



# FUND FINANCE FRIDAY

## Everybody's Talking ESG

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# 'Fund Finance Friday: Industry Conversations' – KBRA & Cadwalader Talk ESG

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As part of its “ESG Talks” podcast series, KBRA hosted a podcast, “FUNDing Positive ESG Impact: ESG Developments in Fund Finance,” featuring KBRA's William Cox and Cadwalader's Wes Misson and Katie McShane, in which they discussed all things ESG-related.

Wes and Katie provided their outlook on how the momentum around ESG green-focused investing has impacted fund finance, including a discussion about some of the most common performance indicators, as well as some of the risks associated with green-washing and how to guard against them. Bill discussed how KBRA’s diligence has changed in recent months given the intensity of focus on ESG factors, how investors’ appetites are changing, how ESG factors are affecting asset quality in KBRA’s credit analysis of funds, and the ESG factors that are most likely to affect the creditworthiness of a fund and the risk of default.



## Diversity in Fund Finance: 'Boundary Breakers' Recap

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**By Natasha Puri**

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The Diversity in Fund Finance group hosted the second Boundary Breakers speaker series event this week, featuring a discussion with Värde Partners on the endless battle for diversity. This conversation, moderated by Alex Woodcock, a Partner at Mourant, was with Värde Partners' Marcia Page, Co-Founder and Executive Chair, and Kirsten Voss, Senior Managing Director. Marcia and Kirsten shared their reflections on the continued journey that Värde has gone through that has resulted in the firm more than doubling the number of diverse investment professionals over the last 6 years. However, the message was clear that there is still so much work to do – and why every organization's efforts remain a journey. Here are some key lessons and takeaways from the conversation.

Some key lessons and takeaways from the conversation included:

- Get started! A point we have well heard from many of our discussions – the most important piece of advice is for organizations to get started, as the irrefutable evidence is clear that building a diverse and inclusive team is a business need.
- Know the table stakes. Kirsten pointed to four key fundamentals: (1) organizations need to truly understand and believe in the business case for diversity, equity and inclusion efforts; (2) the organization and senior leadership must want to change; (3) although they may be coordinated with HR, these efforts cannot fully be owned by HR or perceived as only an HR function – this must be a business initiative; and (4) organizations must recognize and build their efforts tailored to their own culture as there is no silver bullet that will work for everyone.
- Be intentional. Given that this must be a business case, diversity, equity & inclusion efforts must be like any other business unit, with setting targets and accountability to drive change, and monitoring the ongoing progress to adjust as needed.
- The battle continues. Running a highly effective “Air War” – setting the tone from the top with leadership walking the talk – and “Ground War” – paying close attention to every minority talent in your organization so you can retain them – does not end.

With accountability and intention, organizations can start to move the needle for changes. Marcia and Kirsten also acknowledged that while you cannot fully de-bias people, you can de-bias HR processes, such as in recruitment and promotions where tangible change can occur.

We are so grateful for Marcia and Kirsten in sharing their lessons and resources, and the Diversity in Fund Finance's Q2 Newsletter will feature some of the articles and books referenced in the discussion. If you would like to get involved in the Diversity in Fund Finance group, please reach out to [natasha.puri@lbusa.com](mailto:natasha.puri@lbusa.com)

## **Next Wildgen Fund Finance Webinar Announced**

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Wildgen announced the next webinar in its fund finance series: a “Next Generation Edition” with young professional panelists and a focus on umbrella facilities. For more information and to register, click [here](#).

## **FFA NextGen APAC Event Announced**

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The FFA's NextGen APAC team announced a virtual event titled "Views on Professional Development" for July 8 at 3 p.m., Hong Kong time. For more information or to register, click [here](#).

## Brickfield Article on Career Development

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Brickfield Recruitment has started a new series of articles intended to provide in-depth, personal perspectives on developing a career in fund finance. In this [article](#), Brickfield interviews Travers Smith's Katie McMenamin, who gives some fascinating insights into her career and her firm's approach to training and career development.

Readers interested in being interviewed about their career in fund finance for this series should contact [Rory Smith](#) at [rory@brickfieldrecruitment.com](mailto:rory@brickfieldrecruitment.com) or by telephone on +44 7800 963 594.

## Fund Finance Hiring

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Fund Finance Hiring

Wells Fargo is hiring for a Vice President for its Subscription Finance team. For information, click [here](#).

## On the Move – Fund Finance Tidbits

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On the Move



Alessandra McKell joined First Republic Bank in New York as Managing Director in the Private Equity Funds Group, where she will continue to provide capital call financing, GP finance and management company lines to Funds in the region. She can be reached at [amckell@firstrepublic.com](mailto:amckell@firstrepublic.com).