on young people is noticeable. Graduates and those a year into full-time work are finding it a lot harder to learn because they are not surrounded by experience. They cannot just swivel their chair around to ask for help.

Within organisations, particularly ANZ, there is quite a big focus on programmes for employees. We are compiling a new resilience programme for our leadership to help them deal with the change.

It is interesting that it all starts with the individual. You must be in a good head space before you can help others. We need to start thinking about the long term and what it means for strategy around diversification, breadth of work and the associated impacts of ways in which the world is going to change.

■ **DRISCOLL** Resilience is an attribute and a skillset that needs to be developed. Part of this, and why I mentioned the focus on mental health and wellness earlier, is because the working-from-home environment has many challenges to performing work and home duties.

"The uncertainty and ambiguity about the future has been unlike any other time I have known. Looking through previous volatility, there has always been a safety net, whether it be companies, banks or governments. But who do we turn to now?"

GWEN GREENBERG ANZ

One of the things AllianceBernstein has done is look far beyond the support we have always provided to our employees. We have made resources available free, such as access to a psychologist or health and fitness opportunities. This is to encourage and create a more balanced perspective, with an aim to build resilience as a result.

This also goes back to the point about management and leadership, and the context of trying to bring people along on the journey when they do not have the day-to-day support to acclimatise to a new organisation or role.

It is an interesting challenge and it has a lot to do with the diversity narrative in the context of the characteristics women traditionally have and can bring through their leadership styles. We, as an organisation and a society, can take many lessons from this crisis.

■ **LYDFORD** We are spending time working on resilience, and health and wellbeing programmes, particularly around leading teams remotely and being able to look after them. One of the biggest challenges, and a huge learning curve for the organisation, is bringing inclusion to on-screen meetings.

Going back to the impact on younger people, there are many young and bright individuals coming through the workforce and we have stepped into their world of technology. Managing how they become our future leaders as we use technology even more than we were before will be interesting.

MEAN REVERSION

Craig Is the general view that over time things will go back to how they were, or will COVID-19 permanently alter elements of how we work and live?

■ **LYDFORD** I think the importance of flexibility will remain. A good example of this is the global roadshow we were organising along with our teams in the US, the UK and the Netherlands as COVID-19 hit. As a result of the pandemic, we decided to bring forward the European bond deal we had been planning to launch after this roadshow. The outcome was really pleasing. More investors than ever participated, without the need for any in-person meetings, and it was one of the most successful transactions in the market at the time.

I think in large part the way of the future depends on the sophistication of some of our investors. Some prefer to meet face-to-face, some are comfortable with web roadshows, still others are content to tick the box on the financials. My view is we will eventually creep back to how we were, for some investors anyway. It is the nature of people to want to connect and it is just a matter of time.

■ **GREENBERG** The market has been incredibly adaptive around roadshows and my view is that the current environment will have implications for the future. One thing of note has been the willingness of investors to engage in online forums, even with new issuers.

Previously, an issuer might have 10 or 12 investors dial in for half- or full-year results, and some of those would do so predominantly out of curiosity. This has now shifted. We are seeing 40-plus investors dial into update calls and they are actively participating and asking questions. The reception from issuers and investors has been very positive and the uptake is a pleasant surprise. This type of communication is certainly more efficient online, but it is true that there is still a preference for traditional one-on-one meetings.

We are a considerable way from any of these being permanent, structural change. One just has to look around

"The big difference with the financial crisis period, of course, is that it is often said the financial sector caused the crisis – albeit not in Australia. This time we are being called on as one of the actors to assist fixing something that was not of our own making."

JACKI JOHNSON IAG

the world to see this. For the first time in my career, I have witnessed companies not release forecast earnings and, in many cases, postpone dividend payments until further notice.

The uncertainty and ambiguity about the future has been unlike any other time I have known. With previous volatility, there has always been a safety net – whether it be companies, banks or governments. But to whom do we turn now?

Markets seized up at the start of the crisis and it was not until central banks around the world intervened that things started flowing again. Our concern now is what is going to happen when we no longer have central-bank support – the scary part is that central banks cannot afford to pour money into the economy indefinitely.

Tying it back to my initial concern about experience and opportunities for the younger generation, companies are closing their doors and many will not reopen. It will be interesting to see what comes to replace those that are not moving forward. It is going to be a challenging environment, especially for new companies and for private-sector evolution in general.

Until there is a vaccine or an acceptance of re-opening the economy and living under the current situation, opportunities seem like they will remain limited for the younger, less experienced generation.

■ **EMMETT** I think we have seen an acceleration of the trend toward flexible working. As Jen Dalitz pointed out, we are seeing a great number of roles that people said could not be performed at home, such as trading, being done from home.

It will open a lot of roles for more flexible options permanently. We will see a higher number of people working from home, for a great proportion of the time. However, while there may not be as much demand for commercial office space in the city, I think eventually workers will return to the office for at least part of the week. I don't think we can expect the majority of people to work from home for the bulk, or all, of the time.

Research shows that while the initial productivity gains from working from home were surprisingly positive, over time some of these get eroded. We touched on this before, but training staff or inexperienced people not having an experienced hand next to them is quite difficult to overcome. Projects and collaboration tend to take a bit longer.

There is less information sharing as well, without water cooler or hallway chat. All these things suggest that, over time, we will eventually move back to the office – although some of the changes will be longer-lasting.

Lydford Does this apply to men and women equally?

■ **DALITZ** The statistics show overwhelmingly that if it is a male and female, two-income household the shift back to the office is being led by men. There has been an increase in unpaid work for both genders, according to a study by the University of Melbourne, but disproportionally for women over men – and particularly in childcare responsibilities.

Craig Is a vaccine the only way things can return to normal?

■ **TONKIN** I was on a plane recently and found it quite confronting to arrive at a completely empty Sydney Airport. All the passengers had masks and social-distancing requirements were respected while queueing – in fact, compared with normal, people were relatively polite.

I hope we can keep some of these good habits. Regardless of whether or not a vaccine is developed, I think some changes will remain. This crisis will have a profound impact on the way people interact.

