

# ASIFMA–Egon Zehnder Diagnostic 2021 Diversity and Inclusion Ambitions and Practices in APAC

# Background and Purpose of this Project

The ASIFMA Board and Diversity Working Group have been discussing ways to increase diversity in the industry. Egon Zehnder was delighted to be asked to work with ASIFMA to deliver a Diversity & Inclusion (D&I) baseline diagnostic for its members across the region.

## Set the D&I ambition

of the industry by defining strategic priorities, targets, and aspirations as well as identifying opportunities for greater collaboration and how ASIFMA can support its members

## Benchmark

the current state of play in D&I in the industry: areas where members have made greatest progress and areas that are proving the most challenging

## Gather and distribute best practices

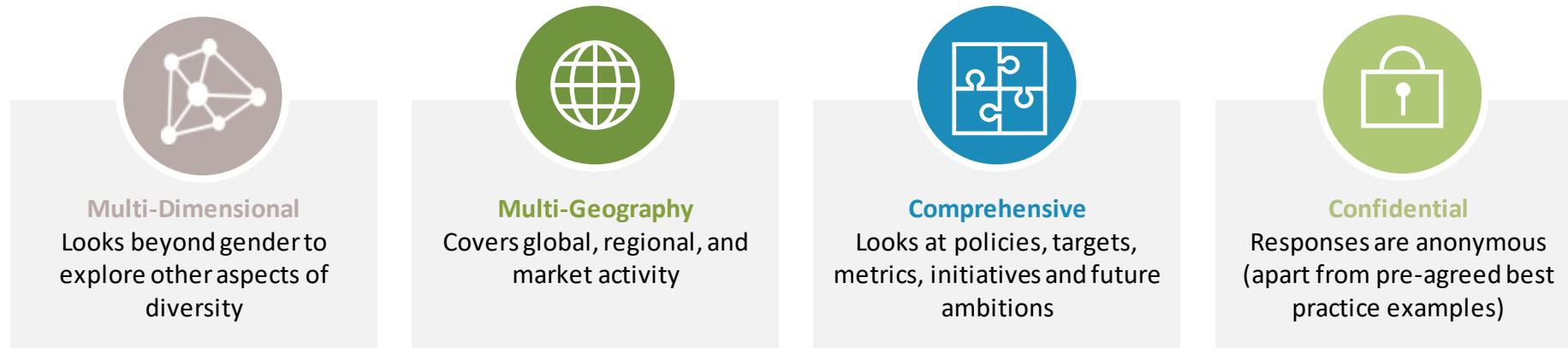
of activities driving the D&I agenda in the industry. Sharing examples and solutions that have had the biggest impact so far

## Enable actionable outcomes

at an individual and collective level, such as Industry Pledges or D&I roadmaps to mobilize the collective problem-solving ability within the capital markets industry in the region

# Scope and Contents of the D&I Survey

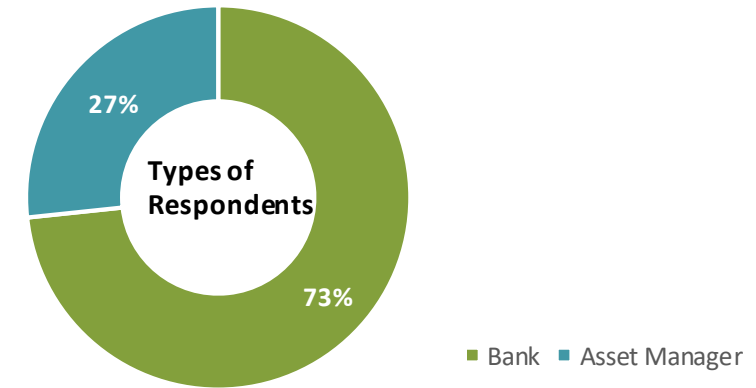
The D&I baseline diagnostic was:



The survey was conducted in May-June 2021

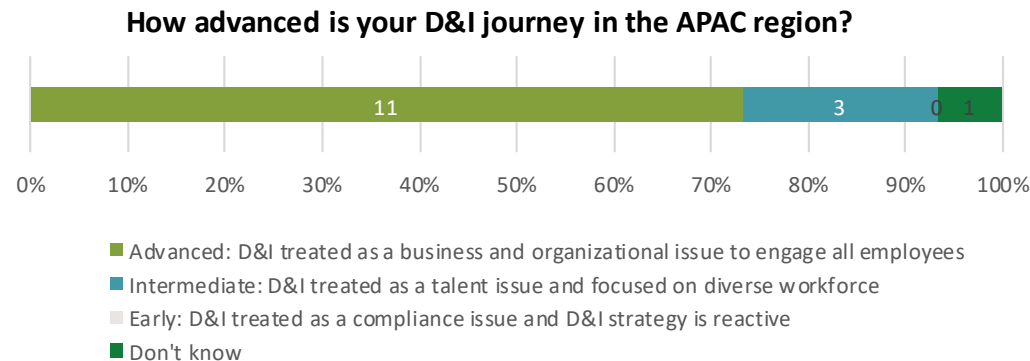
# The D&I Journeys within the Capital Markets Industry in Asia are mature and well developed

- We received a broad range of submissions from top tier banks and selected asset managers. These responses provided rich information and excellent examples of ways to further drive progress in D&I
- This report shows a range of D&I strategies adopted by ASIFMA members who have been on the D&I journey already for some time: they have all integrated D&I in their talent strategy, and sometimes even in their broader business strategy
- The respondent set is slightly skewed towards large, multi-national financial services institutions, who are **leading the way on D&I**
- Nevertheless, the examples from the respondents **enrich the D&I perspectives for all members**, however advanced in their journey



Respondent companies have total market capitalisation of over USD 645.998 bn and over 246,748 staff based in APAC

Global headquarters include the USA, Europe, and APAC.



