

ACTIVE VOICE *from Putnam Investments*

Learning from our institutional partners

*At Putnam, we regularly engage leaders across our partner institutions, in public policy and academia, and beyond. In this edition of **Active Voice**, Cathy Saunders, Head of Corporate Sustainability and Public Policy, shares key learnings from a recent Women of Putnam event with our institutional partners. The conversation was full of fascinating insights spanning career development, product innovation, and industry evolution, with lessons and relevance for all.*

Consultants are critically important to existing and new institutional clients — whether state pension plans, endowments and foundations, private pension funds, or defined contribution (DC) plans. Stewards of this capital use investment consultants like Aon, Callan, and RVK as a bridge between investment managers like Putnam and the client.

Putnam Institutional Partners — A Fireside Chat

Hosted by Cathy Saunders, Head of Corporate Sustainability and Public Policy, Putnam Investments

Moderated by Bonnie Stanfield, Director, Consultant Relations, Putnam Investments

Speakers:

Suzanne Carroll

Senior Consultant and Head of the Defined Contributions Solutions Group, RVK

Kristen Doyle

Partner, Head of Innovation and Business Transformation
Aon Investments USA

Lori Lucas

President, CEO, Employee Benefit Research Institute (EBRI)

Kaitlin May

Head of Global Institutional Management,
Putnam Investments

The career journey

Let me begin by asking each of you, as senior leaders, how did you advance to your current positions?

Kaitlin May: I had planned to go to medical school, but the realities of a medical practice were challenging for me. In considering alternatives, I saw investment banks were interviewing on campus, so I studied banking. I later went to work for Smith Barney.

After three years in investment banking and after additional classes in finance and accounting, I worked in mergers and acquisitions. Then I moved to a product development role with the real estate group at Citi's alternative investment business. From there, I jumped to Apollo and on to Putnam. I had found my passion.

Suzanne Carroll: Continual learning is “my thing.” I'm curious all the time, and I'm always considering my role and how it fits with other parts of a business. I began as a programmer, then went to law school and later worked in compliance at various financial services firms before joining the Treasury group at Amgen. To gain a detailed understanding of financial analysis, I took on the CFA program. Learning guided my path.

Lori Lucas: After building and leading the DC practice at Callan in Chicago, I came to feel that I had completed my mission. I couldn't resist the opportunity to reinvent the Employee Benefit Research Institute [EBRI], taking it beyond “retirement” to wellness, consumer data, and other themes. I was ready for my next challenge and opportunity.

Kristen Doyle: I traveled through a full evolution of our firm at EnnisKnupp — which was a great place to work with an incredible culture. Then it was acquired by Hewitt and, in turn, rolled up into Aon, a global firm with 50,000 employees. Aon gave me access to new colleagues, global clients, and opportunities to volunteer in our community. Major changes always bring opportunities, even if they don't always feel like it at first. I have always embraced change.

How have you encouraged mentorship for women and other traditionally underrepresented groups?

Kristen Doyle: Our industry has traditionally been dominated by the white male community. Aon has created a sponsorship initiative in an effort to embrace other groups. Women, in particular, are finding their voice, finding new opportunities, and getting promoted. Great progress is well underway.

Lessons from corporate transitions

Kristen, tell us about leading the integration of Aon's acquisition of The Townsend Group in 2018.

Kristen Doyle: To me it was a great example of how you can take maximum advantage of a professional opportunity when your employer supports your personal life. In 2016 I had been leading Aon's public funds group for two years, and I told my boss that I wanted something more. With the acquisition of Townsend, I was asked to lead the integration — a complex, expensive integration.

Some two weeks before I was given this massive assignment, I discovered that I was pregnant with twins! I felt I had an exciting but difficult path — taking on the integration role while at the same time announcing I would have to leave halfway through it. My boss said, “If we can't make this work for you, shame on us.” My takeaway was we all have major life events that might pull us away from our jobs, such as personal events, disabilities, etcetera. No one should have to pass up an opportunity just because of those things.

Suzanne, tell us about your transition to a new role in Portland, Oregon, at the consulting firm RVK.

Suzanne Carroll: In traditional business, key meetings usually take place in person. But I made this transition during the Covid lockdown. Going through that process in a virtual environment allowed me to see many people in a short period of time and to go back and ask additional questions. Both parties should be open minded about new opportunities. RVK and I had discussed one role, which wasn't a great fit. But they said, “Let's keep talking.” My advice is to take any meeting, listen, and understand the needs of potential employers. You never know where it will lead you.

The future of our business

Lori, what do you see in the future for DC innovation?

Lori Lucas: We've done a lot to bring new retirement savers into the system, particularly since the passage of the Pension Protection Act [PPA] in 2006. However, these benefits have mostly accrued to larger workplace savings plans; we have a lingering "coverage" issue with smaller companies. Many of my conversations with legislators focus on ways of closing this coverage gap.

We've seen a shift away from traditional defined benefit pension plans in the private sector. Today, defined benefit plans are primarily seen in the public sector [i.e., pension plans for state and local workers]. What changes do we see going forward?

Kristen Doyle: We project low expected investment returns for the next 10 years, which will present challenges for the public plan space. Plans have seen increased assets and have lowered their discount rates.

Public plans need high-conviction alpha, including taking greater advantage of illiquidity. Pension plans are increasingly delegating investment implementation decisions to their investment teams, while the Board of Trustees makes the key decisions around policy, asset allocation, and governance.

Kaitlin, at Putnam you are both Head of Global Institutional Management and of the 37 Capital platform. What are your plans going forward?

Kaitlin May: Today, Putnam has strong strategies to sell in fixed income, dedicated mortgage, structured credit, and other strategies. On the equity side, we have large cap value, growth strategies, and emerging markets — offerings that are getting interest from both domestic and offshore investors. We position ourselves as a thought leader in the global market.

Also, these days, it's "sustainable-sustainable-sustainable." Katherine Collins, Putnam's Head of Sustainable Investing, has undertaken deep collaboration with clients, informing them of how we view the world.

We're rolling out new strategies that we know to be of interest to investors around the world.

My goals turn on transparency, collaboration, and teamwork. We don't compete within our group. Rather, we succeed together.

Women of Putnam

Women of Putnam is an initiative to support and increase the diverse representation of women at Putnam and enable a culture of inclusion.

Together, the group will:

- Engage a diverse group of women to connect, network, learn, and build community, involving men as allies when appropriate
- Develop women at Putnam to achieve their professional goals
- Grow Putnam market leadership by increasing diverse female representation across the firm and establishing Putnam as a leading voice for women in financial services

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