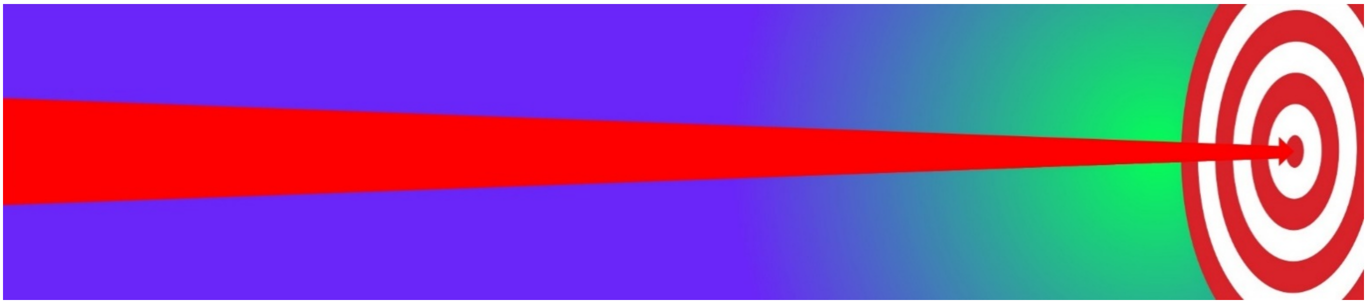
NEW FINANCIAL
Rethinking capital markets



HM Treasury

HM TREASURY WOMEN IN FINANCE CHARTER: ANNUAL REVIEW 2020

MONITORING THE PROGRESS OF SIGNATORIES AND HOLDING THEM TO ACCOUNT

March 2021

by Yasmine Chinwala, Jennifer Barrow and Shruti Deb

> 2020 marked the biggest test yet for the 209 Charter signatories in this analysis. While more than 70% have met or are on track to meet their targets for female representation in senior management, the rest either missed their 2020 deadlines or are falling behind on their future targets.

Supported by

Virgin money

REFINITIV

CITY OF LONDON

INTRODUCTION

What this review is about

The UK government launched the HM Treasury Women in Finance Charter in March 2016 to encourage the financial services industry to improve gender balance in senior management. The Charter now has more than 400 signatories covering 950,000 employees across the sector.

This fourth annual review monitors the progress of signatories against their Charter commitments to increase female representation in senior management, and holds them to account against the four Charter principles (see p4). The Charter data provides uniquely rich insight into female representation in financial services, how companies are executing the Charter principles and where they will need to maintain focus as they deal with the ongoing Covid crisis and prepare for its aftermath. The review is designed to be used by signatories to benchmark their processes and practices.

This year's analysis includes data from 209 signatories, of which 41 are reporting for the first time, 78 for the second, 38 for the third time, and 52 for the fourth time. Our analysis looks at:

- **Progress:** In this section, we look at the signatories that have met their targets ahead of their deadlines and those with 2020 deadlines. 2020 was a big year for Charter signatories, with 81 of the group of 209 approaching their target deadlines at the end of the year. We analyse the group that missed their 2020 targets, and why. We also look at whether female representation has increased at signatory firms, and whether signatories with future targets are on track to meet their targets.
- **New this year:** In the 2020 annual update form, we asked signatories if and how they are monitoring the impact of Covid on their workforce, particularly on gender diversity. Additionally, we asked signatories what data they capture on their senior management population in addition to gender.
- **Driving progress:** Here we discuss what signatories are doing to achieve their targets. This section includes an in-depth analysis of common actions firms are taking to recruit, promote and retain more women, with examples and case studies. We also look at the role of the accountable executive, how signatories are linking diversity targets to executive pay; and assess the annual updates signatories' are supposed to publish on their websites.
- **Context of targets:** This section looks at how ambitious signatories' targets are; where signatories are today compared to their targets; how signatories define their senior management populations; and how and why their targets and senior management definitions are evolving.

Methodology notes: This review analyses annual updates from 209 signatories that signed the Charter before September 2019, provided an annual update to HM Treasury in September 2020, and have at least 100 staff. All data has been anonymised and aggregated, and no data has been attributed without consent. The data was analysed by Shruti Deb and Jennifer Barrow under the supervision of Yasmine Chinwala and Panagiotis Asimakopolous. For full methodology, see p29 of the Appendix.

NEW FINANCIAL
Rethinking capital markets

New Financial is a think tank and forum that believes Europe needs bigger and better capital markets to help drive its recovery and growth.

We believe diversity in its broadest sense is not only an essential part of running a sustainable business but a fundamental part of addressing cultural change.

We provided data to the government-backed Gadhia review of senior women in financial services, *Empowering Productivity*, and we are HM Treasury's data partner monitoring the progress of signatories to the HM Treasury Women in Finance Charter.

New Financial's current diversity research topics include a project on Accelerating Black Inclusion, a Diversity Toolkit for Investors, and a thought paper series on Radical Actions to drive a step change in diversity across financial services.

For more information on New Financial, or to offer feedback on this research, please contact:
yasmine.chinwala@newfinancial.org
+44 203 743 8268
www.newfinancial.org

Acknowledgements

New Financial would like to thank all our institutional members for their support, and particularly Virgin Money, Refinitiv and City of London Corporation for funding our work on the HM Treasury Women in Finance Charter.

CONTENTS

Introduction

Progress

New this year

Driving progress

Context of targets

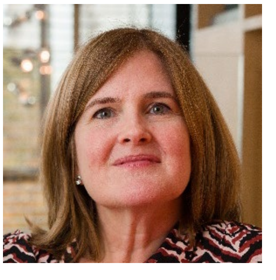
Appendix

NEW FINANCIAL
Rethinking capital markets

Lead authors

**Yasmine Chinwala OBE,
Partner, New Financial**

Yasmine has been a partner leading New Financial's diversity programme since September 2014, specialising in diversity, culture and inclusion issues across the financial services industry. She was awarded an OBE in 2020 for her work on the HM Treasury Women in Finance Charter.



**Jennifer Barrow,
Senior Adviser, New Financial**

Jennifer has been a part time senior adviser to New Financial's diversity programme since September 2018. She was previously head of corporate responsibility for the Financial Conduct Authority for more than four years and spearheaded the D&I function at global law firm Baker McKenzie.

SUPPORTER FOREWORDS

John Glen MP, Economic Secretary to the Treasury

I am pleased to welcome the publication of the fourth annual review of the Women in Finance Charter. Through the Charter, the Government has shown a commitment to achieving gender balance at all levels across financial services firms, and the analysis in this review shows how the Charter's signatories fared in the last year.

2020 marks a major milestone for the Charter with many of our earliest signatories reaching their target deadlines. I remain determined to see the financial services sector make further progress and, in the lead-up to this review, I met with many signatories to understand the efforts made to achieve gender diversity. I heard about the importance of the pipeline in achieving and maintaining gender diversity and I am encouraged by our signatories' commitment to this. It is paramount that our signatories continue to take effective action to improve workplace culture and diversity.

I am grateful to New Financial for their expertise, and to Dame Jayne-Anne Gadhia for her work over the last five years as the Women in Finance Champion. I hope that this review will encourage firms to continue striving to meet their targets and adopt innovative measures to build talented and diverse leadership.

Dame Jayne-Anne Gadhia, Government Women in Finance Champion

This fourth annual review of the effectiveness of the Women in Finance Charter is an appropriate reminder that, even amidst the challenges posed by the pandemic, British firms continue to recognise and prioritize the need to improve gender balance.

We celebrate the firms that have met their targets this year, as well as those that continue to actively work towards achieving gender equality. Diverse and inclusive businesses are often those with the best workplace culture, the best employee retention rates, and the most sustainable returns.

We also recognise the success that comes with senior accountability for gender diversity. When this matters at the very top of the organisation, and when measurable targets are set, results will be achieved.

As I leave my Women in Finance Champion role, I applaud signatories' commitment to gender diversity and challenging the status quo. I encourage firms to continue to transparently measure and report on their efforts, celebrate successes, and highlight opportunities for improvement. Let the efforts of signatories be a shining example for wider UK business to follow.

Background to the HM Treasury Women in Finance Charter

In 2015, the UK government commissioned Dame Jayne-Anne Gadhia to lead a review of women in senior management across UK financial services. The review team published their findings in March 2016 in the report *Empowering Productivity: Harnessing the talents of women in financial services*.

In support of the Gadhia review's recommendations, the UK government launched the HM Treasury Women in Finance Charter in March 2016. Firms of all shapes and sizes across financial services have signed up, with headquarters in the UK, USA, Europe and Asia. Firms sign the Charter on a voluntary basis and set their own targets.

The four Charter principles

In becoming a Charter signatory, firms pledge to promote gender diversity by:

- Having one member of the senior executive team who is responsible and accountable for gender diversity and inclusion.
- Setting internal targets for gender diversity in senior management.
- Publishing progress annually against these targets on a page on the company's website dedicated to their Charter commitment.
- Having an intention to ensure the pay of the senior executive team is linked to delivery against these internal targets on gender diversity.

https://www.gov.uk/government/publications/women-in-finance-charter

David Duffy, Chief Executive Officer, Virgin Money

The fourth annual review of the Women in Finance Charter continues to emphasise the positive impact that firms can have on gender balance in their organisation when enough focus and momentum is put behind delivering a truly diverse and inclusive culture.

When we signed up to the Charter, Virgin Money set an ambitious target of increasing our female representation to 40% in our senior management roles by 2020. Today, we have 43% female representation at senior management level. While we are proud of the progress we have made, we are continuing to challenge ourselves on how we can further embed diversity in our business.

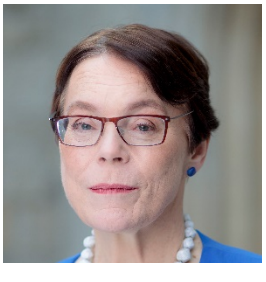
The pandemic has given business leaders the opportunity to challenge themselves on the future of work and the workplace and what this means for diversity. I urge leaders to use the learnings from the pandemic to break down barriers, make roles more flexible and accessible at all levels, and rapidly accelerate inclusivity so our sector truly reflects the society we serve.

David Craig, Chief Executive, Refinitiv

'What gets measured gets managed', but shouldn't we be aiming higher than 'managing' gender inequality? We believe ambitious targets – open to scrutiny – are a vital step in creating truly gender-balanced organisations.

Refinitiv has sought to live by this principle. We set an initial target of women in 30% of leadership roles and when we reached it, we raised it to 40%. I'm delighted to say that as part of London Stock Exchange Group, Chief Executive David Schwimmer has re-committed us to achieving that goal by the end of 2022.

We've seen positive momentum – the number of companies disclosing gender pay gap data globally jumped 10% last year, women now occupy one in three seats on FTSE350 boards, and the number of UK finance firms with diversity targets is almost double the international rate. That is a testament to the work of initiatives like the Women in Finance Charter. Now we need to double down on our ambition to prevent Covid-19 eroding these gains.



Catherine McGuinness, Chair of the Policy and Resources Committee, City of London Corporation

The City of London Corporation is pleased to support this annual review of the Women in Finance Charter. Since 2016, we have seen notable progress. There is, however, more that needs to be done. Now more than ever we must focus on creating an inclusive culture at all levels and tackling the overlapping, intersectional issues of inequality we continue to face.

The Charter is an important part of this. We are also pleased to be leading a new taskforce, commissioned by HM Treasury and the Department for Business, Energy and Industrial Strategy, aiming to boost socio-economic diversity at senior levels across financial and professional services.

The sector has an opportunity to lead the way in its commitment to diversity, ensuring we have the skilled, diverse workforce we need to remain globally competitive, and we look forward to working with our partners as we seek to make the most of it.

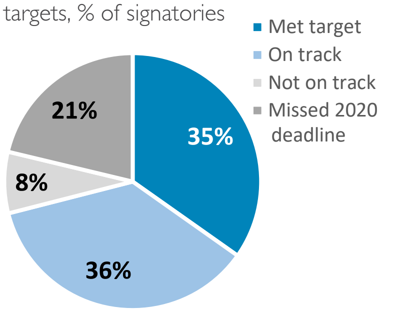
SUMMARY

Highlights of the review

1. **Moving in the right direction**: Just over a third (35%) of the 209 signatories analysed in this review have met their targets for female representation in senior management, and a further 36% that have targets with future deadlines said they are on track to meet them (Fig.1). Three out of five (62%) firms either increased or maintained their proportion of women in senior management during the reporting period (Fig.2).
2. **A big year for the Charter**: 2020 marked the biggest test yet for Charter signatories, with a group of 81 due to hit their targets by the end of the year. Of these, 37 met their targets for female representation in senior management, while 44 did not.
3. **Missing 2020 deadlines**: Of the 44 that missed their 2020 deadline, 35 came close – they were either within five percentage points or 10 female appointments of hitting their target. The most common reasons they gave include setting deliberately ambitious targets in the first place and recruitment or promotion freezes due to Covid.
4. **Monitoring the impact of Covid**: Two-thirds of signatories are seeking to quantify and qualify the impacts of Covid on women in their workforce. The most frequently mentioned include running employee surveys, offering support via network groups, adapting flexible working, focusing on wellbeing and adding indicators to diversity data dashboards.
5. **Early days for intersectional data**: Just over half (53%) of signatories capture data on additional diversity strands within the female senior management population. The most commonly collected areas are ethnicity, sexual orientation, and disability (Fig.13).
6. **Top actions driving change:** Signatories still place the greatest emphasis on changes to recruitment practices to push towards their targets, but they are also increasing their focus on building internal talent pipelines. Firms are using data to improve accountability and quantify the impact of actions.
7. **Accountable at the top table:** Accountability is sitting at the highest levels of seniority, with almost all (98%) accountable executives being executive committee members. (Fig.15). AEs are taking more strategic action and increasing their involvement in holding others to account for diversity.
8. **Linking to pay:** This year marks a step change in the quality and quantity of signatory reporting on the link between pay and diversity targets. Nearly half (49%) said the link is effective, while 47% said it is too early to tell (Fig.17). There is an increasingly granular approach to implementing the link to pay, and greater expectation that senior leaders will deliver.
9. **Publishing updates:** Nearly two thirds (61%) published an online update on their progress by the required deadline (Fig.18), but the quality and format of reporting varied significantly.
10. **Stretching targets**: While signatories select their own targets and definitions of senior management, there is growing consensus on best practice. Nearly two-thirds (62%) have set targets of at least 33%, in line with HM Treasury's desire for alignment with the *Hampton Alexander* review (Fig.19). And for more than half (53%) of signatories, senior management accounts for up to 10% of the total workforce (Fig.22).

