

The DENNY CENTER for Democratic Capitalism

GEORGETOWN LAW

DENNY CENTER CONVERSATIONS

A Q&A with Natalia Nicolaidis

Founder & CEO, Dynamic Counsel, and Denny Center Affiliated Fellow

Natalia Nicolaidis founded and is CEO of Dynamic Counsel, a governance, risk management and transaction advisory consultancy that drives change and increases value. She is a leading mentor for and advocate of women's leadership and diversity & inclusion.

Ms. Nicolaidis is an independent, non-executive board member of two listed companies. She is a member of the Sustainability Committee of one board, driving executives to comprehensively address non-financial risk. Ms. Nicolaidis applies her governance expertise as Chair of the Remuneration and Nominations Committee on her other board. She also is Advisor to Just Capital, a charity that, through research and data-driven tools, empowers market participants to build a more just economy.

Ms. Nicolaidis was Global General Counsel and, previously, Global Head of Risks & Controls of the Investment Banking Division of a global investment bank. Having worked to transform culture and accountability during turbulent markets, Ms. Nicolaidis combines strategic and risk-management experience with front-line leadership in change management.

Ms. Nicolaidis earned a BA in Economics from Yale, a JD from Georgetown University Law Center, an MS from Georgetown's School of Foreign Service, and a Masters in EU Law from the Collège d'Europe (Bruges). She is fluent in English, French, and Greek and proficient in Spanish.

Ms. Nicolaidis currently is Chair of Georgetown University's European Law Advisory Board, is Sustainability liaison of the Securities Law Committee of the International Bar Association, and is on the IBA's Women's Interest Group. Georgetown University Law Center named Ms. Nicolaidis Adjunct Professor in 2020. Ms. Nicolaidis enjoys regular speaking engagements and is an author on capital markets and ESG topics.

We had a chance to visit with Natalia in September 2021; our discussion has been edited for length and clarity.

Denny Center: Before telling us about Dynamic Counsel and your additional portfolio of activities, would you share some highlights of your career journey up to this point? Did everything work out like you initially planned it?

Ms. Nicolaidis: Perhaps the most significant influence on my career was my deciding to leave my native Greece to pursue academic studies in the US. After obtaining an Economics degree at Yale, I chose Georgetown University's ("Georgetown") Law Center and School of Foreign Service. There I joined a community of curiosity and resilience.

One of my proudest Law Center experiences was honoring the bicentennial of the Bill of Rights through an article I wrote in a special edition of the *American Criminal Law Review*. Professor William Greenhalgh had inspired me to join the ACLR, and, with his guidance, I had an enriching time exploring the Sixth Amendment. I learned of the impact that rights and due process can have and that assisting the vulnerable protects society. My drive to mentor comes from my time at Georgetown.

My early years after the Law Center were in private practice in New York, where my career took an unplanned turn. My first law firm noticed my linguistic skills included Spanish. Suddenly, I found myself spending long spells in Mexico, Colombia, Chile and Peru. Latin America boomed in the 1990's, and I thoroughly enjoyed advising clients there on corporate finance. I found the cultural immersion and exposure to dynamic business leaders personally rewarding.

That international exposure increased my professional capital and skills. One of my strengths continues to be connecting stakeholders across geographies, backgrounds and sectors.

Those skills and experiences helped when I became general counsel at a global investment bank where I contributed to strengthening corporate culture and conduct following the global financial crisis. Challenging times shaped me into a trusted advisor to top level executives, from the C-suite down.

Denny Center: Why did you create Dynamic Counsel – and what do you plan to accomplish? In addition to your appointment at the Denny Center, what else is in your portfolio of activities?

Ms. Nicolaidis: Dynamic Counsel was born out of my corporate finance, governance and risk management experience. I have advised companies and individuals on acquisitions and divestments and have helped law firms and other advisors to develop talent and identify opportunities.

I am also an independent director on several public and private company boards. I have been influential on my boards' steering management transformation and optimizing corporate risk management. I see ESG as facilitating beneficial change in business that will increase corporate resilience and drive long-term sustainable profitability. Alongside my partners in Dynamic Counsel, I am honored to support purpose-driven corporate growth.

