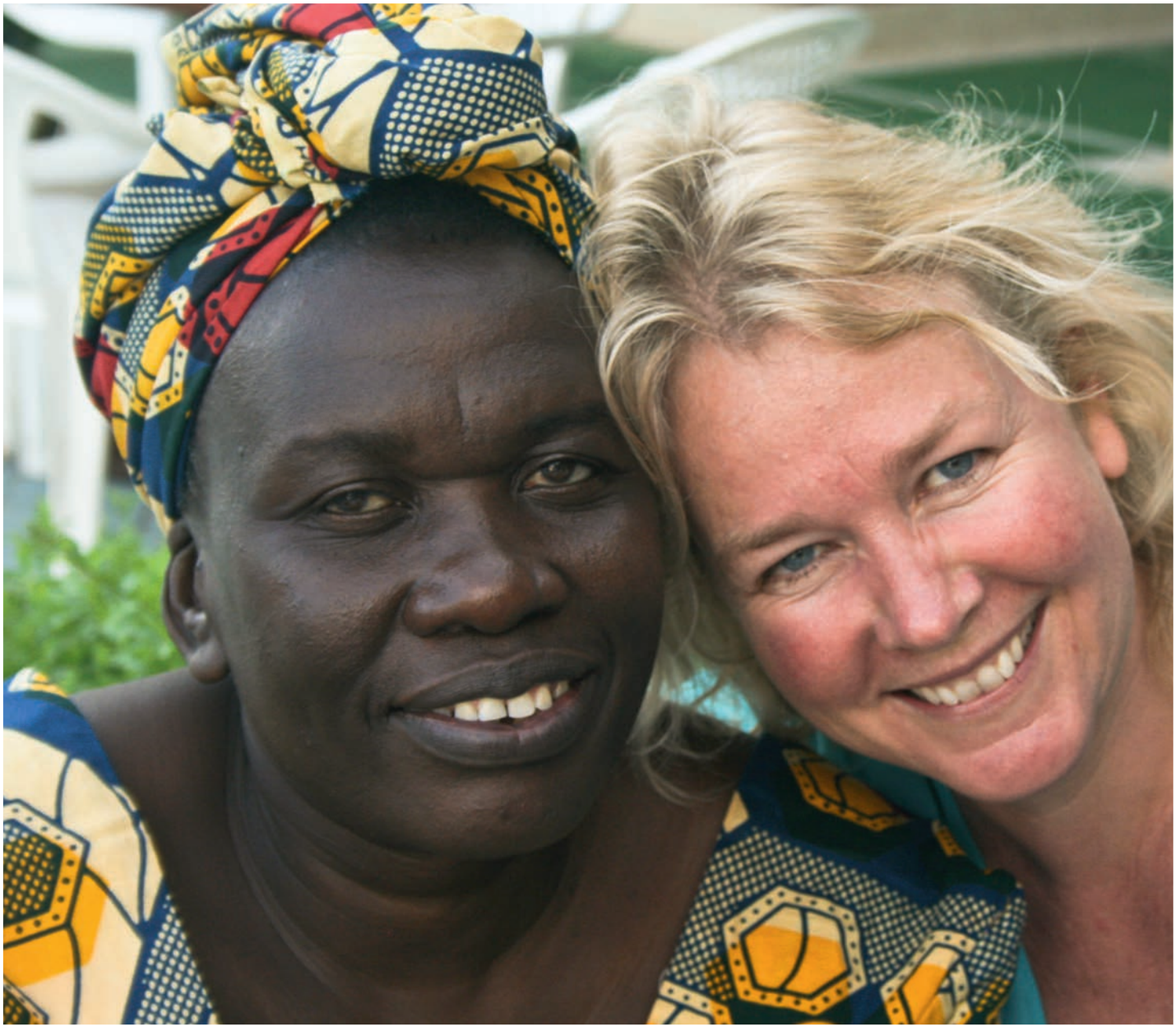


A life less ordinary

She built a career on making millions for the rich, but Dunedin-born Audette Exel is now dedicated to helping the poor. **by DAVID LESER**

Audette Exel with Christine at Kiwoko Hospital, Uganda. Below, in the Himalayas.

To enter the Alice in Wonderland existence of Audette Exel, you could do worse than go down the rabbit hole and poke your head up into the ancient former kingdom of Nepal.