Fig.1 Progress against targets

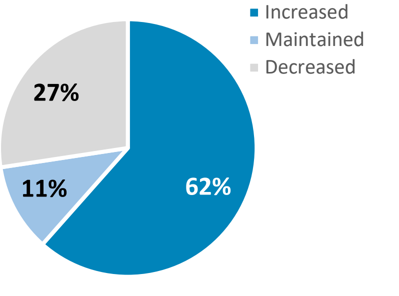
How signatories are progressing against their targets, % of signatories



n=207, excludes two signatories with inadequate data

Fig.2 Improving gender diversity

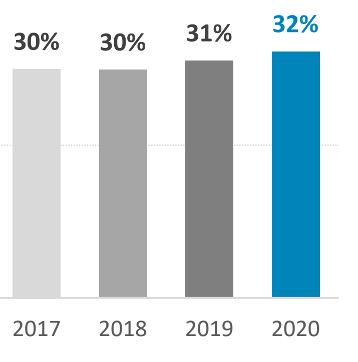
How female representation has changed for signatories, % of signatories



n=208, excludes one signatory with inadequate data

Fig.3 Change since 2018

Average female representation as % of senior management in each year



2020 n=209, 2019 n=208 (excludes one signatory with inadequate data), 2018 n=167 and 2017 n=94 reflecting the smaller size of earlier cohorts.

PROGRESS: SIGNATORIES THAT HAVE MET TARGETS

Signatories that have met targets

Setting and meeting targets for female representation in senior management is the foundation of the Charter. Of the 209 signatories in this analysis, more than a third (72) have met or exceeded their targets.

The group that has hit their targets include 35 signatories ahead of their deadline (Fig.4a) and 37 with a 2020 deadline (Fig.4b).

The 72 that have reached their targets have a wide range of targets, from as low as 5% up to 50% female representation. Forty-three have a target of at least 33%, including nine achieving parity. The average target for the 72 signatories that have met their targets is 35%, which is just shy of the 36% average for the whole cohort of 209.

The 72 come from all sectors, with insurance having the highest number of signatories (16).

In terms of size, 13 are small (101-250 staff), 22 medium (251-1000) sized, 29 large (1001-10,000) and eight are very large (more than 10,000 staff).

†Signatories listed by level of target
* Maintain refers to an ongoing target that does not have a specific deadline.

Fig.4a The 35 signatories that have met their targets ahead of deadline†

Signatory name	Target	Deadline
Pepper (UK)	50%	Maintain*
Sesame Bankhall Group	50%	Maintain*
Danske Bank (UK)	50%	2021
PensionBee	50%	2021
American Express	50% (+/-10%)	2024
Muzinich	42%	2023
Yorkshire Building Society	40-50%	2023
Hinckley and Rugby Building Society	40%	Maintain*
LifeSearch	40%	Maintain*
Global Processing Services	40%	2021
Pension Protection Fund	40%	2021
Starling Bank	40%	2021
Association of Accounting Technicians	40%	2022
Lloyd's of London	40%	2023
Progressive Building Society	38%	Maintain*
NFU Mutual	38%	2021
BUPA	35%	Maintain*
Nottingham Building Society	35%	Maintain*
Ageas UK	35%	2021
Brewin Dolphin	35%	2023
Market Harborough Building Society	33%	Maintain*
Cumberland Building Society	33%	2021
Stifel Nicolaus Europe	33%	2021
Lazard & Co	30-35%	2023
Aviva	30%	Maintain*
Phoenix Group	30%	2021
Prudential	30%	2021
Morgan Stanley International	30%	2023
Barclays	28%	2021
Hargreaves Lansdown	25-30%	2021
Societe Generale	25%	2021
TP ICAP	25%	2025
Janus Henderson Investors	25% (+/-5%)	2022
Wellington Management International	20%	2023
Mizuho Bank	5-10%	2021

PROGRESS: SIGNATORIES WITH A 2020 DEADLINE

Fig.4b **The 37 signatories that met their 2020 deadline**

Signatory name	Target	Deadline
HM Treasury	50%	2020
National Savings and Investments	50% (+/-5 roles)	2020
BMW Financial Services GB	40%	2020
ICAEW	40%	2020
LV=	40%	2020
MasterCard (UK&I Division)	40%	2020
Tesco Underwriting	40%	2020
The Co-operative Bank	40%	2020
Virgin Money	40%	2020
Allianz Insurance	35%	2020
Beazley	35%	2020
Metro Bank	35%	2020
Motor Insurers' Bureau	35%	2020
Northern Trust	35%	2020
Atom Bank	33%	2020
Form3	33%	2020
Pantheon Ventures	33%	2020
RSA Insurance	33%	2020
Schroders	33%	2020
Standard Life Aberdeen	33%	2020
ANZ Banking Group	30%	2020
Charles Stanley	30%	2020
Chartered Insurance Institute	30%	2020
Close Brothers Group	30%	2020
Ecclesiastical Insurance	30%	2020
Fidelity International	30%	2020
HSBC UK	30%	2020
Mercer	30%	2020
NatWest Group	30%	2020
OneSavings Bank	30%	2020
Sainsbury's Bank	30%	2020
Simply Business	30%	2020
Triodos Bank	30%	2020
West Bromwich Building Society	30%	2020
State Street	25-33%	2020
Brown Shipley	25%	2020
Man Group	25%	2020

The challenge of 2020

The year 2020 marked the biggest test for Charter signatories since the Charter launched, with target deadlines coming due for 81 firms – nearly 40% of the cohort in this analysis. So how did they do?

Of the 81, 37 hit their targets by their 2020 deadline (Fig.4b) and the remaining 44 missed their targets (Fig.5, Fig.7).

Nine of the 37 signatories that met their 2020 deadline have already set more ambitious targets.

"We achieved all our targets by November 2019, a year ahead of our target date of 31 December 2020. We then set an overall global target of 35% female representation in senior management by 2023. We believe this target is stretching but achievable. Our long-term goal is to move towards operating with a healthy range in senior management – 40% female, 40% male, 20% open."

Fidelity International

"The previous target of 33% was aligned to Hampton Alexander. Having met that at group level, we wanted to take a more granular approach to driving progress. We have set specific targets for each geographical region, ranging from 34% to 48% women in our management group by 2022."

RSA Insurance

PROGRESS: SIGNATORIES THAT MISSED 2020 DEADLINES

Analysing why 44 signatories missed 2020 deadlines

While the financial services industry has faced many challenges over the past year, it is disappointing that more than half of signatories with a 2020 deadline missed their targets. This group of 44 firms come from all sectors, and 28 are large (1,001-10,000). Here we look more closely at this group of 44 firms to understand why they have not achieved the targets they set themselves.

How close were they? Half of the 44 signatories were close: 25 were within five percentage points and 21 were within 10 female senior manager appointments of hitting their target (for reference, the average size of the senior management population is 438 people). Four of the signatories set targets for several groups and had reached some but not all of their targets.

Are they moving in the right direction? Of the 44, 21 increased female representation in 2020, six remained the same, while at 17 firms levels dropped.

Did they set themselves more ambitious targets? The average target for the 44 that missed was 36%, which is the same as the average for all 209 signatories, but slightly higher than the 34% average target for the 37 that hit their 2020 targets. Eighteen of the firms that missed said they had deliberately chosen an ambitious target to demonstrate aspiration and 31 have a target of at least 33%.

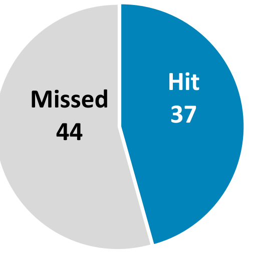
Has their progress been slow over time or just this past year? The 37 signatories that hit their 2020 deadlines increased female representation steadily over the past two years from a higher starting point, while the 44 that missed started from a lower level and flatlined in 2020 (Fig.6). If we look at the annualised rate each individual signatory required to hit their target assuming a constant rate of annual progress, only six of the 44 were above their required rate in 2019, so most had already fallen behind before the pandemic struck.

Why did they miss their targets? The most common reasons* signatories reported for missing their targets were setting an ambitious target (cited by 18 firms) and Covid (13). Other reasons included going through restructuring, a merger or an acquisition, reduced headcount growth, a drop off in recruitment activity, low turnover in senior management, and high turnover of senior women.

What now for their targets? Nine have set new targets, seven have kept their targets but extended their deadlines, and six redefined senior management.

Fig.5 Hit and miss in 2020

a) The number of signatories with a 2020 deadline that hit or missed their target



n=81

Fig.6 Trajectory of missed v hit

b) Levels of female representation in senior management for those that hit and missed 2020 targets, 2018-2020

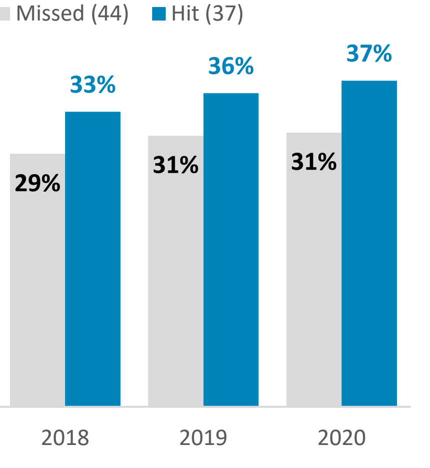


Fig.7 The 44 signatories that missed* their 2020 targets (in alphabetical order)

AIB UK	CNA Hardy	London Stock Exchange Group	Refinitiv
Aldermore Group	Credit Suisse	LV= General Insurance	Royal London Group
Allianz Global Investors	Deloitte	Monzo Bank	Skipton Building Society
Aon	Deutsche Bank	Nationwide Building Society	Standard Chartered Bank
AXA Investment Managers	esure Group	Nucleus Financial Group	Tesco Bank
AXA UK	Financial Conduct Authority	Nutmeg Saving and Investment	UBS
Bank of England	Financial Reporting Council	Paysafe	UK Export Finance
Bibby Financial Services	Funding Circle	Post Office	Zurich Insurance UK
BlackRock	Invesco	Provident Financial	
BNY Mellon	IRESS	PwC UK	
BP Supply and Trading	Legal & General Group	QBE European Operations	
Canada Life	Lloyds Banking Group	Quilter	

*See Appendix 3 (p32) for full list of signatories' reasons for missing their targets

A positive picture overall

As in previous annual reviews, signatories continue to move in the right direction. On the whole, female representation in senior management is increasing.

Nearly two-thirds (62%) of signatories increased the proportion of women in senior management over the past year, 11% maintained the same level, but for 27% of organisations, the proportion of women fell (Fig.2, Fig.8).

The average level of female representation has increased from 31% in 2019 to 32% in 2020 (Fig.3, Fig.9).

Seven of the nine sectors have increased their average level of female representation in senior management in 2020. At the other two sectors, fintech and investment management, the proportion of women has remained flat (Fig.9).

As in previous years, the global and investment banking signatories have the lowest average proportion of women in senior management at 25% (Fig.9) and the lowest average target of 29% (Fig.21).

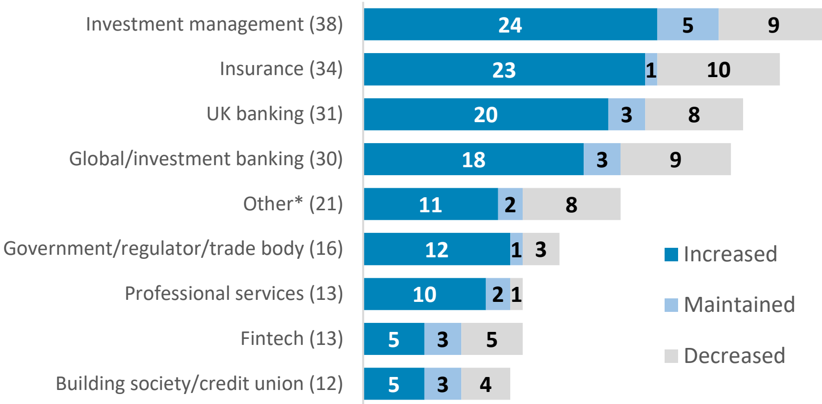
Across the 209 signatories, levels of female representation today range from as low as 10% all the way up to 67%. There are nine firms where at least half of senior management are female.

"We have increased female representation in the CEO-1 and CEO-2 population by a further 2%. We continue to monitor female representation specifically at the CEO-2 and CEO-3 levels to ensure that talented women are moving into senior positions. At June 2020, 39% of CEO-2 roles were held by women, and while this changes over time, we are confident we have a strong talent pipeline coming up through the organisation."

