

Leading the conversation

Two pioneering figures from the financial services sector – banking chief **Dame Susan Rice** and law consultant **Alderman Alison Gowman** – discuss the importance of inclusivity and how collaboration and creative solutions hold the key to climate finance

PHOTOGRAPHY BY ALICE WHITYBY



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Dame Susan Rice

Alderman Alison Gowman



Dame Susan Rice and Alderman Alison Gowman may have taken divergent paths to the top of their professions, but as they sit in conversation at DLA Piper’s City of

London offices it’s clear that they have a lot in common – from a shared interest in inclusivity and sustainability to their ability to think differently.

They greet each other like old friends, and with wide-ranging and distinguished careers in the City, it’s no surprise they have met before. “The first time was at a Mansion House breakfast hosted by the Lord Mayor,” says Alison. “I always think the City of London is such a fabulous networking place.”

Alison says that as early as her mid-teens she knew she wanted to be a lawyer. She was educated at a girls’ grammar school in Dartford before studying law at the University of Durham, followed by Guildford College of Law. She is a consultant at London-based law firm DLA Piper, where she has worked for 45 years, “staying put” through a number of mergers, including with Alsop Stevens Batesons & Co, where she trained. She became an elected alderman for the ward of Dowgate in 2002.

Dame Susan studied biology and philosophy of science at Wellesley College, Massachusetts in the US. A move to Scotland saw her complete her Masters degree in the philosophy of science at the University of Aberdeen in Scotland, before returning to the US and entering academics, becoming associate dean at one of Yale University’s colleges.

It wasn’t until 1986 that she made a move into banking, taking a job with NatWest’s US arm. Since then she has held many banking positions, including CEO and then chair of Lloyds TSB Scotland. She was also a member of the Court of the Bank of England and chair of the Chartered Banker Professional Standards Board. Currently, she chairs the Global Ethical Finance Institute’s Global Steering Group and Scottish Water, among other organisations.

She explains that her non-traditional path into the finance industry came after she and her family relocated to New York City, where she utilised the network she had created in the academic world to find a new job. “Unbeknown to me, some of these people had heard me speak at an event and approached me about a role in banking. The rest, as they say, is history.”

For those looking to make a similar move, she advocates “seeing an opportunity and doing something with it. If you become too hooked on the next rung of



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the career ladder, you fail to look around yourself,” she explains. “You have no peripheral vision and can miss the potential for learning and growth that comes your way.”

Change for the better

Another undeniable similarity between Dame Susan and Alison is their willingness to adapt and grow – in their careers, their work and as people. Alison’s motivating force is to “embrace change” she says, adding that “it is a learning point for me to take part in something different and contribute and be a leader.”

“Absolutely right,” says Dame Susan. “You learn things about yourself when your professional life is changing around you. I went into banking at a senior manager level in New York City, but I was from outside

the industry. I learned I could either be dishonest and pretend I knew more than I did, or say to colleagues, ‘I don’t know’ and ask questions. When you start engaging, you start learning from people. I was lucky because I gained that insight really early on.”

Learning from others and making sure everyone in the room has a voice are things both women speak passionately about. “You need to ensure everyone around the table, especially new attendees, know that their views are important,” Alison says. But can too many opinions ever cloud an issue? She prevents this by “summarising the collective view”. Dame Susan agrees, advising others to “synthesise what different people have been saying into a single way forward”. By doing so, she says, it’s “much more likely they’ll pull together in a common direction”.

Creating systemic cultural change is another way both women champion diverse views. Dame Susan chaired the Financial Services Culture Board (FSCB) from January 2020 until its closure in June this year, having previously served on its board since it was founded in 2015. The FSCB conducted quantitative and qualitative research and ran behavioural trials to help firms understand issues of inclusivity and culture at their firms. Crucially, according to Dame Susan, it took an objective and intersectional approach.

“For example, we looked at black women, and, in so many firms, they were in a different place in terms of feeling comfortable and nurtured,” Dame Susan says. Alison points to the Social Mobility Commission, a government think tank that her firm is involved with and that she contributed to in terms of strategy in her role as alderman. The Commission was set up to monitor progress towards improving social mobility in the UK.

In 2022, Progress Together, a body focused on boosting socioeconomic diversity in the UK’s financial services industry, was founded. Part of that process is encouraging firms to set targets, and Alison provides the example of Santander’s aim to have 35% of its leadership team come from lower socioeconomic backgrounds by 2030.