■ **DALITZ** Vaccine or not, this crisis has advanced the gender-balance conversation by at least a decade. Fathers have been telling me that, for the first time in their careers, they have been taking their children to and from school and they have seen their children more in the past three months than they have in the previous 10 years.

Where companies have policies that either parent can take time off but the father has been reluctant to do so, this will radically shift. Some changes for the better are here to stay.

■ **CHOW** I could not agree more. The whole theme of diversity and inclusion that brought us together has a significant barrier caused by inequity. It feels like there is a social movement emerging from the citizens of the world albeit, sadly, from crisis. This includes the death of George Floyd, the Lebanon explosion and the possibility of regime change from the people in Iran. It is happening now in every continent.

This was all bubbling away beneath the surface but, because of the pandemic, it has now erupted. People have had enough and I hope there is now enough of a 'coalition of the willing' to create the positive change we have all been talking about. •

"We will see some industries affected more than others. There are very different stories among those we support, which include nondiscretionary and discretionary retail, tourism and the airline industry. It is going to be a long path back to normality."

KAREN BROWN ANZ

Helping communities to thrive

ANZ's purpose is to shape a world where people and communities thrive. The bank's approach to diversity and inclusion is one way it brings this purpose to life, enabling the social and economic participation of all its stakeholders – customers, employees, and the wider community.

"We have what I think is a powerful method to support diversity and inclusion, because it is a combination of top-down and bottom-up," explains Kathryn van der Merwe, ANZ's Melbourne-based group executive, talent and culture.

The top-down approach starts with ANZ's chief executive and executive committee – which is notably made up of 50 percent women – who fundamentally believe in the power of diversity, van der Merwe adds.

This is in combination with a bottom-up approach of strong employee networks for diverse groups such as gender equality, LGBTIQ+, abilities, cultural diversity and mental health.

"These are groups of employees with a shared passion that creates a wonderful sense of community. Many of our initiatives are generated by these groups and they are incredibly important as they are led by passionate people," van der Merwe explains.

Van der Merwe highlights the bank's Pride Network as an example that has been in operation for many years and was born out of employee drive.

The ANZ Pride Network first participated in the Sydney Gay and Lesbian Mardi Gras in 2007 and its advocacy for LGBTIQ+ inclusion ultimately led to ANZ becoming principal partner and developing the ANZ Sydney Mardi Gras Community Grants. These provide financial funding for education and training, community development and creation, and arts and culture. The bank's employee networks self-manage and self-govern while typically being sponsored by an executive leader to help support the network's profile.

Return to work

ANZ is committed to building a diverse and inclusive workforce and increasing the representation of women in leadership. A key focus is to accelerate the pipeline of technology talent. Carina Parisella, group technology initiatives lead at ANZ in Melbourne, is leading the charge on a range of bank programmes including those focused on women in technology. Her role combines strengthening diversity and innovation.

On International Women's Day in March 2019, ANZ launched its Return to Work programme. This targets individuals looking to reignite their careers having had a break of more than two years. It focuses on building confidence and support networks by providing a platform to re-enter the workforce in meaningful and flexible roles that leverage employees' experience and skills.

"Through looking at the problem from the lens of working mothers and individuals who have taken career breaks for different reasons, we were able to design a programme that genuinely talked to the challenges and barriers in returning to work," Parisella explains.

Had ANZ used traditional methods of recruitment it may not have uncovered this untapped talent, she argues. Instead, the bank used recruitment methods focused on genuine connections, and in doing so generated more than 640 applications in three weeks. From this first cohort, ANZ has hired 30 highly skilled individuals in roles across the business – the majority in group technology.

Bolanle Ugbode, Melbourne-based operations analyst, group technology at ANZ, was a successful applicant to the programme after looking for a suitable role for around 18 months. The extended duration of her job search tested her positive outlook. She comments: "You start to imagine you're just not enough – when you really are."

Ugbode believes ANZ found her and encouraged her to bring "her whole self" to work. "I can embrace who I am as a woman, as a Black woman, as a mother, as an African-American. Whatever it is, I'm able just to show up as who I am and I'm here ready to work."

She finds seeing women in positions of leadership inspiring. "My boss is female and is an incredible leader, and I look across the room at the head of one of our major initiatives, who is also female. This demonstrates to me that the company

"THE SENSE IS, AND OUR DATA IS TELLING US, THAT WORKING PARENTS WITH YOUNG CHILDREN ARE FINDING THIS SITUATION PARTICULARLY CHALLENGING, AND IT IS UNFORTUNATELY DISPROPORTIONALLY AFFECTING WOMEN. SO WE ARE DIALLING UP SUPPORT AND TARGETING IT TO THOSE GROUPS."

KATHRYN VAN DER MERWE ANZ

values having a female voice at the table, which tells me they value me as a person."

Ugbode says ANZ's Return to Work programme has also given her eldest daughter the ability to see not just dad going to work but mum too. "Anyone can do any type of job," she says. "Anyone can achieve what they set out to achieve, as long as they put their minds to it."

Parisella explains: "The programme sits within the technology division, which also leads the Spectrum programme for autistic people and the Microsoft TAFE traineeship – all designed to help people and communities thrive."

Community focus

ANZ also recognises the power of encouraging and embedding diversity and inclusion into its supply chain. In particular, it has been focusing on its Indigenous procurement strategy.

Cleaning services are playing a critical role in response to the COVID-19 pandemic and one, Vivid Indigenous Services, is helping achieve economic independence for Indigenous Australians as well as providing impeccable cleaning services.

Vivid Indigenous Services and its sister company provide cleaning services to ANZ branches in the ACT, Victoria, Tasmania, South Australia and the Northern Territory, and have recently expanded to include Queensland via ANZ's building services manager, JLL.

The expansion into Queensland provided a spike in employment opportunities for Indigenous communities across the state – and the initiative links back to ANZ's Reconciliation Action Plan through increased engagement with Indigenous-owned businesses. With the expansion also came an added opportunity to increase funding and a greater ability to invest in the community.

ANZ is in the process of reviewing its diversity and inclusion strategy, van der Merwe tells *KangaNews*. However, she emphasises that the review is not because of COVID-19. "It is just that it has been in place for a couple of years now, so it is time to look at it through fresh eyes."