Standard Life Aberdeen

Fig.8 Signatories moving in the right direction

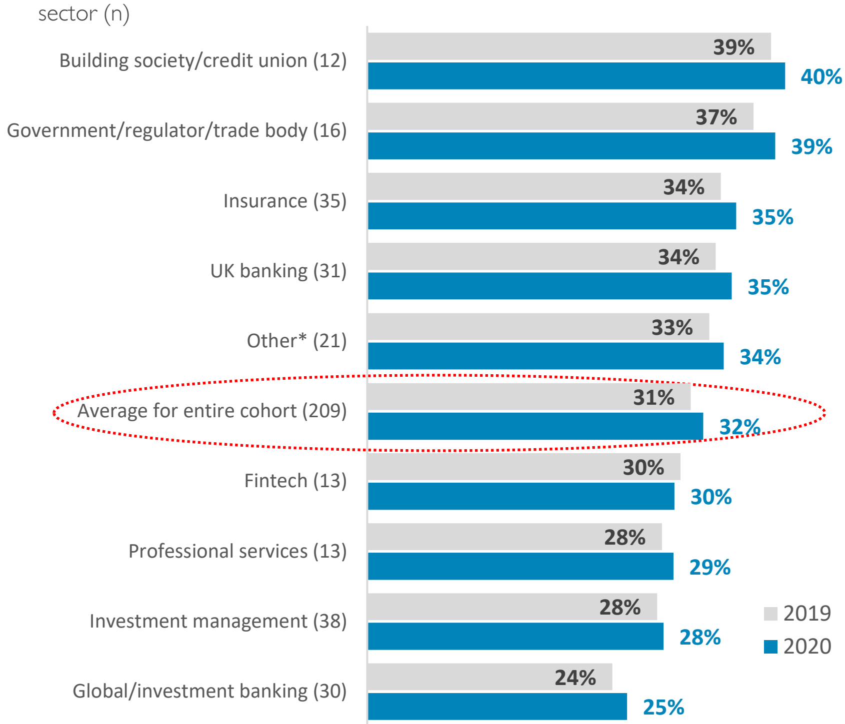
Number of signatories where female representation as % of senior management increased, was maintained or decreased over the reporting period, by sector (n)



n=208, excludes one signatory with inadequate data
*Other includes market infrastructure, payment systems, energy, financial advisers, life and pensions, marketing and communications, mortgage brokers, consumer credit/finance, compliance advisers, invoice finance, development finance, interdealer broker

Fig.9 Rising levels of female representation across sectors

Average levels of female representation in senior management over time, %, by sector (n)

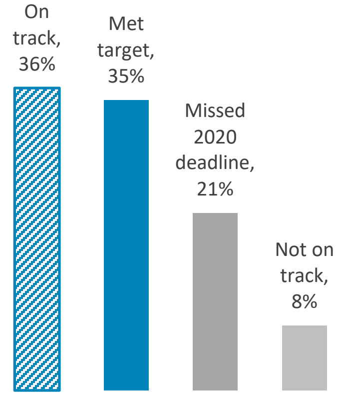


n=209 in 2020, n=208 in 2019 excludes one signatory with insufficient data.
*Other as for Fig.5 above

PROGRESS: ARE SIGNATORIES ON TRACK TO MEET TARGETS?

Fig.10 Staying on target

Percentage of signatories that have met target, said they are / are not on track to meet targets, %

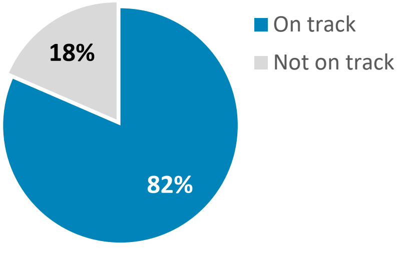


n=207, excludes two signatories with insufficient data

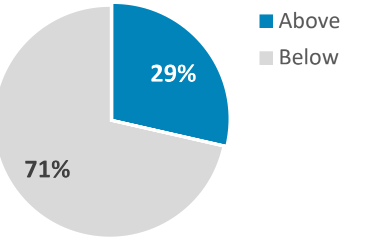
Fig.11 Mainly on track, but not there yet

Of those signatories that still have a target to meet:

a) Percentage of signatories that are on track, based on their own estimates, %



b) Percentage of signatories that are above or below their required annualised rate* of increase in female representation, %



n= 91, excludes 72 signatories that have met their targets, 44 that have missed 2020 deadlines and two with insufficient data

*Annualised rate of required increase assumes constant annual rise in each year for each firm

Monitoring interim progress against targets

While 35% of signatories have met their targets and 21% have missed 2020 deadlines, 44% still have targets with deadlines ahead of them to achieve (Fig.10).

More than 80% of the group with targets outstanding believe they are on track to meet their target by their deadline, based on their own estimates and expectations (Fig.11a). Just 18% said they were behind their interim objectives, mainly due to Covid, lower turnover overall or higher turnover of women than expected, and organisational changes (for example, a merger or internal restructuring) leading to headcount cuts.

To better understand the pace at which signatories are moving towards their future targets, we compared their progress in this reporting period to the annualised rate of increase in female representation they require in order to meet their individual deadlines, assuming a constant annual rate of increase. On this basis, only 29% of signatories are at or above the level they need (Fig.11b).

"In the UK bank as a whole, there has been an increase of 9% of women in leadership positions since 2016. 46% of our existing employees are now women, with women making up 48% of new recruits in the 12 months to 30th June 2020. We recognise that in some years we may see greater increases than in others but hope that the increased focus on gender equality and all of the supporting actions we are taking will maintain and accelerate the rate of improvement in a sustainable manner."

Handelsbanken

Consistency pays

Although we would not expect progress at a precisely constant rate, the data shows that once signatories fall below their annualised rate it is difficult to recover. Of the 37 signatories that hit their 2020 target, 24 were above their annualised rate at least once over the past three years, and nine had dropped below this rate at least once. Of the 44 that missed their 2020 target, only 10 were above the annualised rate at least once and 28 were below at least once.

There are 35 signatories that have a 2021 deadline that they have not already met. Only nine of them were above their annualised rate in 2020 – the other 26 will need to work hard to avoid missing their target by their deadline.

MONITORING THE IMPACT OF COVID

How are signatories monitoring the impact of the pandemic on gender diversity?

The 2020 dataset already shows early signs of the impacts of Covid on Charter targets. Over the past year since the first Covid lockdown, there have been numerous studies* showing the greater impact of pandemic measures on working women. We asked signatories about actions they had taken to monitor the impact of the Covid crisis on gender diversity across their organisations. Two-thirds (142) of signatories responded, with answers ranging from a simple "yes" to detailed reporting of how they were supporting colleagues. Here we discuss the most commonly mentioned areas.

• **Employee surveys**: 52 firms said they used pulse surveys to monitor employee sentiment. Some did so on a weekly basis, others less frequently, but most were able to breakdown the data by gender. Some firms began to incorporate new data points into surveys, such as caring responsibilities, and the results of the surveys fed into action plans and/or benefit changes.

"We held regular pulse all-colleague surveys (Here to Listen) to capture colleague sentiment during the Covid-19 pandemic. We have used these surveys to monitor perception of team productivity, whether colleagues feel included, workload manageability and whether colleagues are able to balance personal and work demands."

Barclays

"We ran weekly engagement surveys to monitor the impact of the situation on our employees. Our survey identified working mothers who were home schooling were poorly impacted and we took steps to alleviate these: greater flexible working; reallocating customer facing parents to back-office positions to remove some of the real-time pressures; wellbeing and mental health coaching and support."

Anonymous

• **Flexible work patterns**: 40 firms mentioned changes they had made to flexible working arrangements, for example – changing and/or splitting daily working hours or weekly work patterns – to fit around caring responsibilities.

"As we look ahead to a post-Covid return to work, we are mindful of the risk that our female employees are excluded due to a potential gender imbalance in those choosing to return to the office. Our post-Covid approach to agile working will seek to address this risk."

Man Group

• **Wellbeing focus**: 26 firms mentioned how they boosted their wellbeing and mental health support, including expanding employee assistance programmes, wellbeing hubs, webinars and mental health first aider programmes.

"Two specific initiatives we have undertaken to support the females in our business is a 'Calm amongst the chaos' coaching programme and series of expert led parental webinars. Whilst these were open to all, they were designed in response to the female-specific feedback we were receiving."

LV=

• **Network groups**: 23 firms referred to the support offered by their network groups, especially those that focus on women, parenting and wellbeing. Networks provided a range of services including guidance, toolkits, peer support, webinars, as well as signposting members to relevant benefits and policies. Some networks also offered a valuable source of connection between senior leaders and their members, and others ran their own pulse surveys.

"In addition to cutting our quarterly Covid Check In Survey by gender, our Women in the Bank network has undertaken a survey to understand the impact of Covid on female colleagues. Results from the survey feed into overall action planning to enable us to effectively support colleagues."

Bank of England

"We hold regular temperature checks with our four networks (Gender Balance Network, Multicultural Network, LGBT+ and Young Minds network for our younger colleagues) to see how they are coping and what, if any, further support is needed. As a result of these conversations we set up support groups for colleagues dealing with parenting while working from home, living alone, observing Ramadan during lockdown and the impact of Covid-19 on families and loved ones."

Investec

* For example, research by Global Institute for Women's Leadership

MONITORING THE IMPACT OF COVID (continued)

• **Data dashboards**: 24 firms continued to monitor the impact on women using their diversity data dashboards. As well as general demographic monitoring, this also included tracking the take-up of training opportunities and the use of benefits such as family care leave and access to employee assistance programmes. 15 firms paid particular attention to monitoring recruitment and turnover data – such as joiners, leavers and redundancy / restructuring programmes.

Benefit changes: 15 signatories mentioned the changes they made to benefits such as extending vacation leave, emergency leave, dependents leave and providing full pay for those who needed to make use of such provisions.

"We have built a new transformation dashboard which will ensure we have a set of metrics to understand that our gender and wider inclusion ambitions will not be disproportionately affected as a result of Covid-19, and to create targeted action plans to remediate or minimise the risk."

Santander UK

• **Manager support**: 13 firms focused on providing additional learning and development to their line managers on areas such as leading their teams remotely and wellbeing.

"We created 'The Resilient Leader Series', a weekly email designed to support managers in EMEA [Europe, Middle East and Africa] through the Covid-19 situation, sharing best practices and resources for leading through uncertainty and how they should respond to people management issues and challenges during this time."

Citi

"We have worked with team leaders, providing training and coaching, to help them better manage their teams virtually, ensuring they have an inclusive approach."

Ninety One

• **Listening exercises**: 7 firms mentioned running listening exercises so their CEOs could connect with how women and other communities were responding to the crisis.

"Since the outbreak of Covid, members of our executive leadership team and global head of HR host a global weekly update and Q&A session with all employees. Employees are encouraged to raise any issues or challenges they are facing. The leadership ensure that action is taken to address issues raised."

State Street

• **Domestic violence**: 6 firms introduced support and policies in response to the rise in domestic violence during the pandemic.

"We held an awareness raising session with an expert speaker and created a guide for anyone experiencing abuse, with links to sources of support globally. We followed this with specialist training for our HR teams and managers so that our first line responders are fully equipped to deal with anyone in need."

Pinsent Masons

• **Performance**: Five firms said that they were revisiting their approach to performance management to ensure that it did not disadvantage those employees who had been negatively impacted – for example, because of caring responsibilities or home schooling.

"Given the long-term impact of performance ratings on future promotion, role opportunities and compensation, HR continue to monitor the performance management process with a focus for 2020 to assess impact as a result of changes to working patterns during Covid."

Credit Suisse

"For our mid-year appraisals in 2020, to acknowledge the exceptional period line managers will not be asked to give their team a performance rating."

National Savings and Investments

"We recognise that some of our people have had family responsibilities during the lockdown and we adopted a flexible approach to hours and performance assessment based on output."

LGT Vestra

A more granular approach

In response to the pandemic and the tragic killing of George Floyd in May 2020, we asked signatories what data they collect on diversity strands within their female senior management population.

Just over half (53%) reported they did capture additional data (Fig.12a), with ethnicity, sexual orientation and disability the most commonly collected data points (Fig.13).

Twenty-six firms reported that they were planning to expand data monitoring, and 22 of these said they were in the process of collecting new data points for the first time.

Nearly half (46%) reported that they collected data on the ethnicity of their female senior managers (Fig.12b). Eighteen firms detailed data disclosure rates (i.e. the percentage of employees who shared ethnicity information), ranging from 50% to 97%.

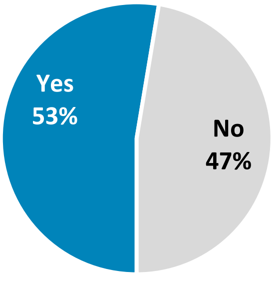
For the 96 firms that provided the percentage of female senior managers from an ethnic minority background, figures ranged from 0 to 48%, with a mean of 5%, median of 3%, mode of 0% and 10 firms with more than 10%. Twenty-seven firms were able to provide data disaggregated by ethnic group.

"We ask colleagues to share information across a number of demographics – these include ethnicity, sexual orientation and disability. We do not currently report on intersectionality of our senior management population, although we would have the ability to do so."