Weddings are erupting around the capital, Kathmandu, with a flourish of trumpets and beating drums. Cows amble across the street amid dust storms and endless traffic jams, vying for space with urchins, holy men and hawkers, all under the looming presence of the Himalayan mountains.

A monkey walks past Exel's hotel room as she works via email on a half-billion-dollar sale of a European banking group. The negotiations are crucial. If successful, they will represent one of the biggest European financial transactions of 2012. This is just before breakfast.

After breakfast, Exel is visiting some of the children she and her organisation, the Isis Foundation, have rescued from child traffickers in the remotest part of the country – children taken from their homes under false pretences and imprisoned in appalling conditions. The children are hugging her, squeezing her, holding her hand. A 12-year-old boy who almost died from a hole in the heart before being saved by Exel and her team won't let her go.

Later that afternoon she is forging ties between her Nepalese staff and her manager in Uganda, where her organisation has managed to save thousands of mothers and children.

"If you want to know me," the Dunedin-born former corporate lawyer and banker says as she greets me at the door, with a flourish of blonde hair, blue eyes and Nepalese silk, "you have to know me in this context. The truth of me is here, it's not dressed up in high heels and a business suit sitting in Sydney."

This is the woman who New York-based hedge fund manager Victor Khosla says has raised hundreds of millions of dollars for his company, Strategic Value Partners, over the past decade through her financial acumen. The same woman who leading international finance lawyer James Watkins says gave up millions of her own income to help some of the most impoverished people in the world.

The same woman again who high-flying lawyer John Atkinson believes puts him and other bankers and lawyers to shame. "When I examine my life and I compare it to Audette's, you can quickly feel pretty humbled, even quite selfish. I guess in the scheme of things I look quite normal and Audette looks pretty extraordinary."

FIRST JUMP

Exel was 16 when she made her first jump. It was out of a plane at 1000m over Palmerston North. She had been talking to a skydiving instructor in a Wellington bar and he told her there was nothing greater than plunging to earth at terminal velocity.

"You can't do it," her mother said. "Yes, I can," her daughter replied. "I have a right to, so I'm going to."

On that first jump she felt an ecstasy she'd never experienced. "I saw the beauty of New Zealand – endless open fields and mountains, the air on my face. I knew as soon as I got out the door of that airplane that this was my sport. People have this perception that it's about scaring yourself and getting close to death, but actually it's about living to the full. There is no other experience I have ever had in terms of feeling that every part of me is alive."

Now 49, she has made it her mission to squeeze the marrow from life. Her parents,

"I get to work with the smartest people in the world in the business sector and at the same time work with the most extraordinary communities."

Mary and David Exel, paved the way. Her father covered the Vietnam War for the New Zealand Press Association during the 60s and early 70s, basing his family in Singapore. It gave his three children the opportunity to see multiculturalism first-hand, and to experience what it means to be an outsider.

"I was the little kid with the blonde hair and the big blue eyes," Exel says now in her Kathmandu guesthouse, "and I remember when we went back to New Zealand being shocked that there was a country in the world where the dominant culture looked like me.

"My mother taught me to give of yourself and she held the family together with this mad, wild-thinking husband who showed me that the most important thing in the world was to think for yourself. He also gave me this deep sense that integrity was the only thing you needed to die with."

When the family returned to New Zealand, her father found himself blacklisted by then-Prime Minister Robert Muldoon. David Exel had been a distinguished journalist and television presenter, but was bitterly opposed to Muldoon and had organised a "Citizens for Rowling" campaign in favour of Muldoon's opponent, Bill Rowling.

His daughter recalls a family meeting the night before the campaign was launched, when her father explained he could no longer stay silent. "I remember him sitting us down," she says, "saying, 'I will probably never work as a journalist again.'"

He was right. Following Muldoon's election win in 1975, he declared her father persona non grata. "It was an object lesson in integrity," she says. "He stood up for his beliefs."

So, too, did his feisty second-born child. The day after the campaign was launched, a much taller boy approached her in the school playground and said: "My mother says your father's a traitor." Exel slugged him. "It's not the right way to solve a problem," she says, "but, yes, I punched him."

She also recalls going to the shops and people asking her to leave. "Somebody put some crackers in our letterbox and blew it up. But then when Muldoon left office in disgrace, there was a bumper sticker that said 'Exel was right', and that was a satisfying moment for us as a family."