Even so, having diversity and inclusion as an important goal within the institution means ANZ is conscious of the impact the current situation is having on different groups of people. In particular, the bank is aware of the disproportionate impact it is having on some.

"The sense is, and our data is telling us, that working parents with young children are finding this situation particularly challenging, and it is unfortunately disproportionally affecting women. So we are dialling up support and targeting it to those groups," van der Merwe explains.

She adds that it has been pleasing to see how quickly the bank was able to adapt to the current situation. "A lot of this has come down to the foundations we have been laying over the past few years around adopting agile ways of working and helping equip our leaders to connect to their team members, therefore creating clarity within teams. It has been great to see our employees digging into their toolkits to help ANZ navigate through this time."

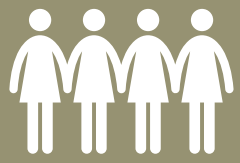
Van der Merwe also calls out the depth of connections she notices has formed within teams. "There are stronger connections than before in my team because people are sharing their personal challenges and we are all helping each other. This is something I am confident we will all benefit from on the other side."

Van der Merwe says there is no doubt ANZ as an organisation has learned valuable lessons from the pandemic. "Employees can do even more from home than we previously thought and now we are staring at this question of what it will mean for us going forward."

ANZ's solution must be adaptable, given the strong likelihood that the environment will continue to change even in the near term. It also has to be appropriate for ANZ. Acknowledging that working from home for more of the time can be draining, van der Merwe says the key will be striking the right balance between the work people can do at home and the work they do better together.

"We believe that, whatever way we end up working, it will have to continue to deliver great outcomes for our customers. We believe in the power of teams and in innovating and creating together rather than as individuals. We want people to form a connection to ANZ and to our purpose, and this is shaping our thinking about what this will mean for us at ANZ."

> "THROUGH LOOKING AT THE PROBLEM FROM THE LENS OF WORKING MOTHERS AND INDIVIDUALS WHO HAVE TAKEN CAREER BREAKS FOR DIFFERENT REASONS, WE WERE ABLE TO DESIGN A PROGRAMME THAT GENUINELY TALKED TO THE CHALLENGES AND BARRIERS IN RETURNING TO WORK."
>
> **CARINA PARISELLA** ANZ



PROFILES OF KEY WOMEN'S NETWORKS IN AUSTRALIA

100 WOMEN IN FINANCE

100 Women in Finance (100WF) is a global finance industry organisation with more than 15,000 members, operating in 26 locations on four continents. Core member services are industry education, peer networks and impact opportunities. The current strategic priorities include the Investing in the Next Generation initiatives and elevating the public visibility of female investment professionals and women in senior fintech roles.

Mission

100WF operates under a guiding 30×40 vision in which women will perform 30 per cent of investment-team and finance-industry executive leadership roles by 2040.

100WF members strengthen the global finance industry by empowering women to achieve their professional potential at each career stage. They inspire, equip and advocate for a new generation of industry leadership, in which women and men serve as investment professionals and executives, equal in achievement and impact.

Through education, peer engagement and impact, the organisation furthers the progress of women who have chosen finance as a career and enables their positive influence over pre-career young women.

History

100WF was founded in 2001, when three women working at hedge funds had a novel idea: bring together 100 female investment professionals to lever their collective relationships and enhance connectivity within the alternative investment industry.

The group was initially called 100 Women in Hedge Funds. In the beginning, the founders identified three areas where collaborative efforts could effect change in the industry and beyond: peer engagement, philanthropy and education. A simple idea became a powerful mission and rippled through the industry – drawing members from hedge funds and alternative investments as well as the wider finance industry.

From the beginning, the 100WF model has been practitioner- and volunteer-driven. With a small staff and a volunteer global governing board, the organisation boasts 500 active volunteers who implement the mission.

In late 2016, the organisation formally re-branded to become 100 Women in Finance. The rebranding expresses a more inclusive membership across the financial spectrum – including all forms of alternative investments, the traditional long-only industry and new iterations of finance such as fintech.

In 2019, 100WF evolved the pillars of its core enterprise to be education, peer engagement and impact – which was formerly the philanthropy pillar. With its impact pillar, 100WF works to strengthen and diversify the finance industry's investment and executive talent, and to create purposeful pathways toward careers in finance for pre-career young women of all backgrounds.

Membership

100WF's members are finance-industry practitioners of all levels of seniority and any area of functional expertise. Membership is open to all, women and men, who support the mission and wish to benefit from 100WF's industry education and professional-development programmes, global peer networks, impact opportunities, job board and other membership features. Members are asked to pay a modest annual fee for access to 100WF's offerings and many members additionally support 100WF's mission as "global angels".

Industry partners

100WF enjoys sponsorship by a large number of corporate entities, primarily large global financial institutions, alternative-investment firms and industry service providers. Sponsors provide funding for key 100WF initiatives and operations, and also provide 100WF memberships for their employees. Some companies provide in-kind support to the organisation via event hosting, offering speakers and providing professional services.

100WF additionally partners with select industry organisations to offer opportunities that further benefit 100WF members.

Events

100WF produces more than 300 events per year, globally. They range from large, in-person industry gatherings and conferences to smaller, more intimate gatherings of senior professionals who share common professional interests. Increasingly, 100WF events are recorded and are made available for members' on-demand enjoyment.

Board members

100WF is a nonprofit organisation governed by the 100WF global association board, a diverse group of senior finance-industry executives. The board sets the organisation's strategic objectives, develops global policies and oversees finances. It governs all 100WF legal entities to achieve the organisation's mission and comply with regulations in global locations in which 100WF operates. The board meets quarterly, usually in New York – where the organisation is headquartered.

FURTHER INFORMATION

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CFA SOCIETIES AUSTRALIA

CFA Societies Australia (CFASA) comprises associations – based in Sydney, Melbourne and Perth – of local investment professionals engaged in a wide variety of roles. These include corporate finance, portfolio management, security analysis and investment advice.

With more than 3,000 members across Australia, CFASA aims to increase local public awareness of the Chartered Financial Analyst (CFA) programme and add value to members by providing exceptional programmes and continuing education events, professional development opportunities, career development, placement, networking and social activities.