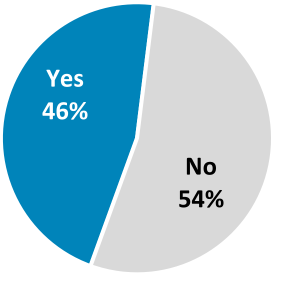
Bank of England

Fig.12 Improving understanding of female senior managers

a) Percentage of signatories that collected data on any diversity strand in the female senior management population in 2020



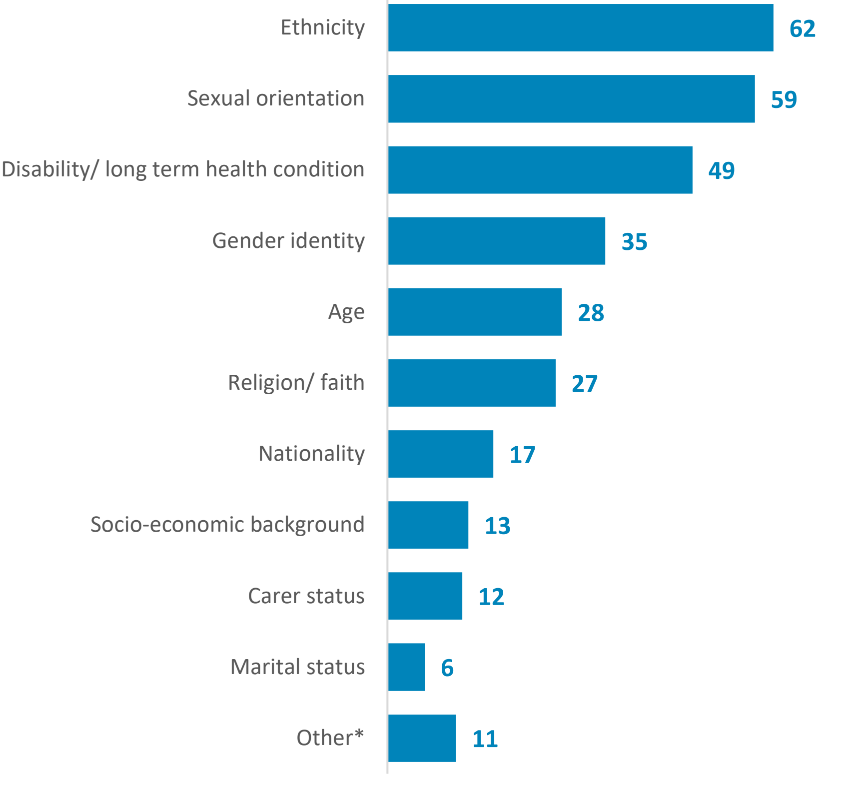
b) Percentage of signatories that collected data on ethnic minority female senior managers in 2020



n= 209

Fig.13 The range of diversity data captured by signatories

Number of signatories that collected data on each diversity strand as listed below in 2020



n= 110 (excludes 99 signatories that do not capture additional diversity data)
* Other includes veteran status, neurodiversity, country of origin, working hours

Taking action

All 209 signatories reported on the top three actions they are taking to drive towards their targets. As the number of signatories and depth of reporting has increased, the data shows how firms' approaches to actions are maturing. Fig.14 ranks the different types of actions by number of mentions. Here we collate the actions under four themes:

- Recruitment
- Retention and promotion
- Embedding D&I into business
- Behaviour and culture

We break these down into three areas: common practice (the most frequently reported by signatories), how these practices are evolving, and firms that are trying something new.

Fig.14 What signatories are doing in order to achieve their targets

Type of action, ranked by number of mentions in signatory reporting

n=209

An intersectional lens on activities to support targets

For the first time, we asked signatories if they had reviewed the actions they were taking to achieve their Charter targets to ensure they were inclusive to women across all diversity strands. While three-quarters (78%) answered yes, most of the responses outlined general actions signatories are taking in other areas of diversity beyond gender, rather than how they were testing the inclusivity of their Charter actions. Most signatories take a siloed approach to diversity strands, and commonly extend or replicate existing programmes (often put in place to deliver Charter targets) to under-represented groups. For example, Deutsche Bank is replicating its UK gender reporting to track ethnicity across hiring, promotion, and talent programme nominations and participation.

There were a few signatories that are equipped to carry out a detailed analysis across diversity strands. For example: Lloyds Banking Group tracks representation by gender, ethnicity and disability on a monthly basis, as well as tracking internal promotions, lateral moves, external hires and leavers; and Just Group collects information on proportions of women across all diversity strands on its sponsorship and mentoring programmes.

Ethnic minority women were the most commonly mentioned group that signatories were focusing on. For example: Northern Trust has launched a diverse leaders programme to support Black, Asian and Minority Ethnic women to progress into senior management; and other firms sought to post on job boards that target ethnic minority women. Sixteen signatories mentioned the role of network groups in helping organisations to consider intersectional issues.

"We collect diversity information across a number of protected characteristics and ensure that all our levers for change are intersectional."

Nationwide Building Society

"We are developing our approach to intersectional reporting to allow us to effectively monitor the impact of our initiatives."

Bank of England

"We have built a series of sponsorship and promotion programmes for our ethnically diverse colleagues with a specific focus on the importance of intersectionality across both gender and ethnicity."

Barclays

ACTIVITIES: RECRUITMENT

Focus on recruitment

As in previous years, signatories most frequently mention actions related to recruitment activity – cited by 70% of firms. It is interesting to note how some firms are applying the Women in Finance Charter principles (such as setting targets, introducing accountability frameworks and monitoring progress) to drive momentum in the recruitment area.

Common practice

Diverse shortlists: These were mentioned by a third of signatories. Some firms use diverse shortlists for specific positions or just for senior roles, others apply them widely, and some mandate their use.

Job advert focus: A third of signatories are updating job ads to include explicit messaging about flexible working and seeking applications from under-represented groups. For example, Columbia Threadneedle advertises all roles as flexible, and RSA Insurance and Mizuho International include "happy to talk flexible working" on job ads for the majority of roles. Firms are also using gender-neutral language and blind CVs.

Diverse panels: One in six firms ensure under-represented groups sit on interview panels where possible.

Returners programmes: Twenty-five signatories have introduced programmes to encourage women back after a career break.

External recruiters: Fifteen signatories said they are appointing external recruitment partners that can source diverse candidates.

Evolving practice

A strategic approach: It is encouraging to see signatories adopting a more strategic approach to recruitment. For example, Pimco Europe has developed a multi-year holistic recruiting strategy called Project DNA (Diversity Now and Always) to integrate and institutionalise its hiring practices.

Monitoring: Eleven signatories, including CNA Hardy and Close Brothers, have introduced regular reporting to monitor progress. For example, Nationwide Building Society has introduced real time reporting to monitor outcomes at each stage of the recruitment assessment process rather than retrospectively.

Accountability: Some firms have introduced accountability frameworks. For example, City of London Corporation requires recruiting managers to complete a post-recruitment analysis of the process; Goldman Sachs International requires hiring managers to put forward at least two diverse candidates, demonstrate that a sufficiently diverse slate of candidates has been considered and explain the factors leading to their hiring decisions; and Lloyds Banking Group requires all waivers for to its gender diverse shortlist policy to be signed off by a member of the executive team.

Training recruiters: Equipping recruiters with skills and incentives to deliver objectives was mentioned by 25 firms. The most common action is rolling out specific training for recruiting managers and resourcing teams, and the training is often mandatory.

Challenging headhunters: Twelve firms said they are challenging external recruitment partners to focus on diverse slates. For example, AXA XL, Nottingham Building Society, Schroders and Standard Life Aberdeen have included clauses regarding diversity requirements in their agreements with their headhunters; Post Office will reject all male shortlists; and Leeds Building Society only engages search firms that have signed up to the UK's voluntary code of conduct for gender diversity.

Trying something new

Market mapping: A new theme this year is firms conducting market mapping exercises to proactively identify and source female talent and ensure candidate lists reflect the available pool, for example at Barclays, BP Supply and Trading, Citi, HSBC UK, Prudential and Standard Chartered Bank.

Pooling hires: The Bank of England is one of the few firms that mentioned adopting a pooled approach to recruitment for senior roles – i.e. where a cohort are recruited together rather than looking at appointments in isolation.

Evidence based: Firms are beginning to identify what has worked well and what hasn't. For example, CDC Group recognised that some roles need to be kept open for longer in order to fulfil diverse shortlist requirements; and Danske Bank reviewed its approach to psychometric testing to ensure there were no adverse impacts on women and other under-represented groups.

ACTIVITIES: RETENTION AND PROMOTION

Retention and promotion

Signatories continue to report on the work they are doing to build the pipeline of female talent within their organisations. Activities are becoming more granular and targeted, and signatories are spending more time tracking and measuring the impact of their programmes.

Common practice

Mentoring: A quarter of signatories refer to mentoring programmes.

Talent ID: One in four mention identifying and developing internal female talent for progression into senior management positions.

Succession planning: Signatories are increasingly establishing career development plans for women, as well as toolkits and training to equip leaders building succession plans.

Female leadership programmes: More than a fifth of signatories mentioned programmes they have introduced to develop female talent. Programmes range from a focus on building networks to enhancing understanding of organisational culture and politics.

Flexible working: One in six signatories referred to flexible working as an area of focus, however the tone has shifted due to enforced remote working during the pandemic. Firms are committing to maintaining agile working practices by refreshing policies and promoting flexible working options when recruiting. For example, Schroders has introduced a flexible working charter; and Progressive Building Society plans to maintain a home working policy long term.

Evolving practice

Measuring impact: Signatories are measuring the impact of programmes they have put in place, and using data to explore the barriers that women are facing when progressing through the organisation. For example, Credit Suisse reported a sustained improvement in the gender proportionality of promotions and performance ratings; and Prudential has positioned diversity in succession planning as a key success measure that is reported to its board.

Encouraging stretch: Some firms are prompting women to step up. For example, The Co-operative Bank has introduced a programme that focuses on providing the support required to encourage women to put themselves forward for opportunities; while Pinsent Masons has launched a similar programme aimed at removing any perceived barriers to becoming a partner.

Building the pipeline: Once established for women at more senior levels, firms are expanding their programmes to other levels. For example, Northern Trust's diverse leaders programme targets women at the two grades below senior management; and Aldermore Group covers women in middle management.

Reverse mentoring: Firms are building on mentoring programmes, with reverse mentoring programmes mentioned by 12 signatories including BDO, GAM, Financial Ombudsman Service, Mizuho Bank, Mizuho International, MUFG, NatWest, Santander UK and Unum. Reverse mentoring (also known as reciprocal or forward mentoring) is where senior leaders are matched with people from under-represented groups to learn about different perspectives.

Sponsorship: A growing number of signatories reported an increased focus on sponsorship programmes – where senior sponsors advocate for their sponsee rather than just advise and mentor them. For example, following a successful pilot, Nationwide Building Society has rolled out a sponsorship programme for those under-represented at senior levels and about 50 women are taking part.

Trying something new

Granular data: Data is being used with a laser-like focus. For example, HSBC UK is tracking the uptake of leadership development activities by gender as women are not progressing at the same rate as men; and Danske Bank has identified male dominated areas and successfully appointed women into managerial roles in those areas via talent and succession planning.

Succession focus: Succession planning is becoming more formalised. For example, some firms have mandated diverse succession plans; and LV= added a metric to its balanced scorecard for 2020 based on the gender mix of completed succession plans.

Beyond gender: A handful of firms have extended women's initiatives to people from other under-represented groups, particularly ethnic minorities – for example, KPMG, Bank of England, NatWest, Pinsent Masons and Wesleyan Assurance Society.

ACTIVITIES: EMBEDDING D&I INTO BUSINESS AS USUAL

Embedding D&I into the business

To embed diversity and inclusion into the business, signatories are increasingly focusing on data dashboards and refreshing how leaders are being held accountable for progress. This is enabling them to position diversity as a business issue rather than voluntary or owned and led by HR and D&I teams.

Common practice

Data: Signatories are improving their use of data to inform decision making and track progress, as mentioned by 30% of firms. It is also becoming common practice for data dashboards to be regularly discussed at board and executive committee meetings. For example, Metro Bank provides regular reporting to its exco and board so that gender diversity is at the forefront of senior leaders' minds.

Accountability: One in six firms have focused on increasing accountability.

- Several signatories are adopting organisational targets (or goals) alongside business line targets, for example at BlackRock, JP Morgan, PwC UK and Zurich Insurance.
- Leaders are expected to take ownership of targets and engage in actions to meet them. For example, Standard Chartered's management team have specific targets and must communicate the gender targets down through their portfolio lines.
- Progress is built into senior leader scorecards and objectives and, for some firms, non-achievement of key performance indicators can be reflected in both the end-of-year appraisal and pay.

Evolving practice

Data quality and quantity: Signatories are analysing ever more detailed diversity data. For example, Morgan Stanley's monthly data report shows where each division is at compared to its aspirational female targets on women in senior management, female officers and female campus recruiting; and Refinitiv captures data across the whole talent life cycle to evidence how recruitment, attrition, performance ratings, promotions, pipeline conversions and leadership development investment impact the representation of women in senior roles.

Identifying key indicators: The benefit of a robust data dashboard approach is that progress can be measured, and priority areas identified. For example: Barclays has invested in its data and analytics capabilities to look in more detail at the specific causes of gender imbalance across its business, and identified five key insights and specific actions based on each of them; and Citi has launched a pipeline analysis project which seeks to identify the gaps between current status of targets against its goals, together with a root cause analysis and possible solutions.

Line manager focus: Signatories are making line managers more accountable by introducing objectives that position gender diversity as part of their day job. For example, Post Office has introduced a scorecard metric to reinforce gender diversity as a responsibility of all managers; while Beazley and JP Morgan are providing leaders and line managers with data, training and talent management support to deliver change in their respective areas.

More than gender: As data collection methods embed, firms are beginning to collect more data on other diversity strands in order to improve tracking and prioritisation. For example, Invesco launched a global diversity data collection campaign to broaden the diversity data it captures including ethnicity, sexual orientation, caring responsibilities, returners, neurodiversity, veteran status, disability and gender identity.

Trying something new

Real time data: A handful of firms have introduced real time data analysis to inform pivotal decisions that impact an individual's career – such as setting pay levels and allocating appraisal grades. For example, LifeSearch has created a real time dashboard that tracks progression against all diversity strands; and Coventry Building Society provides real time information to hiring managers which shows the impact of a proposed new salary on the gender pay gap.