STUDENT ACTIVIST

In the early 80s she became a student activist in Wellington, attending pro-feminist and anti-apartheid demonstrations, and being dragged from the streets – along with her father – by riot police during the Springbok Tour. When the family moved to Australia, she continued her law degree at Melbourne University.

But she recognised an important difference between her old comrades back in Wellington and her new group of friends.

"I came to Melbourne University and it was full of little rich kids. Suddenly I was with students who actually cared what a QC was paid a day, rather than how to change the world."

She could see a chasm between two worlds – the world of rose-tinted idealism

"My father gave me this deep sense that integrity was the only thing you needed to die with."

and the world of power and capital. "I realised I knew nothing about business and I thought, 'I have to know about business. I don't know what a share is. I don't know how the stock exchange trades. I do not understand money.' So I actively sought out the best, most right-wing and most pro-business law firm in the country."

Exel managed to charm and bluster her way into a job in Sydney with Allen, Allen & Hemsley (now Allens) where she got involved in hugely complicated and

The Exel family; Leonie and Audette with their father, a distinguished former New Zealand journalist and television presenter who was blacklisted by Rob Muldoon; the sisters.

controversial deals such as the hostile takeover bid for mining giant BHP.

Back home, her left-wing friends were scandalised, believing she had betrayed the cause by not working in an area such as Aboriginal legal aid. One of her teachers even lamented: "You were my great hope."

But she still liked to skydive. She would drive away for weekends, sleep in an aircraft hangar or the back of her car and then, next morning, jump out of an aeroplane.

PLAIN TALKING

A few years later, Exel joined one of the most prestigious law firms in Asia, Linklaters & Paines in Hong Kong, where she ended up representing a syndicate of banks on asset financing, as well as mergers and acquisitions. The deals were worth billions, but she continued to spend her weekends leaping out of planes, somewhere over the Chinese border.

John Atkinson, then with law firm Baker & McKenzie, often sat on the other side of the table from Exel during endless rounds of tough negotiations.

"I remember thinking: 'God, I wish you'd just bloody go up in that plane and forget your parachute or something,'" he recalls. "Audette absolutely refused to give anything. She would never give up a single basis point, not even a sniff of it. She'd drive us nuts. You almost thought it was her money rather than the banks she was acting for.

"But I understood, then, that she wasn't your average kind of lawyer and I built up a massive admiration for her. She was a young lawyer in a very toffee English firm and she was running large transactions. That was not the norm."

One of the firm's senior partners said to Exel: "Audette … we've never made a partner of anybody who wears lime-green suits to work, doesn't wear shoes in the office and clicks her fingers when she walks down the hall."

Maybe not, but according to James Watkins, the man who brought her into the firm, she would have definitely made partner had she decided to stay. Instead, she eschewed the fat salary to spend 18 months cycling with her best friend through Europe, just as the Iron Curtain was collapsing.

She cycled thousands of kilometres through Belgium and Luxemburg, over to northern France and across to Austria and Hungary, all the way along the banks of the Danube, then back into Germany. She cycled into Munich for the Beer Festival and, five days later, headed to Berlin with a massive hangover as the wall was being torn down. She partied all night in the newly reunified capital, then zig-zagged through the old Eastern bloc, peddling straight into the middle of Czechoslovakia's Velvet Revolution, then the equally historic unravelling of Yugoslavia.

At some point in her mad odyssey she rode into Romania, blissfully ignorant of the tragedy that had befallen the country, courtesy of former dictator Nicolae Ceausescu. A second revolution appeared to be under way in the capital, Bucharest, and Exel found herself in a bar one night with the international press, and hundreds of thousands of people massing outside in University Square.

One journalist mentioned the catastrophic plight of an estimated one million Romanian orphans. The next day Exel and her friend found themselves looking into the hollowed-out eyes and cracked teeth of an infant infected with Aids. The girl was lying in her cot mewling like a dying kitten.

Ten days later, the two women began working in the worst orphanage in the country, a hellhole for handicapped children on the Russian-Moldavian-Romanian border. She noticed how international aid often went wasted – trucks would arrive in the village filled with Christmas boxes from well-meaning donors, but containing nothing more than soap, toothbrushes and a flannel for each child.