Mission

CFASA's mission is to enhance the reputation of the CFA designation in Australia by promoting ethics, integrity and professional excellence, and to improve the competency and standards of the investment profession in Australia.

The CFASA Diversity Council was established to raise awareness around the significant issue of diversity disparity and to effect positive change and achieve outcomes that lead to industry and community transformation around this issue. CFASA currently has 19 per cent female members, with a target of 30 per cent by 2027.

In FY19 more than 13,000 candidates enrolled in the CFA programme in Australia, including 50 per cent female candidates for level one. Several initiatives have been implemented to keep female candidates involved – including focus groups, mentoring and candidate-engagement programmes.

History

In 1947, four financial analyst societies – Boston, Chicago, New York, and Philadelphia – cooperated for the purpose of promoting the exchange of ideas and supporting the welfare of their profession. In 1962, some of these financial analysts created the CFA designation and established a code of conduct.

In 1963, the profession was formalised when 284 candidates sat for the first CFA exam and 268 CFA charters were awarded. In 2004, the Association for Investment Management and Research voted to change its name to the CFA Institute. There are more than 178,000 CFA charterholders worldwide in 162 markets.

CFA Society Sydney was the first society to form in Australia, in 1996, with Melbourne following in 2000 and Perth in 2012. Today, these three societies make up CFASA.

Membership

Becoming a member of CFA Institute enables the use of the CFA designation. This enables members to engage with the issues affecting their profession, connect with local and global colleagues, and access top-tier professional learning resources and the latest industry insights.

Becoming a society member is a great way to get practical benefits from the CFA designation and engage with the industry. The societies work hard to provide members with a wide range of member benefits. These include networking opportunities, professional development, workshops, conferences, volunteer opportunities and mentoring. CFASA also advocates for the highest standards of competency, compliance, ethical behaviour and market integrity on behalf of beneficiaries of financial services in Australia.

Top 10 employers of CFA charterholders*

- Commonwealth Bank of Australia
- National Australia Bank
- Macquarie Group
- Westpac Banking Corporation
- AMP
- ANZ Banking Group
- AustralianSuper
- PricewaterhouseCoopers
- Pendal Group
- Deloitte

* In descending order, starting with firms with highest number of CFA charterholders

Top 10 CFA charterholder occupations*

- Research analyst, Investment Analyst, Quantitative Analyst
- Portfolio manager
- Other
- Corporate Financial Analyst
- Consultant
- Risk Analyst/Manager
- Relationship Manager/Account Manager
- Financial Adviser/Planner/Wealth Manager
- Accountant or Auditor
- Investment Strategist

* In descending order, starting with most popular occupations for CFA charterholders

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CHIEF EXECUTIVE WOMEN

Chief Executive Women

Founded in 1985, Chief Executive Women (CEW) now represents more than 650 of Australia's most senior and distinguished women leaders across business, academia, government, and the arts and not-for-profit sectors. CEW is an Australian member association with a national membership and state chapter chairs in all five Australian mainland states and the Australian Capital Territory.

CEW strives to educate and influence all levels of Australian business and government on the importance of gender balance. Through advocacy, targeted programmes and scholarships, CEW works to remove the barriers to women's progression and ensure equal opportunity for prosperity.

The CEW leaders programme is designed to equip women to fulfil their leadership potential. It provides women with the skills to take their place alongside men so organisations can deliver the best possible outcome for customers, shareholders and the community. CEW's scholarship programme enables and supports the ongoing development of women leaders. Together with its partners, CEW offers senior executive women the unique opportunity to attend leadership courses at leading international business schools.

Mission

CEW's shared mission is "women leaders enabling other women leaders". Its four areas of priority are:

- Women's leadership: to advocate for gender balance in leadership that benefits women, business and the entire community.
- Economic security: to strengthen women's economic security across their working life and into retirement.
- Flexible work: for men and women to have equal access to working flexibly.
- Women's workplace participation and caring responsibilities: to enable more women's workforce participation through accessible, affordable, quality childcare.

History

CEW had its foundations in 1985 as a branch of the Paris-based organisation, Women Chiefs of Enterprise. A mutual passion to get a fairer deal for women leaders underpinned the formation of the group. CEW also provided a haven for women seeking to share their experiences as pioneers in the boardrooms and C-suites of Australia. Over time, the membership has become a rich environment of learning and energy, with an agenda to drive the expansion of women leaders in Australia.

Membership

CEW has an unwavering focus on including the most senior women in Australia as members regardless of where they live, their mode of employment (executive or nonexecutive) and the type of organisation they lead (not-for-profit, public or private sector). Membership is offered to women who meet the CEW membership criteria and remains open to them throughout their lifetime. Women must be endorsed by a current member and fulfil a selection criterion based on their leadership sphere.

Industry partners

CEW works in partnership with organisations that make generous donations in the form of skill, time and thought leadership (see box). This generosity has resulted in powerful research and insights into women's representation in leadership and gender equality and has enabled CEW to make meaningful contributions to the public discourse.

PARTNERS AND SPONSORS

Principal business partner: ANZ
Principal research partner: Bain & Company
CEW partners: Deloitte, Goldman Sachs, KWM, Spencer Stuart

ANNUAL DINNER SPONSORS

Platinum Sponsor: KWM
Gold sponsors: ANZ, BHP, KPMG, NAB, QBE, Telstra
Official airline sponsor: Qantas
Premises Partner: CBRE
Silver Sponsors: Allens, AMP, Ashurst, BCG, CBA, Dan Murphy's, Deloitte, EgonZehnder, EY, Gilbert + Tobin, Harvey Norman, Heidrick & Struggles, IAG, J.P. Morgan, Lendlease, Macquarie, Microsoft, Russell Reynolds Associates, Spencer Stuart, Suncorp, Wesfarmers, Westpac

Events

CEW's annual dinner is one of the most prestigious events in Australia's corporate calendar. It is attended by CEOs and their management teams from across the country. The dinner is CEW's most important fundraising event and these funds are used directly to support the scholarships and programmes run by CEW to enable more women leaders in Australia.

Board members

CEW is governed by a board comprising the president, treasurer, committee chairs and state chapter representatives. The president is elected by the board every two years.