Data expertise: Firms are pulling on data expertise from across the business to enhance diversity dashboards. For example, the Financial Conduct Authority used its behavioural data unit to help develop its dashboard.

Governance: Signatories are refreshing governance structures to maintain momentum. For example, Nationwide Building Society and Zurich Insurance have introduced strategic D&I councils, which hold leadership teams to account for progress on key diversity success measures.

ACTIVITIES: BEHAVIOUR AND CULTURE

Behaviour and culture

Signatories are recognising that to make sustained progress, they need to focus on interventions that embed inclusive behaviours and culture via learning and development programmes, network group / D&I council activity, and policy changes.

Common practice

Learning and development: Nearly 30% of signatories reported on the learning and development programmes that they have rolled out to embed behaviours that foster inclusion – 23 firms provided unconscious bias training to all employees and 25 referenced inclusive leadership training directed at senior leaders.

Internal influencers: Network groups and D&I councils are frequently referred to as important stakeholders in helping change the culture of firms and build a broader base of support for their Charter ambitions. Nearly a quarter of firms mentioned network groups and D&I councils feeding into gender strategies, policy updates and participating in communications campaigns. It is also common for senior executive sponsors to be appointed to advocate for network group work. For example, Aviva's executive committee approved its global inclusion strategy and act as senior sponsors for the firm's six employee resource groups.

Policy: One in six signatories mentioned policy development as a means to promote an inclusive culture. Firms reported a particular focus on updating parental leave and flexible working policies, adopted and presented as gender-neutral.

Evolving practice

L&D effectiveness: The next step is to ensure L&D programmes are implemented effectively and made available to the right audience at the right time.

- **Line managers**: Twenty signatories referenced training programmes they have developed specifically for the line manager cohort at the sharp end of creating a diverse and inclusive team environment.
- **Messaging**: Signatories are also developing campaigns and equipping leaders to cascade messages to accompany the roll out of programmes. For example, Credit Suisse held briefing sessions for 500 leaders focussing on the business case for gender diversity, data insights for their business, and the role and actions required from them in hiring, promotion and performance management processes.
- **Adapting to Covid**: Legal & General rolled out leadership development programmes during 2020 to help leaders navigate themselves and their teams through the pandemic, delivered to over 750 people leaders.
- **Measuring impact**: Refinitiv has measured the impact of its inclusive leadership training via engagement survey data on inclusion and belonging, and scores are consistently level or slightly higher for women than men.

Network groups: Networks are vital for attracting new audiences.

- **Allies**: Signatories reported a growing trend of engaging allies. For example, AXA UK and Santander UK launched guides for allies; and Danske Bank conducted listening groups, which it said increased buy-in of the business case for gender diversity and actions.
- **Intersectional approach**: Network groups are collaborating across a range of areas, recognising the overlaps in their work, for example at Financial Ombudsman Service and Tesco Bank.
- **Accountability**: Networks and D&I councils are increasingly holding their organisations to account by measuring impact and overseeing the implementation of action plans. For example, Wesleyan Assurance Society's gender and ethnicity networks reviews its policies and procedures.

Holistic approach to policy: Signatories are adopting a more systemic approach to policy. For example, Unum reviewed all its HR policies to ensure they align with its D&I commitments.

Trying something new

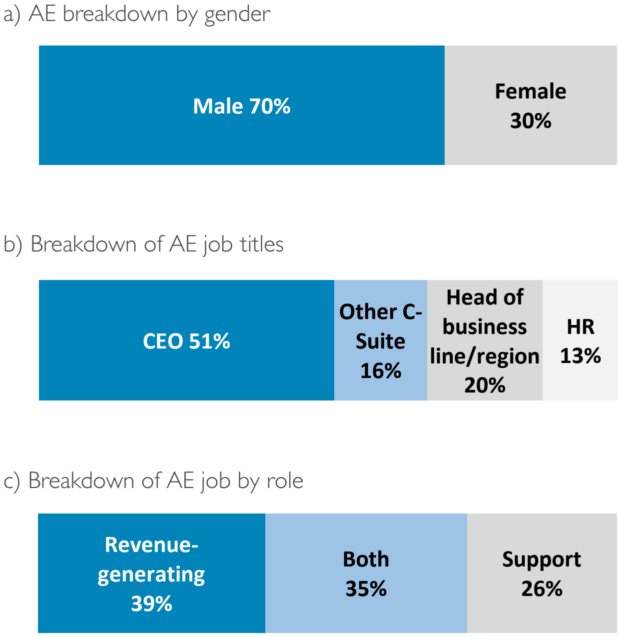
Linking diversity to culture: Fifteen signatories mentioned work to explicitly link diversity efforts to culture and values. For example, Virgin Money launched an inclusion pledge which defines inclusion expectations of all staff; and Deloitte has introduced two global shared values of "fostering inclusion" and "taking care of each other".

Menopause: Four firms have focused on menopause awareness – Tesco Bank, BNP Paribas London CIB, Financial Ombudsman Service and Santander UK.

Bystander training: The Financial Reporting Council and NatWest mentioned running bystander training to equip staff to challenge inappropriate behaviours.

DRIVING CHANGE: ACCOUNTABLE EXECUTIVE

Fig.15 The role of the accountable executive



n=225 as one signatory has two AEs, one has 12, one has three

Accountability at the top

All Charter signatories must name an accountable executive (AE) who is responsible (effectively the conscience of the organisation) for gender diversity and inclusion. Dame Jayne-Anne Gadhia's *Empowering Productivity* review recommended that the AE should be a male senior executive in a business-facing role.

Seventy percent of accountable executives are men, half (51%) are CEOs and three quarters (74%) sit in revenue generating roles (Fig.15). Nearly all (98%) AEs sit on the executive committee, 65% sit on the board as well, and less than 1% sit on neither board nor exco.

It is not uncommon for the AE to change – 50 of the 209 signatories in this analysis changed their AE over the reporting period, largely due to the predecessor leaving or changing job. At nearly half of these signatories, the new AE's job title was different but a similar level of seniority.

Some AE roles have been widened to include accountability for more diversity strands – for example, 13 AEs are also championing ethnic diversity, two have added LGBT to their remit and one has expanded the AE role to cover mental health and wellbeing.

How accountable executives are driving change

Ninety percent of signatories provided information on actions undertaken by their AE. Here we summarise the five key areas of AEs' focus.

1) Strategic focus: Nearly half of signatories (98) said their AEs are instrumental in driving accountability – by reviewing dashboards and presenting progress reports to their boards, they are champions for their D&I strategies and lead communications throughout their firms. Some have pushed for diversity objectives to be part of performance reviews and others have introduced diversity as a core strategic value for their firm.

2) Working with councils and networks: A third of signatories (70) said their AE played a significant role in network group activities and D&I councils, for example creating new network groups, chairing D&I councils, recruiting allies and hosting listening sessions.

3) Talent and recruitment focus: A fifth of firms (43) said their AE was involved in talent reviews and succession planning, including active participation in sponsorship, mentoring and reverse mentoring programmes, promotion of female leadership development programmes, assessing talent pipelines and challenging succession plans that are not diverse. One in six firms (35) mention their AEs work in recruitment, such as ensuring shortlists are diverse, challenging expectations and language in job descriptions, and feeding into recruitment and promotion for senior leaders. Some AEs actively challenge lack of compliance with diversity policies and personally intervene.

4) Advocacy and role modelling: AEs were cited by 37 signatories for getting involved with internal comms and advocacy of their firm's Charter work, ranging from speaking at events to launching new policies and training programmes, as well as being a champion for other regions. AEs' external advocacy included public speaking, joining boards or steering groups for gender campaigns and engaging with clients. AEs also play a part by role-modelling what they want to see, for example, working flexibly, recruiting and promoting people from under-represented groups and sharing personal stories.

5) Dedicating resource: About 10% of firms said AEs identify resources to promote inclusion and to ensure action plans are implemented – for example, securing budget for network groups, improving data capture and reporting, and creating new D&I roles to drive actions.

Bringing diversity targets into pay

As part of their Charter commitments, signatories must have an intention to link the pay of the senior executive team to performance against internal gender diversity targets.

This year marks a step change in the quality and quantity of reporting against this pillar of the Charter. For the progressive firms, diversity is treated like any other strategic objective, with a clear link to business scorecards and an expectation that senior leaders will deliver. There is also a more granular, hybrid approach in implementing the link to pay. Individuals are being held accountable, with leaders having objectives built into their personal scorecards, as well as more firms introducing diversity objectives into corporate scorecards linked to group bonus pools, reflecting the contribution of the whole firm in building an inclusive culture.

Of the 209 signatories in this analysis, 181 have a link to pay (Fig.16). For those that do not, it is usually because they do not have any variable pay mechanism, or they were unable to adapt a global approach to remuneration. There were also a handful of firms that suspended the link to pay, mainly because bonuses will not be paid due to the impact of Covid. Five of those without a link to pay have already hit their targets.

How – mechanisms to embed the link to pay

The most common mechanism for linking targets to pay (used by nearly 60% of signatories) is to include gender diversity criteria among the factors that contribute to variable pay, as recommended by the Gadhia review. Five percent of firms linked gender diversity to basic pay via salary review, while 15% apply the link to both variable and basic pay.

Thirty percent of signatories reference the link being built into a corporate scorecard. For those with a balanced scorecard approach, diversity contributes one element to a variety of criteria, ranging from one of four to one of 22. This range affects how much of the bonus payment is impacted if diversity targets are not met. For signatories that provided a breakdown of the portion of bonus allocated to diversity, the portion ranges from 3% to 60%.

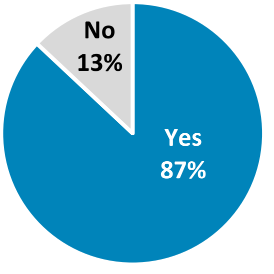
Within the scorecard, the majority of signatories link diversity under the 'people' or 'culture' element of the non-financial metrics, allocated based on a mixture of qualitative and quantitative approaches.

Examples of qualitative approaches include reviewing individual contributions to cascading D&I objectives to line managers, sponsorship, role-modelling, amending policies and practice, allyship, ensuring use of diverse shortlists, network group sponsorship and building succession plans.

Examples of a more quantitative approach include measurement via quarterly reviews of progress and targets dashboards, progress on gender pay gap figures, 360-degree feedback and scores on engagement surveys.

Fig.16 Implementing link to pay

Percentage of signatories that have a link to pay



n=209

Who – cascading beyond exco

For half of signatories (97), the link to play applies to the executive team, but there is an increasing trend to drive accountability more widely by cascading the link to pay to other cohorts. Nearly a fifth of signatories (38) brought in a link to pay for senior leaders, seven for people managers and 11 signatories have extended it to all employees. For example, Leeds Building Society extended the link to its senior leadership team.

"Linking scorecard targets to executive team pay allows us to know where we are now and where we want to be. It signals how transparency can hold businesses to account and drive change."

American Express

How the link to pay is evolving

The data shows increasing use of a two-tiered approach: linking both to personal objectives for leaders as well as to corporate bonuses for other employees.

Personal objectives, for which the individual is accountable, are mentioned by 60% of signatories, while 6% reference a collective objective (for example, an exco level collective objective or a corporate approach). Seven percent of firms reference a mixture of individual accountability for senior roles plus a collective objective for others.

Signatories are adapting their approach as the link to pay is embedded throughout the business. For example: one signatory has moved the link to pay into the corporate scorecard so it applies to all staff and is positioned as central to the business; Danske Bank launched a new performance management framework in 2019 which assesses key indicators of both 'what' and 'how' colleagues demonstrate inclusive behaviour, with 'what' and 'how' being weighted equally; another signatory added its Charter target to the scorecard it applies to its bonus pool in addition to personal performance objectives; and Just Group introduced a personal objective for exco members whereas previously it only had a collective objective.

Scorecard criteria are also evolving to become more granular and direct impact. For example, at LV=, previous scorecards tied diversity objectives to the number of women in senior roles, and for 2020 it created a metric tied to the gender mix of succession plans to build the pipeline into senior positions.

PwC, EY, Phoenix Group, Wesleyan Assurance Society, BP Supply and Trading and NatWest reported that they have extended the link to pay to include objectives related to increasing ethnic diversity, demonstrating how the Women in Finance Charter principles can be applied to other diversity strands.

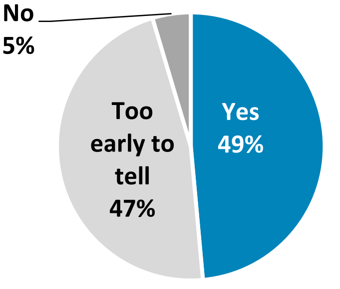
Increasingly evidence-based approach

Signatories are getting more granular and building confidence in implementing the link to pay. The data includes more examples of how an individual's contribution is evidenced. For example, at Santander UK, "the annual leadership 360, which forms part of the end of year assessment, will now be based on the leadership commitments and there will be specific diversity and inclusion questions. The 360 is completed by the individual's team, peers and line manager. This assessment of behaviour will further strengthen the link of pay to D&I and gender diversity targets."

As well as showing how an individual is supporting D&I objectives, evidence also exposes those who are not doing enough. A handful of signatories mention how the link to pay can be used as a stick to penalise those who are not contributing to the D&I programme by either withholding individual bonuses or reducing the overall bonus pool available – for example at State Street.

Fig.17 Impact of the link to pay

Percentage of signatories that said they believed the link to pay has been effective



n=173, excludes 28 signatories with no link to pay and 8 that did not provide data

Effectiveness of the link to pay

Half (49%) of signatories that have a link to pay believe it has been effective (Fig.17). For 76 of the firms that answered yes, we have multiple years of data, which offers greater insight. Thirty three of the 76 changed their assessment to "yes" from previously having answered "too early to tell". This implies that it takes time to embed and realise the benefits of linking pay to targets.

