

OFFICE OF INVESTMENTS WORKS TO DIVERSIFY TNC ENDOWMENT

It's an uncomfortable truth for organizations of every scope and size: Women and People of Color are dramatically underrepresented in the investment management industry.

In fact, [research by the Knight Foundation](#) shows women- and minority-owned firms each manage only 0.7 percent of capital across the asset management industry at large. Meanwhile, results from the Investment Company Institute/McLagan U.S. Asset Management [Diversity and Inclusion Survey](#) found that while women comprise 42 percent of the asset management industry's workforce:

Only 25% of executive-level employees **are women**

Non-white individuals comprise **31%** of the asset management industry as a whole, **and only 16% of executives**

The Office of Investments (OOI) at TNC stands out as a rare exception. This group has made important strides in recent years to ensure representation at every level—from analytics to the C-suite—and these measures are just the beginning.



“Diversity is core not only to everything we do, but to who we are. Collectively, our team has lived on four distinct continents, and many of us were born on a continent other than North America. This allows us to bring critical diversity of thought to our decision-making and management of TNC’s endowment and other long-term assets.”

— Bola Olusanya, TNC Chief Investment Officer

DEI VALUES AT THE CORE OF TOP-DOWN ADVANCEMENT

The OOI is responsible for managing TNC’s long-term investments and endowment pools totaling more than \$3.7 billion (*figure as of March 31, 2022*). Since insourcing investment functions beginning in 2020, the OOI has focused on diversifying TNC’s investment portfolio with dramatic and inclusive changes to policies and process, as well as due diligence in hiring and promotion.

In February 2022, with oversight from the TNC Global Board Investment Committee, the OOI added DEI language to TNC’s governing investment document, known as the *Investment Policy Statement*, or IPS. The IPS now includes formal guidelines for defining underrepresented communities and promoting women and non-white males via TNC’s investments, with practices that include:



Intentionally hiring investment managers with diverse ownership, defined as firms with 33% or more of the equity held by women, non-white males, and/or underrepresented minorities.



Encouraging investment managers to hire, train, and mentor women, non-white males, and/or underrepresented minorities, especially on their investment teams thereby increasing the pipeline of diverse junior investment talent.



Investing in strategies that seek to empower underrepresented minorities with the tools, resources, and financial capital to “vote their wallets.”



© ALEX SNYDER Office of Investments Team (2022)

DIVERSITY ASSESSMENT DRIVES STRATEGIC PARTNERSHIPS

Moving forward, the OOI will also continually seek firms with diverse senior leadership, as well as those working to empower underrepresented minorities. Due diligence in this effort will entail surveying senior firm leadership with diversity-related questions.

“Not only does this signal the importance of diversity for asset allocators like the OOI,” said TNC Chief Investment Officer and native Nigerian Bola Olusanya. “It allows the OOI to draw conclusions on the thoughtfulness of an investment manager with regards to diversity, tracking efforts, and expectations over time.”

To ensure accountability, the OOI will onboard a dedicated DEI-tracking platform in the coming months to evaluate all current TNC portfolio investment managers through the lens of diversity. Resulting data will allow the OOI to make informed portfolio decisions and increase investment diversity on behalf of TNC.

“These measures are designed to diversify TNC’s investment portfolio, but it doesn’t end there,” Olusanya notes. “We intend to share the collected information, as well as our goals and progress. For TNC, our goal is to ensure that our investment portfolio is reflective of the communities we serve. Ultimately, we are targeting increased diversity across the asset management industry at large.”



EXECUTIVE PERSPECTIVES

“Creating a culture of DEI has to be driven from the top of any organization, and I approached this challenge by developing a leadership team that embraces the value that diverse backgrounds, cultures, lifestyles, experiences, and education bring to creating impactful solutions for the broader TNC team that we serve. Each department leader within Global Finance and IT has incorporated DEI as part of their strategies and as a result, this organization is vastly different from when I joined in 2018.”

Leonard Williams, TNC Chief Finance and Administrative Officer