FURTHER INFORMATION

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WOMEN IN BANKING AND FINANCE

women banking and finance

Women in Banking and Finance (WiBF) is a not-for-profit membership association aimed at increasing the representation of female leaders in the banking and finance sector.

WiBF's corporate members represent all facets of industry, from major Australian and international banks through to mutuals, insurers, investment managers, super funds, professional services, financial regulators, fintechs, treasury, exchanges and corporates servicing the sector.

WiBF's corporate members collectively employ more than 200,000 individuals, all of whom are able to access educational and networking opportunities from wherever they work across Australia and even, in a few cases, their offshore postings.

Mission

WiBF's vision is to create a tangible, positive impact in the Australian banking and financial-services sector that will lead to improved gender diversity and inclusive leadership practices across the sector.

Its mission is to:

- Enable women in emerging, mid-career and senior executive roles to achieve their career goals.
- Work with member organisations to develop an awareness and understanding of the business sense and strength behind gender diversity and innovation, and actively grow the talent pipeline of professional women at every stage of their career.

Through bespoke education programmes and customised events, WiBF supports member organisations to open up professional-development opportunities, share insights and thought leadership on gender diversity and inclusion, and facilitate networking and knowledge transfer at educational events and learning forums.

WiBF's corporate members span the full breadth of the banking and finance sector, and gender composition varies a lot across the membership. Across the sector, women represent 54 per cent of the workforce yet only 31 per cent of key management positions and fewer than 10 per cent of CEOs. While WiBF offers programmes and opportunities to support women across all career stages, it is particularly these senior leadership levels that it seeks to influence.

History

WiBF was created in 2000 by a group of committed changemakers in the male-dominated areas of banking and finance including financial markets, investment banking and stockbroking. These women recognised the need for a forum where the few women working in these areas could come together to support one another, access mentors and senior leadership, and build a trusted network to do business with.

Two decades on, WiBF has grown into a thriving community that spans all aspects of the banking and finance sector.

Membership

To create systemic and sustainable change, WiBF has designed corporate membership packages for employers in the sector. Once an organisation becomes a corporate member, each employee in that organisation can access WiBF's offering at member rates and access webinars and the video library via the member dashboard, free of charge.

There are four membership tiers, each designed to suit the individual needs of every organisation and offering different levels of participation and access to the WiBF education suite. This approach ensures every corporate member is getting the best value from its membership, and also ensures members' annual journey with WiBF is relevant, beneficial and measurable.

Individual membership is available for those who are not employed by a corporate member but who would like to be connected to the financial-services sector.

Events

WiBF holds a number of networking events and education programmes throughout the calendar year, providing members with targeted professional development and opportunities to meet other industry members via online delivery and in member offices in Sydney, Melbourne, Brisbane and Perth.

WiBF supports gender diversity at its events and encourages its member organisations to register men and women to attend where possible.

Education programmes include WiBF mentoring for success, Great Leaders Are Made, Voice of Leadership and the Peak Performance career coaching programme. In the COVID-19 environment, WiBF has shifted from face-to-face events to virtual webinars and education delivery. However, it hopes soon to be able to resume its coveted networking events in Australian capital cities.

FURTHER INFORMATION

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WOMEN IN ECONOMICS NETWORK

The Women in Economics Network (WEN) was created in 2017 to promote and support the careers of female economists in Australia. Its scope spans the public and private sectors, academia and education.

WEN has more than 500 paid members nationally. It is part of the Economic Society of Australia (ESA).

Mission

WEN's mission is to:

- Professionally connect and support the career development of women in economics.
- Increase the representation of women at all levels of the economics profession.
- Promote public contributions by female economists.
- Encourage the next generation of women to study economics.

These goals are premised on the belief that economic policymaking, analysis, research and education will deliver better outcomes for society when informed by a more gender-balanced composition of views and voices.

WEN exists to ensure that women in the economics profession are offered the same career opportunities and recognition as their male colleagues, and that women's values, experiences and expertise are part of Australia's economic decision-making process.

History

To address the longstanding under-representation of women in the economic profession, ESA convened a mentoring retreat for female economists in 2016. Following the success of this first retreat, participants initiated the formal creation of WEN as part of ESA. WEN launched in March 2017.

WEN has connected with sister organisations in other countries to become part of a global network of women in economics groups. In 2020, the inaugural chair of WEN, Danielle Wood, was elected president of ESA – the first female to step into this role in the ESA's 95-year history.

Membership

WEN membership is open to anyone with an interest in economics or gender-equality issues. It welcomes anyone who would like to support WEN's cause, including men and non-economists.

Benefits of WEN membership include free or discounted access to WEN events, opportunity to place a profile on the media and public speaking register, and eligibility to apply to the WEN mentoring retreat. Members also receive regular newsletters featuring information about WEN events, research, and the contributions and accomplishments of WEN members. In addition, members have the opportunity for their research and career activities to feature in WEN's newsletters and social-media channels.

WEN members receive the benefits of ESA membership, including access to ESA events, networking opportunities and access to ESA journal publications.

Events

WEN has an active and varied calendar of events and initiatives including seminars on economic research and policy issues, professional-development opportunities, networking events, research conferences, policy symposiums and presentations by eminent speakers.

Topics include women's financial literacy, macroeconomic forecasts, gender-equality issues in the workforce, the value of unpaid care and women's leadership.

WEN's Australian Gender Economics Workshop is an annual forum showcasing the latest economic research on gender-equality issues.

While many of WEN's events are open to the public, others are exclusive to members. WEN aims to make its events as inclusive and accessible as possible. All events have converted to virtual settings during the pandemic.

Advocating for a more gender-balanced representation of economists in policy debate, WEN has established a media register. Journalists and conference organisations can no longer use the excuse that "no suitable female speakers can be found"! In 2017, WEN assembled the first all-female panel to speak at the National Press Club on the federal budget and it continues this tradition each year.

WEN runs outreach initiatives with schools, universities and teachers' groups to inspire and inform students about the wide range of career pathways economists offer.

Board members

WEN has branches in all states and territories, coordinated by an elected local committee. National initiatives are coordinated by an elected WEN national committee. The WEN national chair sits on the central council of ESA.