Denny Center: Whether it was Larry Fink’s 2018 Letter to CEOs or the Business Roundtable’s restatement of the purpose of the corporation in 2019, corporate purpose has been gaining an increasing amount of attention. What’s your take on the question “what’s the purpose of business”?

Ms. Nicolaidis: I believe corporations exist to encourage and reward innovation and to drive fulfilment of society’s needs. As companies enjoy incentives and protections from society, they must be mindful of societal needs as well as profit.

The current pandemic has highlighted certain, previously ignored, aspects of society. For example, an individual’s health and businesses are intrinsically interlinked. Corporate purpose, in my view, includes safeguarding stakeholders (including underprivileged communities and the environment).

Denny Center: How did you approach the discussion of profits, people and planet during your career in investment banking? Did the tone and/or the content of discussion at the board or senior management level evolve over time? If yes, how?

Ms. Nicolaidis: In my career at a global investment bank, I advised clients, including businesses and governments, on how best to meet their financial opportunities and challenges. Pressures were real, and circumstances were unique. I forged personal ties to create optimal solutions for our advisory and products businesses.

My ability to influence increased over time and benefitted from my investor focus and reputational vigilance. Of course, there were several internal and external stakeholders, and decisions were made on a collective basis. I tried to ensure that incentives and transparency were safeguarded. In the aftermath of the global financial crisis, when the reputational, governance and societal lens came into sharper focus, I developed best practices to mitigate operational and legal risk. The ESG campaign has assisted the focus on these risks.

Through Dynamic Counsel, I continue my engagement on these topics with corporate decision-makers.

Denny Center: It goes without saying how excited we are to have you serving as a Denny Center Fellow -- what about the center’s mission particularly resonated with you? What impact do you hope the Denny Center will have over time, and how do you plan to contribute?

Ms. Nicolaidis: I am honored to be serving as a Fellow at the Denny Center because I firmly believe in business’s ability to do good. I am grateful to Mr. Denny for his foresight and generosity. Much like Georgetown reminds its students of its rich heritage to ground future professionals, businesses need to be grounded and be mindful of the communities in which they act. This interconnection is crucial, and I am looking, as an alumna and as a professional who operates in this field, to drive this mission.

Denny Center: What advice would you give to current (or future) business leaders that aren't as far along on combining purpose with profit? (i.e., what are some tangible first steps they might consider taking?)

Ms. Nicolaidis: We find ourselves at a time of enormous challenge. Leaders need to be on the side of solutions even though there is great uncertainty. Especially on matters relating to ESG, leaders are called to tackle converging crises in parallel.

Certain industries are now called to absorb costs that in the past were not reflected in the pricing of their products. As board member I see that, as a result, production life cycles must change. To do so, I urge leaders to facilitate collective action and to be aware of their accountability to the public at large on externalities. There are value creation opportunities in being ahead of the curve. Paul Polman, Unilever's former CEO, in observing shifts in markets, cost of capital and the risk equation, puts it well in saying that corporate leaders need to focus on their stakeholders' long-term interests and take responsibility for their impact on the wider world.

I was fortunate to have worked in London's Canary Wharf. There is natural outreach to Tower Hamlet's deprived communities. Through my role as Credit Suisse's Modern Muse sponsor, I helped invigorate the hopes and dreams of young girls. By providing role models to the next generation, we understand their needs. Engaging a broad cross-section of the world is key for leaders. The promise to young people that their best future is possible ought to be integral to leaders' visions.

Denny Center: Is there anything we forgot to ask that you'd like to highlight before we wrap up?

Ms. Nicolaidis: Leadership takes different forms. It may result from actions or from influencing the collective mood in ways in which we connect ideas, people and opportunities. I value inclusive leadership as a form of recognizing different perspectives. Students at Georgetown should experience the world outside of the academia through the fantastic opportunities that Georgetown's extensive externship programs afford and through the network of diverse leaders that Georgetown cultivates and maintains.

To learn more about Natalia Nicolaidis and Dynamic Counsel, visit <https://www.dynamiccounsel.com/>.