(What does a severely disabled child, crazed with hunger, do with soap and toothbrushes? Answer: He eats the soap and tries to poke out the eyes of another child with the toothbrush.)

OUT OF MONEY

From Romania, they cycled to the Middle East just as the Gulf War was erupting. They peddled back into Italy, ate far too much pasta, ran out of money and Exel returned to Australia to get a job as a consultant lawyer.

A few months later, she flew to Israel where she ended up scuba diving in the Red Sea. Thirty metres down, amid a wall of spectacular coral, her scuba-diving

instructor did a remarkable thing. He kissed her.

She refused to return to the surface, so the instructor, bereft of good ideas, took off his regulator, motioned for her to do the same thing, then puckered his lips. "It's totally insane," Exel recalls, laughing, "taking your regulators out of your mouth 100 feet underwater, but I thought, 'Why the f--- not?' So I take my regulator out and we have this huge, fabulous kiss."

She fell in love with the diving instructor, but her feet were still itchy, so she used the Sinai desert town of Eilat as a base to travel solo through the Muslim world. She ended up in Turkey working for the Australian Embassy on the Iraqi border. It was there in a refugee camp that she came under fire from Kurdish terrorist group the PKK.

"We were in the middle of the fire-fight for several hours. Many people died. It was a very sobering thing … I realised as I was lying on the ground and people were killing each other over the top of our heads and shooting and there were over-the-shoulder rocket launchers and God knows what else, I thought, 'Oh my God, I am not an observer, I'm a participant and I'm going to be a byline in the *Sydney Morning Herald*. They're going to say 'New Zealand girl killed in fire-fight in Iraqi-Turkish refugee camp'."

Having survived, she spirited her scuba instructor away to Bermuda and a year later the New Zealand Christian and the Israeli Jew were married in a Hindu temple in Old Delhi.

Exel had gone to Bermuda to set up a banking department for a small local law firm. Bermuda, of course, was an offshore jurisdiction and huge re-insurance market just a 90-minute flight from New York. It had a curious cultural mix of local Bermudians and old-world families, both black and white, and was also where some of the most highly numerate financiers in the world chose to base themselves.

She seized on the idea of convincing a billionaire Dutch financier to rescue the ailing Bermuda Commercial Bank, known as the "Black Bank" because of its largely black investors and clientele. The financier agreed to do so, on one condition. "You talked me into buying this tinpot bank. You run it," he said. Exel was 30.

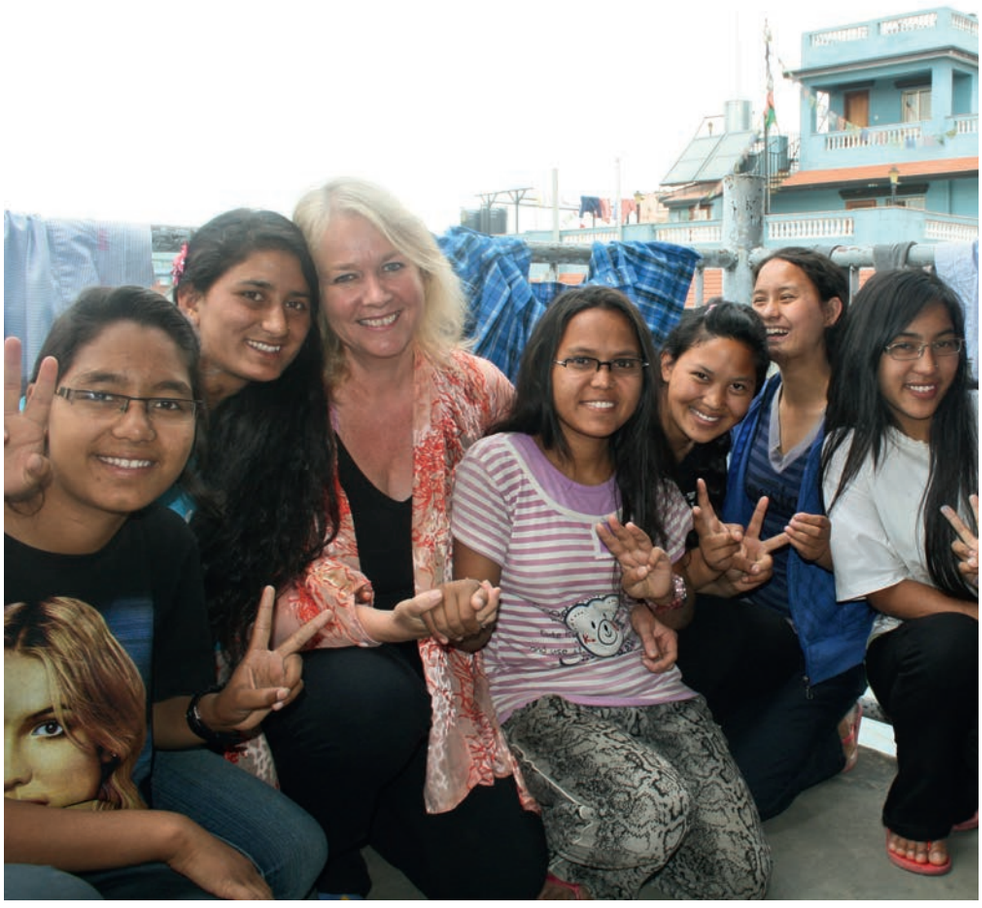
By the time she left the bank four years later (and also after a stint as chair of the Bermuda Stock Exchange), its fortunes had been transformed. "She just turned that bank around," says Watkins. "It was in a terrible state and she just sorted it out. It was a fantastic achievement for somebody whose background was in the legal profession."