"Linking performance against our diversity targets to pay has been effective in creating change. It's made diversity targets part of our executive team's day job and has created further incentives to achieving these targets."

Schroders

"The link to pay has helped to maintain a high level of awareness and a strong level of focus on our related activities, not just with the Group Executive Committee but also with our Group Remuneration and Group Nominations and Governance Committees."

OneSavings Bank

Reporting obligations

As part of their Charter commitments, signatories are obliged to publicly report on their progress against their gender diversity targets to support the transparency and accountability needed to drive change.

Sixty-one percent of the 209 signatories published an update by the deadline of December 31, 2020 (Fig.18), compared to 68% in 2019. We do not have any data to inform us why updates were delayed or unavailable for the remaining 39%.

What signatories published in their updates varied. Of the 128 signatories that had published an annual update on their website by January 12, 2021:

- **72** stated whether or not the signatory is on track to meet its target;
- **95** provided a historical data point showing female representation in senior management to provide context for comparison;
- **125** included an accompanying narrative explaining progress over the past year and expectations for the coming year;
- **57** covered all three of these aspects in their updates.

Approaches to narrative reporting

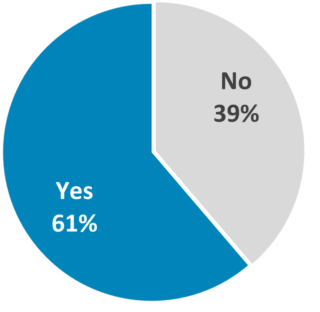
While the quality and format of narrative reporting in published updates varies significantly, there were signatories that presented their information clearly and accessibly. For example, Pantheon Ventures provided graphics with historical data points for female representation, and the Bank of England additionally provided similar data for ethnic minorities.

Most signatories frame their update by stating why diversity is important to their organisation, and set out their action plan. Several signatories discuss the Charter in the context of their wider diversity and inclusion initiatives, for example NatWest, Provident Financial and Virgin Money.

Some included a statement from their CEO, including Aviva, Nottingham Building Society, Morgan Stanley International and London Stock Exchange Group. Others linked the content of their annual updates with their gender pay gap reporting, for example, Aldermore Group and Standard Life Aberdeen.

Fig.18 Publishing progress online

Percentage of signatories that have published* an annual progress report on their website



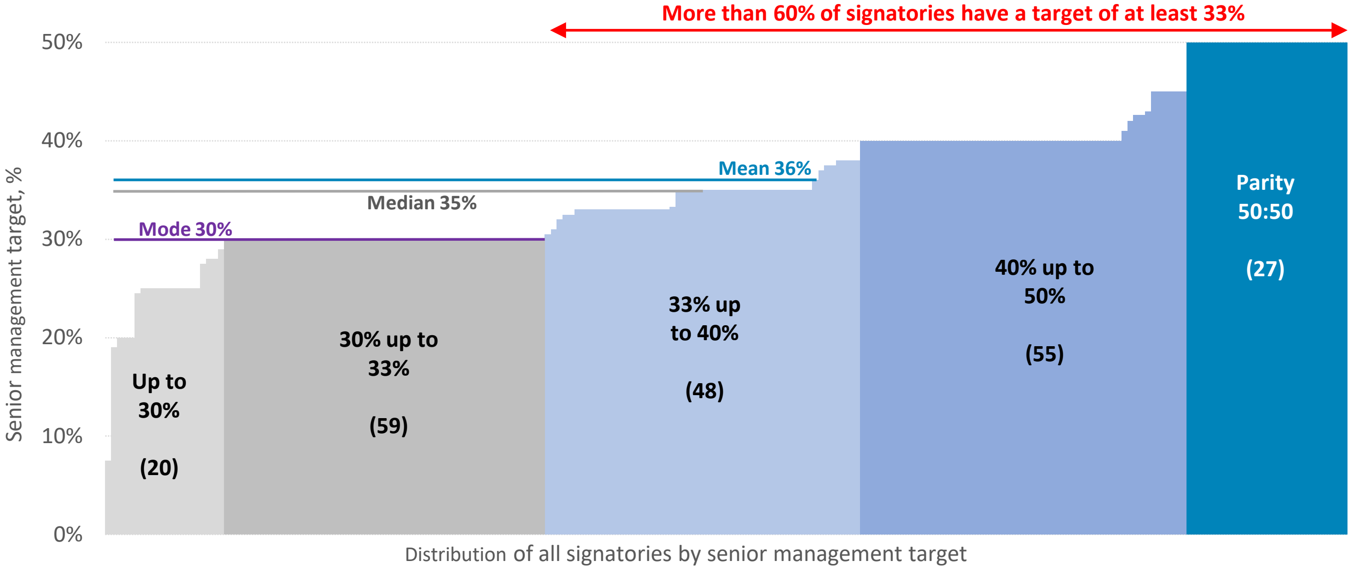
n=209
*This data was gathered January 1-12 2021

NB: HM Treasury has removed signatories from the Charter in previous years for failing to comply with this principle. Transparency is a key pillar of the Charter, and HM Treasury will continue to remove signatories who do not submit or publish their updates on time.

CONTEXT OF TARGETS: HOW AMBITIOUS ARE TARGETS?

Fig.19 The full range of signatory targets

Distribution of all signatories by headline* target for female representation in senior management



n=209

*See appendix for further methodology notes on our definition of headline targets. This analysis includes new targets for those firms that have changed their targets in this reporting period to better assess the level ambition of the cohort.

How ambitious are signatories' targets?

The Charter offers signatories the flexibility to choose their own targets for female representation in senior management. This approach recognises the variety of company sectors, types, sizes and structures captured by the Charter, the differing levels of organisational maturity around improvements to gender diversity, and different views on target-setting on the spectrum from realistically achievable to aspirational.

Targets range from 5% to 50% (Fig.19) with an average of 36%. Those at the lower end may seem unambitious, but some of them are starting from a very low base so their targets are more challenging than they first appear.

Thirty percent is the most common target, chosen by 54 signatories. Ninety percent of signatories have set a target of at least 30%, and 62% have set targets at 33% or above. HM Treasury would like to see all targets move to this level in order to align Charter targets with the Hampton Alexander review, which encourages FTSE 350 companies to reach at least 33% female representation on boards and in leadership teams.

An ultimate goal of parity

There are 10 signatories where at least half of senior management are female. As yet, only 13% of signatories (27 firms) have gender balance as their Charter target, nine of which explicitly state a level of tolerance (+/- up to 5 or 10%) around parity. But there are others with lower interim targets that mention parity as their ultimate goal, for example the Financial Conduct Authority.

"We chose to set a tough, aspirational target to stretch the thinking and actions of those senior leaders in a position to make a difference. Whilst we recognise that this makes us less likely to hit our target, we think the benefits of an aspirational target are high."

London Stock Exchange Group

"Our aspiration is for the diversity of our society to reflect the community we serve – that is 50% female representation at Nationwide leadership levels L3-5."

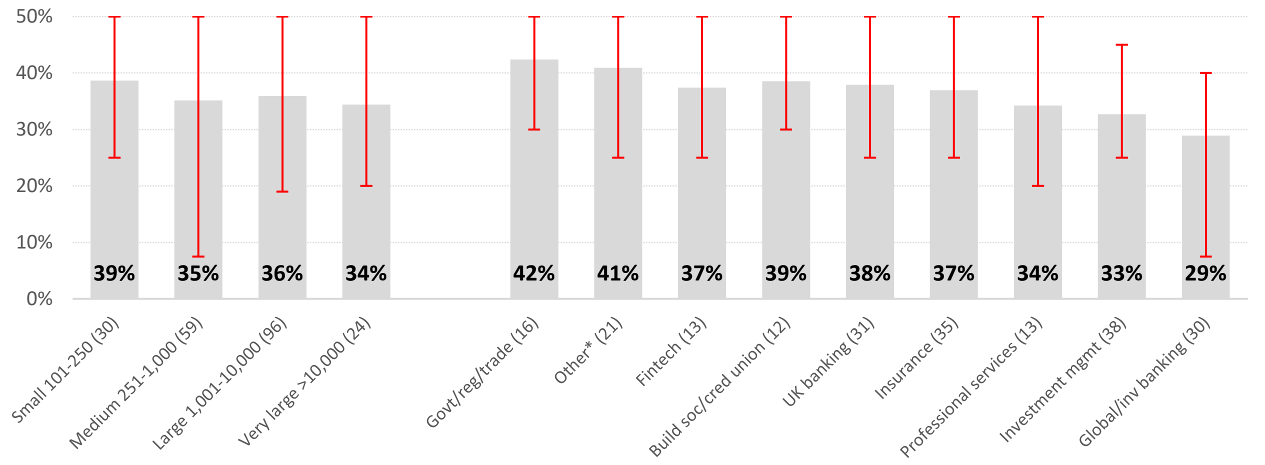
Nationwide Building Society

HOW AMBITIOUS ARE TARGETS? (continued)

Fig.20 How targets vary by sector and size

Average target and target ranges for female representation in senior management by sector and size, red bars show category target range

a) by size, category (n) b) by sector, category (n)



n=209

* Other includes market infrastructure, payment systems, energy, financial advisers, life and pensions, marketing and communications, mortgage brokers, consumer credit/finance, compliance advisers, invoice finance, development finance, interdealer broker

A closer look at targets

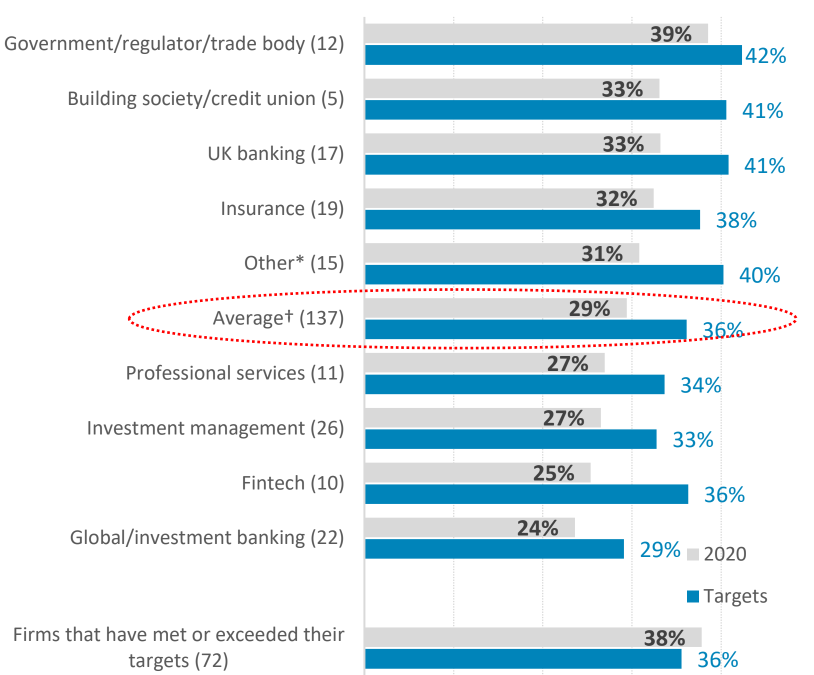
Segmenting targets by sector and size (Fig.20) shows that 50% targets appear across all firm sizes and all but two sectors – investment management and global/investment banking, which also have the lowest average targets at 33% and 29% respectively. The global/investment banking category also has the lowest range of 8%-40% (Fig.20b).

When we break down signatories and exclude those that have already met their targets, again global/investment banking has the lowest average proportion of women in senior management in 2020 at 24% (Fig.21).

Analysis of signatories with outstanding targets shows that of the number of women still required for this group to reach their targets, 29% will need to join the ranks of senior management at global/investment banks and another 22% at UK banks. More than half (52%) of the additional women required will need to take up senior roles at the largest firms.

Fig.21 Today compared to targets

Average level of female representation in senior management in 2020 and target, by sector for those that still have a target to meet, %



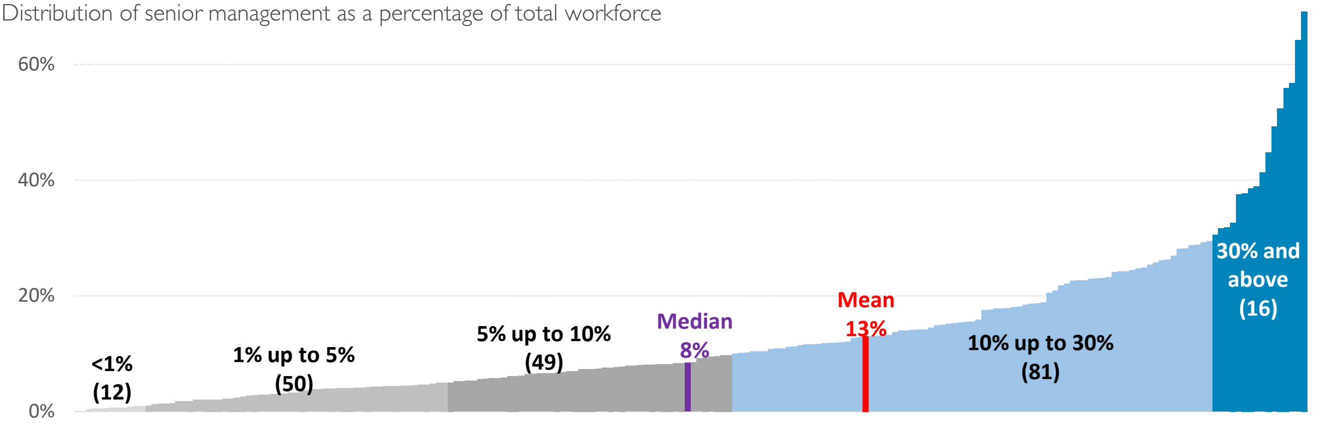
,Category (n), total n=209

† Average excludes 72 signatories that have met targets

*Other as for Fig.10 above

Fig.22 How definitions of senior management vary

a) Distribution of senior management as a percentage of total workforce



n=208, excludes one signatory with insufficient data

Who is included in senior management?