FURTHER INFORMATION

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Twitter: @WomenEconAU

WOMEN IN PRIVATE PLACEMENTS

Women in Private Placements (WiPP) comprises a global network of industry participants from institutional investors, bankers, lawyers and corporate issuers.

Mission

As the WiPP network is in its early stages of development, the primary focus has initially been networking and connecting women in the industry. WiPP is looking to expand its initiatives and in September 2020 it began hosting a series of virtual wellness sessions.

History

The network was established in early 2020 by Maeve McLaughlin, managing director and head of global private placements at Scotiabank. While representation of women exists across all facets of the private-placement market, it became increasingly apparent that the industry needed a group where women can support, learn and grow from each other.

Women still only represent approximately 25 per cent of the private-placement market and WiPP believes there is a lot of room for improvement in attracting and retaining women in the industry. In addition, as the focus on gender diversity is becoming more prevalent at most companies, WiPP is a great resource to recruit female talent, especially given the niche nature of the market.

Events

WiPP hosted its kick-off events at the annual Private Placements Industry Forum held in Miami in January 2020. The group got things rolling at the conference with an early-morning SoulCycle class sponsored by Scotiabank. Almost everyone who participated in the class was brand new to SoulCycle or had never done a spin class before. It was a great opportunity for the women to step out of their comfort zone and bond together.

As part of the formal conference, WiPP hosted a panel discussion and meet-and-greet. Maeve McLaughlin moderated the panel with Alice Van Der Geest (group treasurer, Melbourne Airport), Amy Olshansky (partner, Chapman and Cutler), Colleen Cooney (managing director, New York Life) and Laura Parrot (head of private placements, Nuveen).

The panellists discussed their past experiences as a woman in the industry and the benefits of establishing a private-placements women's group. A cocktail reception for members to network and mingle with other women in the industry followed the panel discussion. More than 75 women attended, reinforcing the strong interest in WiPP from market participants.

In September 2020, in partnership with Intralinks and Sweat & Balances, WiPP hosted a virtual wellness series focusing on physical health, mental health and self-care.

- To start off the series, Madeline O'Connell, vice president and head of debt private placements at Goldman Sachs and co-founder of Sweats & Balances, taught a 45-minute dance and sculpt fitness class.
- The following week, Mary Spirito, founder of Ritual and Routine, led a 45-minute discussion providing tips and tricks on how to manage stress.
- Wrapping up the series, the group learned techniques to do an at-home facial.

WiPP is excited about the establishment of this network. Market participants are encouraged to get in touch if they are interested in joining or getting more involved.

Clare Lewis, director, debt capital markets at Scotiabank leads the Australasian division of WiPP and can be contacted directly with any questions or help to plan a local event.

Panel discussion at the annual Private Placements Industry Forum, January 2020. Left to right: Amy Olshansky (Chapman and Cutler), Laura Parrot (Nuveen), Alice Van Der Geest (Melbourne Airport), Colleen Clooney (New York Life), Maeve McLaughlin (Scotiabank).

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YEARBOOKS

KangaNews

KangaNews yearbooks – the essential guide to key issuer and market sectors

KangaNews yearbooks are **indispensable reference guides** to the most important issuer and product sectors in the Australasian debt markets. Distributed to all *KangaNews* subscribers and additional global investors, and available online, *KangaNews* yearbooks contain profiles of each sector's main players and editorial coverage of the most topical issues.

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Supranational, Sovereign and Agency Issuers Yearbook

November 2020
Nonbank Yearbook

December 2020
Investing with Impact Yearbook

February 2021
Australasian High-Grade Issuers Yearbook

If you would like to discuss commercial opportunities to be involved in *KangaNews* yearbooks or to discuss an idea for a new sector yearbook, please contact **Jeremy Masters** via **jmasters@kanganews.com**.

WOMEN IN SECURITISATION

Women in Securitisation (WIS) is a standing subcommittee of the Australian Securitisation Forum (ASF) (see box). It seeks to assist in the growth and success of the securitisation industry, particularly in relation to the contribution women can make.

Established in 2012, this diverse and inclusive subcommittee comprises 11 members, both women and men, who represent a range of market sectors and geographic regions.

Mission

The ASF promotes diversity in securitisation. It has a strong representation of women from diverse firms on its governing national committee. Through its WIS subcommittee, the ASF aims to provide women in the securitisation industry with high-quality networking opportunities, awareness of issues that affect women's professional advancement, engagement from different levels of seniority and market-leading mentoring opportunities.

History

The ASF launched WIS in 2012 with just 55 members. The group has now grown to more than 700 members. WIS members are located Australia-wide as well as offshore, including in New Zealand, Asia, Europe and the US.

Membership

ASF membership is corporate-based. Membership enables market participants to stay connected with the ASF and contribute to the development of the securitisation industry as the association works to help members navigate these uncertain times.

ASF corporate membership entitles all employees of member firms to complimentary entry to member events and briefings, and discounted member rates on professional development courses tailored to the securitisation market.

Anyone who wishes to stay in touch with the ASF's WIS network can join the mailing list by contacting the ASF.

Board members

Details of the membership of the ASF national committee, WIS subcommittee and various other subcommittees and activities can be found on the ASF website.

Events

WIS events include lunches, breakfasts and social events featuring women in leadership and other inspirational speakers. WIS also runs a resilience programme and International Women's Day events each year.

The ASF is adapting to the challenges of the current environment and it is developing a virtual programme to support WIS with networking opportunities and access to resources until market participants can meet again.

ABOUT THE AUSTRALIAN SECURITISATION FORUM

The ASF was formed in 1989 to promote the development of securitisation in Australia. As the peak industry body, the ASF focuses on promoting, protecting and strengthening the Australian and New Zealand securitisation and covered-bond markets. The ASF achieves this through advocacy, facilitating professional development and networking, building investor confidence and helping to drive sustainable growth.

The ASF has more than 150 corporate members, based in Australia and overseas. Members include issuers, investors, trustees, credit rating agencies, accounting firms, law firms, data vendors, and others involved in the securitisation value chain.