“It’s really important that socioeconomic parity is addressed,” Alison says. “But many of the existing programmes are about getting people into an organisation – those people won’t be retained unless the culture of the organisation is inclusive, and that’s the point you’re making, Susan.”

It is tempting to attribute Alison and Dame Susan’s awareness of culture and inclusivity to their lived experiences, and there may be some truth in that. Both

DAME SUSAN’S CAREER HIGHLIGHTS

2020–2023
Chair, the Financial Services Culture Board

2015–present
Chair, the Global Ethical Finance Institute’s Global Steering Group

2015–present
Chair, Scottish Water

2015–2018
Chair, Scotland’s 2020 Climate Group

2009–2014
Managing Director, Lloyds Banking Group, Scotland

2007–2014
Non-Executive Director, the Bank of England

2000–2009
Chief executive and chair, Lloyds TSB Scotland plc

1997–2000
XXXXX Bank of Scotland

1986–1996
Senior vice president, NatWest Bancorp, New York

have been in situations where they were the only woman in the room, particularly in the early stages of their career, and can reel off anecdotes to that effect (Dame Susan was once asked to wear brighter colours at a dinner so she would stand out from the men). They can both claim ‘first woman’ titles: in 1985, at the age of 30, Alison became DLA Piper’s first woman partner; and in 2000, Dame Susan was the first woman to head a UK clearing bank as CEO, then chair, of Lloyds TSB Scotland.

“For me, being the first woman to achieve something undoubtedly led to a more prominent voice and more significant and widespread actions to support women in the workplace,” Dame Susan says. However, while both she and Alison have taken active roles in mentoring and supporting women and promoting inclusivity, they are wary of being recognised solely for their gender.

“I believe that being very good at something as a woman is more compelling than being seen as a woman who happens to be good at her work,” Dame Susan says. “We’re all there because of the same interests or skills. I want to be thought of as the person who is very good at X, or who is really interested in X, so that it is not my gender that defines me but my ability.”

For Alison, part of the work she’d like to be known for is in sustainability. “People have said to me, ‘Are you going to be talking about women and diversity?’ And I’ve said, ‘Well, that isn’t my only topic’. I’m very happy to talk about that when it’s appropriate but, you know, my interest is around the sustainability agenda and environmental issues, how we should be adapting and how it’s impacting society and the business world.”



Sustainable cooperation

Alison has long championed the sustainability agenda in her work at DLA Piper – for example, by encouraging sustainability considerations in real estate assessments. As the founder and chair of the Livery Climate Action Group, and in her role at the City of London Corporation, she also helped to set up the Green Finance Institute in 2019. As a non-executive director at the Institute, she set in motion its aims of accelerating the transition to a sustainable economy.

Recent work at the Institute includes bringing together stakeholders to discuss green mortgages, launching a UK Financial Institutions for Nature group open to any financial institution engaged in UK nature finance, and identifying how the UK government could better mobilise private investment into nature.

It is also part of a growing chorus of financial services sector voices highlighting the second-mover advantage the UK has in developing its long-awaited green taxonomy, which will provide criteria to help companies, investors and other financial services sector actors determine environmentally sustainable economic activities.

Although the taxonomy has been delayed, Alison remains positive, saying: “There are all sorts of political issues – and in the UK we have had so many upheavals over the past year that it got put back.” She is more concerned with bringing people together to work on these issues.

Dame Susan agrees that it’s necessary to combine forces across sectors to ensure that progress on sustainability issues goes “further, faster”. And, as chair of the Global Ethical Finance Initiative’s (GEFI) Global Steering Group – which brings together a range of stakeholders to steer the financial industry towards meeting the UN Sustainable Development Goals – she’s seen the benefits collaborative approach can bring.

Innovative approaches to risk

This also gives Dame Susan a global perspective on sustainability issues. She provides the example of a GEFI event at COP26 in Glasgow, where funding and what it might be used for, were discussed. There, she says, a representative from the African Development Bank (ADB) reminded delegates that in many of the countries supported by the ADB, coal-fired plants provide jobs, power and energy, with tangible results such as “sending more kids to school”. She believes it’s vital that the financial sector recognises that these nations are “at a different stage altogether”.