Just as the Charter allows signatories to choose their own targets based on their own strategy for improving gender diversity, it also allows signatories to choose how they define their senior management population. This approach recognises the huge variety of company types, sizes and management structures across the financial services industry.

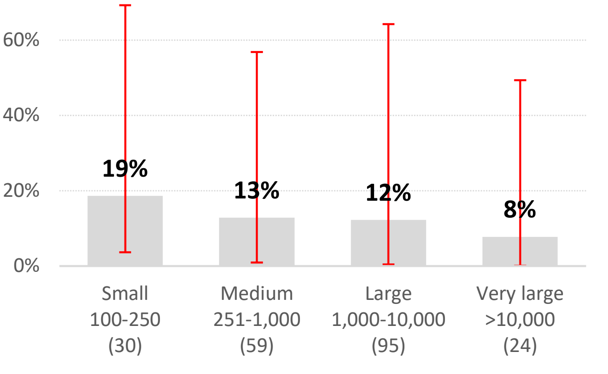
There is a wide variety of definitions. In terms of size, signatory definitions of senior management range from 0.1% up to 69% of total workforce, with the average being 13% (Fig.22a), equivalent to 438 people.

However, the data shows there is a clear consensus around who is included in senior management – for 53% of signatories the definition accounts for up to 10% of staff, and for another 40% of firms senior management accounts for between 10% and 30% of total workforce.

At smaller signatories, senior management accounts for a larger proportion of the total workforce – 19% on average for small companies, dropping to 8% for very large firms (Fig.22b). However there are outliers in every size category, with at least one firm of every size choosing a definition of 50% or more of total workforce.

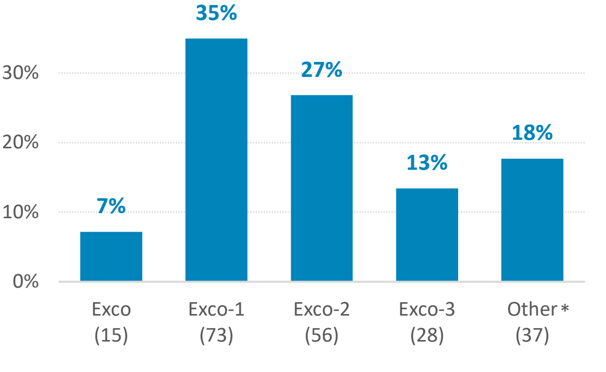
More than two-thirds of signatories (69%) have chosen a definition which includes the top three levels of management (Fig.22c), with the most common definition being exco-1 (executive committee and the reporting layer below it), used by more than a third of signatories.

b) Senior management as a percentage of total workforce, average, % (red bars show range within each size category)



Category (n), total n=208, excludes one signatory with insufficient data

c) Senior management definition by percentage of signatories, %



Category (n), total n=200

*Other includes signatories that define senior management as board, partners, top quartile of organisation by remuneration, exco-4 or exclude exco from the definition of senior management

CHANGES TO TARGETS / SENIOR MGMT DEFINITIONS

Evolving targets

The principles of the Charter are flexible enough to accommodate the need for signatories to respond to changing circumstances – including changing their targets. Of the 43 signatories that revised their targets in 2020:

- **19 increased targets having met previous targets;**
  - Ageas UK
  - Beazley
  - Brewin Dolphin
  - Canadian Imperial Bank of Commerce
  - Coventry Building Society
  - Direct Line Group
  - Fidelity International
  - LifeSearch
  - Man Group
  - Mercer
  - National Savings and Investments
  - NatWest Group
  - Nest
  - OneSavings Bank
  - Pension Protection Fund
  - RSA Insurance
  - Sainsbury's Bank
  - Societe Generale
  - Wellington Management International
- **9 increased their targets;**
  - BNY Mellon
  - Deloitte
  - Jupiter Asset Management
  - Nationwide Building Society
  - QBE European Operations
  - Quilter
  - Standard Chartered Bank
  - UBS
  - Wesleyan Assurance Society
- **4 lowered their targets;**
  - Lloyd's of London
  - MetLife
  - Nutmeg Saving and Investment
  - Visa Europe
- **11 extended deadlines without changing their targets.**
  - AIB UK
  - AXA XL
  - Bank of America
  - Bibby Financial Services
  - Capital One Europe
  - CNA Hardy
  - Financial Reporting Council
  - Franklin Templeton Investments
  - Funding Circle
  - LV= General Insurance
  - Post Office

The three most common reasons why signatories changed their targets were: they had set targets that were ambitious, but realistic and achievable; they were aiming for parity; and the impact of Covid. Other reasons include: reflecting the firm's wider workforce or female talent pools in their sector; peer benchmarking; organisational changes; needing longer to embed changes; to align with a change in senior management definition; to align with Hampton Alexander targets; and adding interim targets to longer term goals. For a full list with explanations for each signatory, see Appendix 4 (p35).

Redefining senior management

Just as business does not remain static, nor does any company's workforce and how it is structured. Twenty signatories changed how they define their senior management population to which their targets relate during the reporting period. Of the 20:

- **5 narrowed their definition to a more senior level;**
  - Admiral Group
  - AXA XL
  - Lloyd's of London
  - SMBC Bank International/ SMBC Nikko Capital Markets
  - Virgin Money
- **11 broadened their definition to add levels of managers;**
  - AXA UK
  - Funding Circle
  - Mercer
  - MetLife
  - Phoenix Group
  - Prudential
  - Quilter
  - Sainsbury's Bank
  - UBS
  - Visa Europe
  - West Bromwich Building Society
- **4 made changes that had little or no impact on the size.**
  - Nucleus Financial Group
  - Nutmeg Saving and Investment
  - Unity Trust Bank
  - Wellington Management International

Their reasons include: to accommodate internal restructuring and organisational changes; to align with a new job grading system, governance structure or reporting lines; to align with Hampton Alexander definitions of exco and direct reports to exco; a geographical shift (either from UK to a regional or global target, or the other way round); and to be more representative of decision makers across the organisation.

For a full list with explanations for each signatory, see Appendix 5 (p38).

"We recognise that gender parity is the aim and have reflected this in our targets. 50% of the working age population and our membership are women and we want to reflect this. Furthermore, we have achieved this in our overall workforce."

Nest

"This has been an important year for the Charter as a large cohort of signatories - including HM Treasury – came up to their target deadlines.

Despite the challenges of the pandemic, I am pleased to see that firms are finding innovative methods to improve and embrace diversity.

Going forward, firms should continue to challenge themselves, identify areas for improvement, and implement best practice."

Gwyneth Nurse,
Director of Financial Services, HM Treasury

10 suggestions for debate

This review shows that while the HM Treasury Women in Finance Charter is spurring signatories to improve female representation, there is still a long road ahead. Here are 10 discussion points raised by our findings to contribute to the debate on improving diversity:

1. **The upside of Covid:** This pandemic has presented an opportunity to rethink, redesign and radically improve the future of work for all. It has enabled discussions on flexible working to begin from a new baseline of acceptance rather than exception; it has increased integration of diversity and inclusion into the business operating model; and it has created a sense of urgency to make changes, and quickly.
2. **The downside of Covid:** Research has already shown the disproportionate impact of the Covid crisis on women, and like any other crisis, the pandemic brings economic uncertainty, which changes strategic priorities. But a negative knock-on effect on female representation is not inevitable. This review shows examples of signatories seeking to understand and mitigate the impacts of Covid on its workforce, particularly women.
3. **Surviving or thriving:** Every upheaval has winners and losers. Those firms that had a more progressive D&I agenda before Covid struck had a smoother and swifter transition to mass home working and are accelerating action on other barriers to diversity. Those that were lagging risk falling even further behind as those that "get it" power ahead.
4. **Staying focussed:** Across the signatory cohort as a whole, female representation has edged up by one percentage point on average for each of the last three years, is yet to breach 33%, and is far short of parity. Such a slow pace of change is vulnerable to setbacks – and as the review shows, once companies fall behind it is difficult to catch up.
5. **Data, data, data:** Every year, signatories find new ways to use ever more granular diversity data to inform actions and measure their impact. Signatories will need to invest time and resource to expand and refine their capacity to monitor diversity data if they are to meet increasing demands for more complex (and more personal) datapoints.
6. **Intersectional nuance:** Signatories are in the early stages of developing an understanding of the different aspects of diversity, and how they overlap, among their senior management populations. Firms will need to accelerate efforts as key stakeholders – including government, regulators and investors – increasingly turn their attention to social mobility as well as race and ethnicity in addition to female representation.
7. **Kicking the tyres:** Good practices in hiring, retaining and promoting women are constantly evolving. Signatories need to regularly interrogate their actions to ensure they are delivering change and remain fit for purpose for all women.
8. **Leveraging the Charter framework:** This year's data shows a step change in governance and accountability, particularly in mechanisms linking diversity targets to pay and more strategic action from accountable executives. Diversity must continue to shift from a side-of-desk activity to be treated just as any other strategic objective for the business.
9. **Targets in the context of parity:** Progressive signatories are hitting their targets and setting new ones, but only one in six signatories explicitly mention gender parity as their ultimate goal. If targets are not viewed as milestones on the road to parity, the target can itself become a ceiling, as data is modelled to reach the target and no further.
10. **Taking the lead:** The financial services industry has not been shut down by the pandemic – indeed it has adapted well, business has continued and in some areas flourished. If this sector cannot continue to take strides towards gender balance in the face of Covid, then there seems to be little hope for the rest.

APPENDIX 1: CONTENTS/ METHODOLOGY

Contents

Methodology

This review analyses annual updates from 209* signatories that signed the Charter before September 2019, provided† an annual update to HM Treasury in September 2020, and have more than 100 staff‡. The data was shared with New Financial on a confidential basis. All data has been anonymised, aggregated, and no data has been attributed without consent from the relevant signatory.

Headline senior management targets

All targes analysis is based on a single target and deadline for each signatory.
- For firms that set targets for multiple tiers of senior management, we used an average weighted by the size of the senior management population in each band.
- For those that set targets for multiple groups including one for senior management, we used the senior management target.
- For firms that submitted targets against multiple deadline years, we used the shorter-term target and deadline provided (for example, if a signatory set targets for 2020, 2025, and 2030 we used the 2020 deadline year and corresponding target as the headline target).
- For firms with a target range, we used the midpoint.
- For firms that set a target with a tolerance of +/- *x*%, we used the midpoint.

Criteria for meeting targets

A signatory has been listed as having met its target if the firm has met or exceeded its stated target during the reporting period.
- For firms with targets for multiple tiers of senior management or multiple groups, we also take into account whether the firm believes it has met its targets as a whole, not just on a weighted average basis.
- For firms with a target range or range of tolerance, we accept meeting or exceeding the bottom of the range or range of tolerance as having met the target.

* Signatories that signed the Charter after September 2019, or with 100 staff or less, or did not provide an adequate annual update within HM Treasury's deadlines, have not been included in this analysis.
† The data provided by each signatory has not been verified by HM Treasury or any other body. Enquiries on any individual firm's approach to the Charter should be directed to that firm.
‡ An additional 75 signatories with 100 staff or less provided an annual update. This data has been analysed separately in appendix 7 (p43) in order to focus on comparability across the cohort.
NB: References to 2019 in this review reflect data provided by the 209 signatories in their 2020 submission forms – therefore the 2019 data analysed in this review is not comparable with the 2019 data from 187 signatories presented in the *Annual Review* published in June 2020.