# D&I has moved from the HR Agenda to the CEO Agenda

- Inclusion is now part of the corporate value system, and diversity empowers inclusion

- Having a good D&I strategy is perceived to be critical to win the 'war for the best talent'

- D&I importance is further enhanced by the benefits it brings to meeting customer expectations, enhancing external reputation and supporting client service...all of these are reported more frequently by members who are more advanced on their D&I journeys

- While 20 years ago D&I activities were limited to markets where the topic gained higher place in the social agenda (e.g. the US), now organizations appreciate that the same value systems should apply to all markets, incl. APAC

- ESG commitments made by many global ASIFMA members are raising the importance of D&I agendas. Also, learnings from D&I journeys are proving very beneficial for ESG progress



**93%** said:

*“Inclusion is ‘to a large extent’ a stated value for their organization”*

**93%** said:

*“The stated objective of our D&I strategy is to **attract and retain** the best talent wherever they are”*

# ... and yet there is plenty of room to improve

## Even the most advanced members see significant additional potential in D&I investments

Current reality is still far off from self-imposed targets and pledges; even gender diversity is not yet fixed after decades of investments

The D&I journey consistently starts with gender, followed by LGBTQ+ and people with caring responsibilities

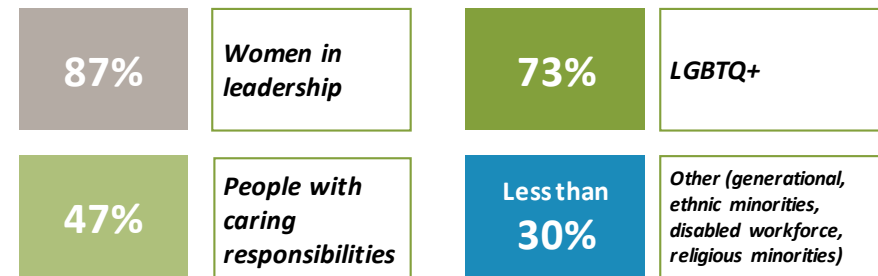
However, half of the respondents are making only early steps or are yet to take the first step with plans to support an ethnically diverse, disabled or older workforce

While members feel that the D&I strategies are progressing well internally (building diversity and inclusion inside the organization), the same cannot be said on the external side, i.e., deploying D&I strategies to benefit clients and societies overall

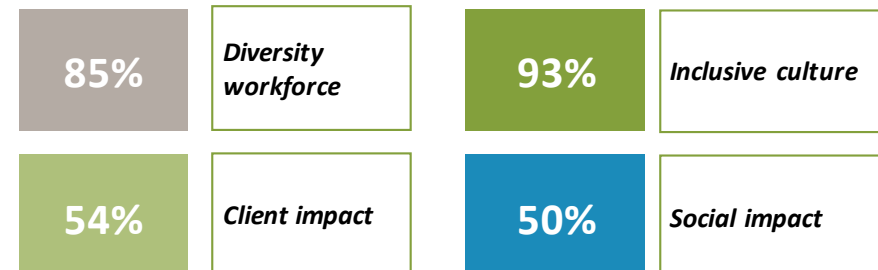
### Women in Leadership today and stated goals ...



### Progress in D&I programs for...



### Progress in D&I initiatives ...



# The top challenges for D&I progress within in the industry are all linked to social culture that are best tackled collectively

Concerns about sensitivity and confidentiality around data, metrics and measurement can lead to a risk averse approach to D&I

D&I Best Practices remain under development and it's not one size fits all

The top challenges for D&I progress are linked to social culture that are best tackled collectively

**86%** reported  
"Cultural pressure for mothers to stay at home"

**72%** reported  
"Cultural bias against people with disabilities"

Learning how others have mitigated these risks could help make the case and unblock barriers internally

Surveys like this highlight what a good roadmap might look like and facilitates sharing of best practice ideas

ASIFMA can play a role as a powerful and influential voice to advocate for improved regulatory environments to support career opportunities for under-represented talent pools

**72%** reported  
"Cultural bias against people who identify as LGBTQ+"

**50%** reported  
"Diversity perceived as 'nice to have', and not 'must have'"

*The report includes case studies and examples of best practices, highlighting the progress respondents are making in their D&I journey. It identifies which solutions have had the biggest impact so far and will help to facilitate learning amongst ASIFMA members*

# Key takeaways

## It requires leadership

D&I must be a top priority for the C-Suite. The CEO and business leaders need to show real commitment and dedication. This is not a siloed HR issue – it is a business imperative. D&I requires dedicated resources to build and maintain momentum. Find ways to empower colleagues throughout the organization to drive progress

## It is a journey

Organizations often start by focusing on gender, then LGBTQ+, then those with caring responsibilities before targeting other diversity aspects. Most activity starts internally before growing to encompass external factors too. You don't have to tackle everything at once. It is a journey and not one size fits all

## It can be done

The important thing is to start and to keep going. There will be barriers and challenges, however they can be overcome through collaboration, learning from others, and thinking creatively to identify what works for your organization. Develop a robust strategy and commit to action. This is the time!