MISSION AND BELIEFS

The main objectives of the ASF are:

- Representing the interests of the securitisation market to regulators, government, the media and other stakeholders to achieve an environment that supports a robust and growing securitisation market.
- Leading consensus-building within the industry on issues of importance to support the sustainability and growth of the securitisation market.
- Providing a forum to promote the market to domestic and global investors and other stakeholders through seminars, conferences and resources.
- Informing and increasing the knowledge and skills of the securitisation community through delivering high-quality conferences, workshops and professional development programmes.
- Developing and implementing appropriate market standards and practices to enhance efficient operation, transparency and investor confidence in Australia's securitisation market.

FURTHER INFORMATION

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WOMEN IN SUPER

With 4,000 members nationally, Women in Super (WIS) is a not-for-profit organisation that works to improve women's retirement outcomes by advocating for a super system void of gender-based inequality. This is done by working with government, unions, employer organisations, regulators and superannuation funds to campaign for a fairer super system by representing the voice of women in superannuation.

In addition to the advocacy work WIS does, it also provides members with various professional development, networking and career progression opportunities, including events, scholarship programmes and training sessions. It is important to WIS that it continues strongly to support and encourage the appointment of women to superannuation fund boards, and the association works with other organisations and stakeholders to achieve this.

IF YOU WANT ECONOMIC SECURITY IN RETIREMENT, DON'T BE A MOTHER, NURSE, TEACHER, CARE PROVIDER... IN FACT, DON'T BE A WOMAN.

- Women earn 47 per cent less super than men.
- An estimated 40 per cent of older single women live in poverty. They are also the fastest growing cohort of homeless people.
- Women are more dependent than men on the age pension.

Mission

WIS has five core objectives:

- Provide opportunities for members to develop personal and professional networks.
- Foster access to professional development for members, including education and training.
- Promote equal participation of women at all levels within the superannuation industry.
- Improve retirement outcomes for women through awareness and advocating policy change.
- Strengthen the WIS network through leveraging the Mother's Day Classic – now Australia's largest walk-run – to raise money for the National Breast Cancer Foundation.

History

The WIS network began at the Conference of Major Superannuation Funds when the association's founder, Mavis Robertson, noted the lack of opportunity for women to network. She and the handful of other women in attendance decided to meet for breakfast, a tradition that continued even once the conference was over. Each time, all attendees were asked to bring a female colleague with them to the following breakfast. Thus, WIS was born.

From here, the WIS network was formally established as a member-based organisation in 1994 and the scope of its objectives grew. No longer just an annual networking opportunity for women to meet and share experience, WIS realised its potential to offer women the opportunity to grow and develop, as well as use their voice to advocate for women and women's rights. In the early days, many WIS members found themselves participating in education campaigns and expos to increase awareness around the importance of including women in superannuation benefits.

Nowadays, in addition to holding more than 100 professional development events annually across the country, WIS is a highly respected voice and authority whose opinion on matters relating to women's superannuation is regularly sought by media, academics, government and other policymakers.

Membership

Members are predominantly women who work in the superannuation or financial-services industry. Membership is open to anyone who has an interest in the work WIS does. People can support WIS by becoming a member or attending the association's events.

Key benefits of membership include:

- Be part of a movement of positive change.
- Unique and regular networking events.
- Professional and personal development opportunities, including access to exclusive scholarship programmes.
- Helping to achieve a superannuation system with gender equality.

Events

WIS arranges a range of events including:

- Annual Mavis Robertson International Women's Day Luncheon (with Jane Caro in 2020).
- National Road Show.

A schedule of upcoming events is available on the WIS website.

FURTHER INFORMATION

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WOMEN IN SUSTAINABLE FINANCE

Women in Sustainable Finance (WISF) is a networking group based in Australia supporting diversity in sustainable finance. The group provides networking, educational and leadership opportunities to women and men progressing their careers in the sustainable-finance sector.

Mission

Sustainable finance is about integrating economic, social and environmental decision-making in an organisation, in order to deliver better overall outcomes not just for shareholders but for all communities. Diversity is a key component of sustainable finance and there is a growing body of evidence that diverse companies also perform better financially.

For example, *Harvard Business Review* has reported that EBIT margins for companies with diverse management teams are nearly 10 per cent higher than for companies with below-average management diversity. In Australia, research by the Centre for Gender Economics and Innovation and Infinitas Asset Management has found that top Australian companies with at least 25 per cent female boards perform more than 7 per cent better than those with all-male boards.

With this evidence in mind, WISF aims to empower a gender-diverse workforce in sustainable finance. The group believes in making a positive contribution to the sustainable-finance sector by providing opportunities for discussion, learning and collaboration.

WISF attracts a diverse cross-section of professionals who are passionate about making a difference at a societal level. The group understands that change can be driven through collaboration and by broadening networks across sustainability-linked sectors. Furthermore, to succeed as individuals in our professional fields, WISF believes we must come together to support one another and celebrate our achievements.

History

The WISF initiative started in late 2016, recognising that while there were many diversity groups in the finance sector there was not an Australian-based diversity group with a focus on sustainable investment. What started with a single event in the Clean Energy Finance Corporation (CEFC) Sydney office with just more than 30 attendees has now grown to a network of more than 1,200 people, with organising committees in New South Wales, Queensland and Victoria.

WISF events feature leading speakers on a vast range of industry topics pertinent to the sustainable-finance sector – such as the circular economy, gender-lens investing, renewables investment, the Paris Agreement, sustainable transport and impact investing.

Membership

There is no formal membership to join the WISF network. Events are free for attendees, thanks to the generosity of hosts and sponsors. Both men and women are encouraged to attend. WISF events reach people in investment funds, banks, and environment and sustainable development organisations, as well as corporates, and energy and renewable-energy companies. Anyone can join the network and receive notifications about events by emailing the address in the information box below.

Industry partners

WISF is backed by the CEFC. The group's many events are made possible thanks to its event sponsors and hosts from across the sector. Past event sponsors include National Australia Bank, ANZ, Hesta, Bloomberg, Mirvac, Macquarie Bank, Baker & McKenzie, Herbert Smith Freehills, EY, Citibank and Australian Ethical.