“It’s about the just transition, I suppose,

ALISON’S CAREER HIGHLIGHTS

2021-2022
Sheriff of the City of London

2019-2022
Non-executive director, the Green Finance Institute

2021-present
Founder and chair, the Livery Climate Action Group

2016-2019
Chair, The City Bridge Trust, the largest independent grant maker in London

2014-present
Consultant, DLA Piper

2002-present
Elected as alderman of Dowgate Ward

1985-2014
Partner in the Real Estate Group of DLA Piper

1978-1980
Trainee solicitor with Alsop Stevens Batesons & Co which later, through a series of mergers, became DLA Piper

and also about inclusivity again,” Alison adds. She references the point made at COP27 by the prime minister of Barbados, Mia Mottley, that institutions like the IMF and the World Bank – which issue loans based on risk, with wealthier nations historically being charged lower interest rates and given better terms than developing economies – are not structured to provide fair funding to the vulnerable nations that need it most. “It’s quite radical, but we need to look at not only the way they work but also how they view investment, which is what you’re talking about, Susan, and especially the risk element of that.”

This exchange perfectly illustrates Alison and Dame Susan’s propensity for listening and thinking differently about the way financial structures work. In response to Alison’s point, Dame Susan recounts an anecdote of how, while in her role at NatWest Bancorp in New York, she examined the wholesale side of offering debt to large infrastructure projects in disadvantaged communities. In these areas, which held assets with little inherent value and where risks were uncertain, she found a different way to approach the problem.

“What I found was that if you look at these areas as a market which you don’t currently serve as a bank, you bring a different mindset to it and you start thinking about creating products for where there are deficiencies.” Her solution was the notion of a “recoverable grant”, which lends funds to such projects in their planning and development phases. If a project is greenlighted, the grant is then folded into a loan and the bank is eventually paid back.

“If not,” she explains, “it isn’t seen as a loan loss, but simply as a grant. It was just so simple to find a different way of approaching it. It was about thinking about early-stage finance and other ways of allowing greater risk to be taken by the institutions providing that finance.”

The same can be said of mobilising climate finance. Alison points to the case of the Sámi people in Finland, whose way of life is threatened by climate change and who could, for example, benefit from loss and damage funding.

However, she believes there’s a disconnect between how industrialised nations are choosing to invest in green projects, and the way in which vulnerable groups need such funding. “The two aren’t working because there’s that gap – that’s where the multilateral development banks can come in,” she says. She adds that it’s imperative that those institutions don’t work alone and instead synchronise their efforts with “private banks and private organisations”.



Collaboration really is the key it seems.

Dame Susan adds that the logical next step should be for any institution that does engage in such projects to analyse its risks and share its experiences. “Because if one firm puts its toe in the water, and it’s not a disaster, that will encourage others to come in. Eventually, that creates a body of knowledge, reducing risk and helping regulators to understand that there’s less risk.”

Promise of progress

Despite this call for action, Dame Susan is quick to head off criticism of a lack of progress between COP summits. She believes it’s too simplistic to paint a picture of the conference that is “black and white, good and bad, dirty and clean.” The reality, she points out, is far more complex, with many different stakeholders’ interests to consider. Any worthwhile change, she says, “takes a lot of preparation to kick in”. Long lasting results are unlikely to happen overnight.

COP27 in Egypt was dubbed the ‘implementation’ COP, meaning there were fewer headline announcements. On the public finance side, the biggest

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news was the agreement after more than 30 years of a Loss and Damage fund to compensate developing countries for the unequal impacts of climate change and forced displacement. This year in Dubai, COP28 is tasked with mobilising the money to pay for this fund.

“I don’t know whether that funding solution will be there,” Dame Susan says. “But there may be at least some conversation that moves around. Some of this stuff just takes a little time to mature.”

Alison believes the summits that have been seen as more successful are those such as COP26 which had a “vision that it could include private finance as well as public”. But she too cautions that nations’ differing interests slow down the process. The US, in particular, she says, “doesn’t want to put in money in a way it feels it can’t control.”

We’re back to Dame Susan’s belief that where one player is willing to lead the way, others will surely follow. And it’s hard not to draw parallels between this trailblazing ethos and both women’s careers. Dame Susan reflects: “I always say to myself, what’s the worst thing that can happen if I do this and I mess up? And the worst never happens.” ●