GLOBAL LEADER OF TOMORROW

Exel was elected a "Global Leader of Tomorrow" by the World Economic Forum and shortly afterwards was asked to join the board of the Bermuda Monetary Authority. In that capacity, as a director of the chief regulator for the island's financial services, she signed the local $5 bill, writing her name across the neck of the British monarch. Her old friends in New Zealand could hardly believe it.

Shortly afterwards, in 1997, she abruptly changed course. Her marriage was ending and Exel no longer wanted to make the rich even richer. She wanted to start making money for the poor.

With a small group of friends, she set up a financial services business with the sole purpose of creating a self-funded non-profit organisation that would help some of the world's most underprivileged people. "I was thinking, 'It's now or never.' I'd had this amazing business career. I'd been responsible for a balance sheet. I'd been a lawyer at some of the greatest law firms in the world. I was 35 and I knew it was time for me to actually do it, to step forward. But I recognised that to create an organisation with the values I wanted, I would have to shape it."



Exel with some of the children she and her organisation, the Isis Foundation, have rescued from child traffi ers in Nepal – children taken from their homes and imprisoned in appalling conditions.

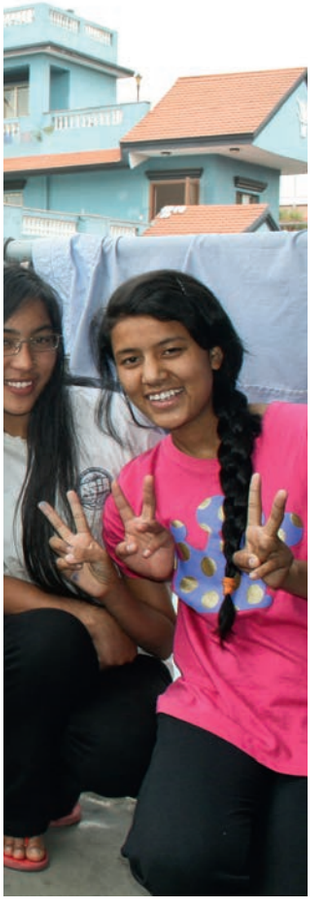
Operating initially out of a small Bermuda bakery, Exel set up the Isis Group (named after the ancient Egyptian goddess of motherhood) to provide corporate financial advice to large insurance companies and banks, as well as raise hundreds of millions of dollars' worth of capital for investment managers.