Events

Past events include:

- Brisbane: Waste Not, Want Not, hosted by KPMG.
- Melbourne: The Role of Impact Investment in the Transformation of the For-Purpose Sector, hosted by EY.
- Sydney: Rethinking Australian Agriculture, hosted by Macquarie.

Rethinking Australian Agriculture event, July 2019

FURTHER INFORMATION

LinkedIn: www.linkedin.com/company/wisf
Email: wisf@cefc.com.au

WOMEN IN TREASURY

The Women in Treasury (WIT) network was founded in 2015 in Melbourne and was followed by the establishment of a branch in Sydney in 2018. The networks are managed separately but with some crossover always welcome when members are travelling.

Mission

The purpose of the network is to act as a family for the female treasury community, where women can learn from one another's technical knowledge as well as selected SME speakers, and where women have a safe space to share contacts and personal career advice. Informal mentoring sessions are offered, the aim being to enable women to develop relationsips with openness to ask work-related questions.

The success of WIT is that it is targeting connection within the industry, soft-skill development and career planning advice. This is a unique offering and job opportunities have been filled through this group.

To date, WIT has been focused on New South Wales and Victoria – but this may grow in the future.

Membership

WIT's members are principally corporate members from all shapes and sizes of companies. While female employees of financial institutions are fortunate to have options for networking and career support, it was felt that this was missing in the corporate treasury market.

Events

WIT arranges a broad range of fun and enjoyable events across breakfast, lunch, dinner and drinks with talks from speakers on topics such as personal branding and LinkedIn presence, diversity challenges in executive careers, overcoming adversity, negative interest rates, how to establish a strong network for strong women, geopolitical tensions and the potential resulting impact on rates, how to harness fear and turn it into a strength, talks over biodynamic wine tasting with executive females, and interactive information sharing about smart contracts from some of the top legal firms.

WIT has been privileged to have the support of the banking and legal-services communities, which are advocates of diversity and developing career opportunities in the treasury market. WIT is extremely grateful for this support. The network has also hosted dual-branded functions with the Finance and Treasury Association.

WIT always tries to keep its sessions informal so members can feel comfortable to ask any and all questions. More recently, the network has been holding coffee chats, initially face-to-face but adapting these to virtual coffees as the pandemic situation has evolved.

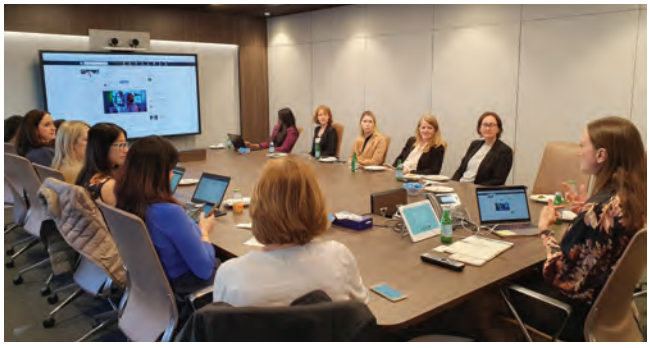
Sydney committee members

- Bláthnaid Byrne
- Sophia Li
- Nanette Lowe
- Rudy Anjum
- Shona Shedden

Melbourne committee members

- Alice Van Der Geest
- Louise Moorhead
- Diane Crossley

Women in Treasury Sydney event



Women in Treasury Sydney event

FURTHER INFORMATION

LinkedIn: www.linkedin.com/groups/12144961

WOMEN ON BOARDS

Women on Boards (WOB) has been working since 2006 to address gender inequity in the boardroom and across leadership roles. The network is a recognised leader in the ecosystem of organisations and networks promoting and supporting women. It is dedicated to breaking down barriers to entry into leadership and onto boards. WOB operates physically in Australia and the UK.

Vision

The WOB vision is to increase the number of women on boards and in leadership roles to achieve a gender balance of 40 per cent women, 40 per cent men and 20 per cent of either, or other genders.

WOB aggregates diversity statistics. The group's gender balance on board series records the progress of women onto boards across 15 sectors of the economy.

History

The WOB network was started in 2001 by a group of Australian businesswomen inspired by the success of female athletes at the Sydney Olympic Games. Their objective is to help women get selected for board positions.

In 2006 WOB was established as an entity in its own right in Australia. Six years later, WOB launched in the UK.

Membership

Membership of WOB is open to all. It is free to register with WOB while there is a fee to join as a full member. It is also possible to join in both the UK and Australia under a global membership.

Advantages of membership include:

- Access to WOB's advocacy and opportunity to support it.
- Access to a range of programmes that enable members to become board-ready and build boardroom capability.
- Access to curated board and committee positions.
- Being part of a supportive network.

Corporate members

WOB has the following corporate members in 2020:

- AON
- Clayton Utz
- Computershare
- CPA Australia
- GlenRac
- Grant Thornton
- Holding Redlich
- McGrathNicol
- National Australia Bank

WOB also has partnerships with Governance Institute of Australia, Social Index, Leadership Coefficient and Parents on Leave.

Events

WOB arranges a series of events under two banners:

- Become board ready
- Build boardroom capability

WOB also offers a leadership programme, full-service mentoring and a special director-led peer-to-peer support programme to accelerate women into Australian Securities Exchange board roles.

Board members

- Ruth Medd, executive chair
- Claire Braund, executive director
- Mary Sue Rogers, nonexecutive director
- Carmel Macmillan, nonexecutive director

Claire Braund and Ruth Medd, Women on Boards

FURTHER INFORMATION

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KangaNews and DIVERSITY

Ninety-six per cent of respondents to the **KangaNews Women in Capital Markets Survey** conducted for this yearbook in August 2020 believe giving profile to female leaders in media and industry events supports gender diversity in financial services.

As the only media and events business devoted to the Australasian debt markets, KangaNews is keen to use its voice and the forums it provides to further industry diversity. This includes promoting female voices in its editorial coverage and on its event agendas. The *KangaNews* Women in Capital Markets Yearbook is one sign of this effort coming to fruition.

If you have any suggestions about how KangaNews can help progress toward a more diverse industry, please contact **Helen Craig** on +61 2 8256 5533 or via hcraig@kanganews.com.