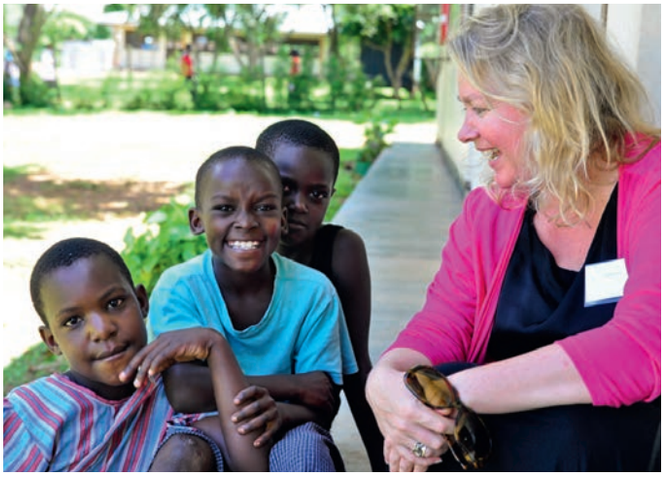
Its entire revenue was ploughed into the organisation's non-profit arm, the Isis Foundation, which was run by Exel's younger sister, Leonie, for the next nine years. Leonie, now based in Whangarei, was experienced in managing non-profit

organisations.

"The values I inherited through New Zealand and my family were also profoundly embedded in my sister, Leo," Exel says. "She deserves the lion's share of the credit for much of what was achieved by the Isis Foundation."

Isis Group became one of the earliest examples of "business for purpose", as opposed to "business for profit". But the question became, given the bottomless ocean of need, where to start? Exel chose Uganda and Nepal.





In 1994, she had met Uganda's First Lady, Janet Museveni, at the World Economic Forum and the president's wife had invited her to visit. And six years earlier Exel had travelled through Nepal and fallen in love with the people. She decided Isis would fund and manage a neonatal intensive care and maternity unit in one of the most war-ravaged parts of Uganda, as well as bring health services to the Humla region of western Nepal, 25 days from the nearest road and with villages at altitudes as high as 5000m.

"I wanted to work in the hardest places," she says. "And the hardest places are the most remote places. I wanted to work in landlocked countries because they are the worst."

TIME AND EFFORT

Today, 14 years later, Exel has a team of Ugandan, Nepali, American and Australian development specialists, health experts, social workers, doctors, nurses and anthropologists operating in both regions, providing services to more than 20,000 people. But she is at pains to stress that this has been a group effort, with many mistakes along the way. "Don't make me a hero," she pleads.

Meanwhile, she has raised over $200 million for Khosla's global investment firm, Strategic Value Partners. All the fees were passed to the Isis Foundation. It is the only time in the history of international finance that people in Uganda and Nepal have celebrated raising money for a US-based investment manager, she notes with a hint of pride.

Khosla says he has never seen anything like it. "Generally, you'll find it's people who've made a lot of money doing business, and at a certain point in their life they start to dedicate time and effort into charitable activities. In the case of Audette, she's done the two of them at the same time."

Now 49, she lives alone on a shoestring, despite being chair of her group of companies and a director of Steamship Mutual, one of the world's largest mutual insurance companies. She is also a director of one of Australia's largest listed companies, Suncorp. She drives a 1997 Toyota and has just bought her first home in Sydney.

Having given up a life with a man she loved in order to change the world, she is often at home alone reading at night in her pyjamas. Her health is far from robust, which deeply concerns her colleagues, but she refuses to discuss it except to say, "There was one point where I thought I would die, but I never thought 'Why me?' I thought, 'Why the f--- not me?' And if I die, have I done enough?"

She has no children of her own, but notes she is an "Isis" mother figure to thousands of children in two hugely deprived nations. She regards herself as the "luckiest woman on the planet", although you get the impression that under her exuberant, disarming surface there is a world of sadness she dare not enter.

She bursts into uncontrollable laughter when I put this to her. "Write that if you want," she says, "but even when I'm sick and in a lot of pain, my dominant emotion is gratitude. I don't see my life as a series of sacrifices. Yes, I am full of angst and I cry in private, but my tears and angst come from the inability to effect real long-term change. People are dying on one side of the planet and the rest of us are dying from overeating.

"My life is a miracle. I get to work with the smartest people in the world in the business sector – most of whom have no idea their fees are paying for a non-profit organisation – and at the same time work with the most extraordinary communities. I've had the privilege of being invited into the lives of amazing people."

Since swapping her duffel coat for a business suit 28 years ago, Exel has been working towards this moment – acting as a bridge between the non-profit and corporate worlds. She calls it luck. Others would argue it's about being prepared to open the door and jump. ▮

David Leser flew to Kathmandu courtesy of Isis (Asia Pacific) Pty Ltd.