APPENDIX 2: LIST OF SIGNATORIES ANALYSED

Fig.i List of 209 signatories included in this analysis, grouped alphabetically by sector

This review includes data from the 209 signatory firms listed below, in alphabetical order by sector.
For an up-to-date list of all Charter signatories, visit https://www.gov.uk/government/publications/women-in-finance-charter

Banking (global/investment banks)
ABN Amro UK
ANZ Banking Group
Bank of America
BNP Paribas London CIB
BNY Mellon
Canadian Imperial Bank of Commerce
Citi
Commerzbank
Credit Suisse
Daiwa Capital Markets Europe
Deutsche Bank
Goldman Sachs International
Handelsbanken
JP Morgan
Lazard and Co
Mizuho Bank
Mizuho International
Morgan Stanley International
MUFG
Natixis (London branch)
Nomura International
Northern Trust (UK branch)
Royal Bank of Canada
SMBC Bank International and SMBC Nikko Capital Markets
Societe Generale
Standard Chartered Bank
State Street
Stifel Nicolaus Europe
UBS
UniCredit Group

Banking (UK banks)
AIB UK
Aldermore Group
Atom Bank
Bank of Ireland (Retail UK)
Barclays
Brown Shipley
Cambridge & Counties Bank
Castle Trust
Close Brothers Group
Danske Bank (UK)
Hodge Group
HSBC UK
Investec Bank
Lloyds Banking Group
Metro Bank
Monzo Bank
NatWest Group
OneSavings Bank
Paragon Banking Group
Post Office
Sainsbury's Bank
Santander UK
Shawbrook Bank
Starling Bank
Tesco Bank
The Co-operative Bank
Triodos Bank UK
TSB
Unity Trust Bank
Virgin Money
Zopa

Building societies/credit unions
Coventry Building Society
Cumberland Building Society
Hinckley & Rugby Building Society
Leeds Building Society
Market Harborough Building Society
Nationwide Building Society
Nottingham Building Society
Principality Building Society
Progressive Building Society
Skipton Building Society
West Bromwich Building Society
Yorkshire Building Society

Fintech
Form3
Funding Circle
Global Processing Services
IPC Systems
iPipeline UK
IRESS
Morningstar
Nucleus Financial Group
Nutmeg Saving and Investment
Paysafe
PensionBee
RateSetter
Tide Platform

Government/regulators
Bank of England
British Business Bank
City of London Corporation
Financial Conduct Authority
Financial Ombudsman Service
Financial Reporting Council
Financial Services Compensation Scheme
HM Treasury
National Savings and Investments
Pension Protection Fund
UK Export Finance
UK Government Investments

Insurance
Admiral Group
Ageas UK
Allianz Insurance
Aviva
AXA UK
AXA XL (formerly XL Catlin)
Beazley
BUPA
Canada Life
CNA Hardy
Collinson Group
Covéa Insurance
Direct Line Group
Ecclesiastical Insurance
esure Group
Hastings Insurance Services
LifeSearch
Lloyd's of London
LV=
LV= General Insurance
Marsh and Guy Carpenter
MetLife
Motor Insurers' Bureau
National House Building Council
NFU Mutual
Phoenix Group
Prudential
QBE European Operations
RSA Insurance
Simply Business
Tesco Underwriting
Unum
Vitality Corporate Services
Wesleyan Assurance Society
Zurich Insurance UK

APPENDIX 2 (continued)

Fig. i (continued) List of 209 signatories included in this analysis, grouped alphabetically by sector

This review includes data from the 209 signatory firms listed below, in alphabetical order by sector.
For an up-to-date list of all Charter signatories, visit https://www.gov.uk/government/publications/women-in-finance-charter

Investment management
Aegon Asset Management
Allianz Global Investors
Amundi UK
Artemis Investment Management
AXA Investment Managers
BlackRock
Brewin Dolphin
Brooks Macdonald
Charles Stanley
Columbia Threadneedle Investments
Federated Hermes
Fidelity International
Foresight Group
Franklin Templeton Investments
GAM Investments
Hargreaves Lansdown
Intermediate Capital Group
Invesco
Investec Wealth & Investment
Janus Henderson Investors
JM Finn
Jupiter Asset Management
Lazard Asset Management
Legal & General Group
LGT Vestra
Man Group
Muzinich
Ninety One (formerly Investec Asset Management)
Pantheon Ventures
Pimco Europe
Quilter
Rathbone Brothers
Royal London Group
Schroders
St James's Place
Standard Life Aberdeen
Vanguard Asset Services
Wellington Management International

Professional services
Aon
BDO
Crowe
Deloitte
EY
Grant Thornton
KPMG
Mercer
Pinsent Masons
PwC UK
Smith & Williamson
Target Group

Trade associations
Association of Accounting Technicians
Chartered Insurance Institute
Institute of Chartered Accountants in England and Wales
International Swaps and Derivatives Association
UK Finance

Other
Aegon UK Corporate Services
American Express
Bibby Financial Services
BMW Financial Services GB
BNP Paribas Personal Finance
BP Supply and Trading
Capital One Europe
CDC Group
Equifax
Everyday Loans
Just Group
London Stock Exchange Group
Mastercard (UK&I Division)
Nest
Pepper (UK)
Provident Financial
Refinitiv
Sesame Bankhall Group
TP ICAP
Tullow Oil
Visa Europe

NB: The company names listed here include a mixture of group, parent company, subsidiary and trading names. For many companies, the Charter applies to a subsidiary, a specific entity, a branch, a division or region, and not necessarily to all staff at the company name as listed here. The sector allocations are based on signatories' own selections.

APPENDIX 3: REASONS SIGNATORIES MISSED 2020 TARGETS

Fig.ii List of reasons why the 44 signatories with 2020 targets missed their deadline (listed by target)

Signatory name	Target	Comment on why they missed
AIB UK	50%	AIB UK set a target of 50% but did not hit it due to low turnover in the senior management population and a recruitment pause since 2019 that was further impacted by Covid. AIB remains committed to gender balance, and has extended its target deadline.
Nutmeg Saving and Investment	50%	Nutmeg did not reach its target of 50%, partly due to a number of female leaders leaving and due to a target that was significantly higher than the industry average. It has now set a new deadline of 2022 and a new target of 33% which it said better reflects its estimate of the female talent pool in the fintech sector.
Post Office	50%	Post Office has achieved more than 50% women among its workforce but missed its 50% senior management target, coming at 44.5%. It has extended the target deadline to 2024.
Financial Conduct Authority	45%	When it signed the Charter, the Financial Conduct Authority set challenging targets for both gender and ethnicity. It hit its ethnicity target, but missed its interim target of 45% for female representation due to low turnover in senior management. The FCA also has a target of 50% by 2025.
AXA UK	40% +/- 10%	AXA UK came within 10 percentage points of its 40% target. It has now expanded its senior management definition to include a wider pool of leaders.
AXA Investment Managers	40%	AXA Investment Managers came within 10 percentage points of its 40% target, and was disappointed that female representation decreased on 2019's figures due to having a small senior executive population.
Funding Circle	40%	Funding Circle missed its 40% target, but has refocused its efforts on developing internal female talent as well as requiring gender balanced candidate lists for external hires. It has changed its definition of senior management and extended its deadline to 2030.
IRESS	40%	IRESS missed its 40% target because of reduced recruitment activity due to Covid. Only business critical roles were replaced and female applicants fell by a quarter between March and August 2020.
Legal & General Group	40%	Legal & General did not meet its target of 40% in part due to the disposal of the GI and Mature Savings businesses and partly due to changes in contractor rules which led to it onboarding more men to payroll. The firm has found that setting an aspirational target has been valuable to focus on gender equality and create an impetus for action.
Lloyds Banking Group	40%	In 2014, Lloyds was the first FTSE company to set targets for female representation in senior positions. It aimed for 40% by the end of 2020, and has moved from 28% in 2014 to 37%, progress that would not have happened without the target and all the initiatives that were put in place. Lloyds missed its target because the pandemic led to a recruitment freeze that limited external hiring and promotions.
London Stock Exchange Group	40%	The London Stock Exchange Group missed their target of 40%. The firm set an aspirational target to stretch the thinking and actions of senior leaders, knowing that it was less likely to achieve the target.
LV= General Insurance	40%	LV= General Insurance narrowly missed its 40% target due to changes in the structure of its business (becoming part of the Allianz Group in January 2020). It has extended its target deadline to the end of 2021.
Monzo Bank	40%	Monzo almost doubled female representation among senior managers and achieved its target of 40% on its exco, but fell just short of 40% board target.
Nucleus Financial Group	40%	Nucleus Financial missed its 40% target due to restructuring its executive team to include different roles.
Paysafe	40%	Paysafe did not meet its 40% target. This was due to setting an overly ambitious target, low attrition at senior levels and selling its Paysafe Pay Later business. The firm remains committed to the target but understands that it might take longer to achieve.

Fig.ii (continued) List of reasons why the 44 signatories with 2020 targets missed their deadline

Signatory name	Target	Comment on why they missed
Refinitiv	40%	Refinitiv missed its 40% target because it is being acquired by the London Stock Exchange Group, and this has limited change to the leadership team.
Royal London Group	40%	Royal London has not met its target of 40% following changes to its organisational structure and reduced recruitment of management hires due to Covid.
esure Group	38%	esure Group missed its target of 38%. When the target was set in 2017, female representation was at 33%. Since then it has been acquired resulting in restructuring of senior management. esure Group increased women in senior management from 26% in 2019 to 29% in 2020. It is committed to diversity and has a clear plan for 2021 and beyond.
Skipton Building Society	37%	Skipton Building Society refreshed its definition of senior management and narrowly missed its target of 37%, having gone through an organisational redesign that shrunk its senior leadership cohort and a recruitment freeze because of Covid.
Quilter	35-40%	Quilter has not met its target of 35-40% based on its original senior management definition of exco-1, as the exco-1 population halved in size due to changes in reporting lines in 2020. Quilter has since changed its senior management definition to cover a more representative group of leaders, and this new group has met the 35% target. Quilter has set a new target of 37-43% of by the end of 2023.
Bank of England	35%	The Bank of England's progress towards its 35% target slowed in 2020 by, amongst other things, a six month recruitment pause and lower turnover as a result of Covid.
Bibby Financial Services	35%	Bibby Financial Services missed its 2020 target of 35% because of organisational changes over the past two years which resulted in some senior female leaving. It has extended its deadline to 2023 and is committed to meeting the revised timescale with a number of initiatives in place.
Credit Suisse	35%	Credit Suisse's target of 35% applies to the UK exco and the leadership teams of each exco member. While the target has been exceeded on aggregate, it has only been met by 80% of the teams.
Zurich Insurance UK	35%	Zurich Insurance has improved female representation in senior management by 3 percentage points every year since 2016, however, it did not meet its target of 35%.
Nationwide Building Society	33-40%	Nationwide has targets for six layers of management. It has exceeded its 33% target for board, exco and level 5 managers, but it missed targets for the for three levels below. Nationwide has set new targets of 50% female representation across four layers (level 3, 3SE, 4 and 5).
BP Supply and Trading	33%	Although BP Supply and Trading did meet its 33% target at the executive level, it did not meet the same target for overall senior management. The firm deliberately set a high target from a low baseline to drive outreach and engagement of female talent. Female representation within candidate pools for hiring, development and promotion opportunities has steadily increased as a result of targeted actions.
Financial Reporting Council	33%	The Financial Reporting Council has met its 33% targets for its board and Exco-1 target, but missed its 33% Exco target because of senior departures. It has extended its deadline to 2021.
Provident Financial	33%	Provident Financial has not met its target of 33% after its initial work was hindered by an attempted takeover. However, it has put measures in place and hopes to meet its next target of 40% by 2024.
Tesco Bank	33%	Tesco Bank nearly doubled female representation in 2020 but did not meet its target of 33%, partly due to Covid. It has extended its board and exco target deadlines until 2022 to align with its target for directors.
QBE European Operations	32%	QBE European Operations did meet its target of 32% across its wider European division, but not for its UK population which is mainly tech services and underwriting. It has set a new target of 40% by the end of 2025 for its European operations.
Invesco	30-40%	Invesco met its target of 30-40% female representation amongst global senior leaders, but narrowly missed the bottom range of its 30-40% target for the EMEA region due to reorganisation.
Aldermore Group	30%	Aldermore Group met its target of 30% in 2018, however, it has since dipped below its target.

Fig.ii (continued) List of reasons why the 44 signatories with 2020 targets missed their deadline

Signatory name	Target	Comment on why they missed
Allianz Global Investors	30%	Allianz Global Investors has achieved 50:50 at exco level, but missed its 30% senior management target due to low turnover rates, limited capacity to appoint MDs and a limited number of women in the pipeline to be appointed to senior management.
Aon	30%	Aon doubled the number of women in senior leadership roles between 2015 and 2020, from 9% to 18%, falling short of its 30% target. Despite the challenges it has faced and frustratingly slower progress than it would like, due in part to the low volume of attrition at very senior level, Aon remains committed to meeting its target.
BlackRock	30%	BlackRock narrowly missed its target of 30% by the end of 2020, but did achieve it in early 2021.
BNY Mellon	30%	BNY Mellon narrowly missed its goal of 30% in EMEA by 2018. It has now set a new target of 33% women in senior management in EMEA by the end of 2025.
Canada Life	30%	While Canada Life missed its first milestone of 30% by two percentage points, female representation in senior management is increasing and it is on track to meet its next target of 35% by 2023.
CNA Hardy	30%	CNA Hardy narrowly missed its target of 30% by one percentage point due to high turnover of female managers. It has extended its deadline to 2022.
Standard Chartered Bank	30%	Standard Chartered Bank has increased female representation in senior leadership from 25% when it joined the Charter in 2016 to 29.5%, slightly below its 30% target of 30%. It has set a new target of 35% by 2025.
UK Export Finance	30%	UK Export Finance narrowly missed its target of 30%. Although Covid had an impact on recruitment, it expects to increase headcount over the coming year due to the importance of exports to the post-Brexit environment. It has also aims to increase the proportion of roles filled internally from 27% currently to 40% by 2023.
UBS	25-27%	UBS reached 25.2% female representation amongst UK executive directors and above by the end of 2020, so achieved its group target of 25% but not its stretch target of 27% for the UK. In January 2020 UBS set a new group level target of 30% for director level and above by the end of 2025.
Deloitte	25%	Deloitte missed its 25% target (set in 2012) for its female partnership population, with levels currently at 24%. It has prioritised the recruitment, development and retention of senior women as part of its gender balance action plan. The firm has a target of 40% by 2030 (with an interim target of 30% by 2025).
PwC UK	24-47%	While PwC has exceeded its 47% target at manager level (reaching 49%) and 44% at senior manager level (reaching 47%), it has not met its targets of 38% at director level and 24% at partner level, both falling short by 2%. Despite the impacts of Covid, PwC remains ambitious about what it can achieve in the next five years.
Deutsche Bank	20-30%	Deutsche Bank has met its 30% target for its supervisory board (as required under German law), and met its target of 20% for the first level below the management board; but missed its target of 25% (by 1.1%) for the second level below because of business restructuring.

APPENDIX 4: SIGNATORIES THAT CHANGED THEIR TARGETS

Fig.iii **List of 43 firms that changed their targets and why** (by category, listed by level of target)

Signatory name	New target	New dead-line	Raising the bar: signatories that met their targets and increased them
Coventry Building Society	50%	2024	Coventry Building Society met its target of 33% by 2019 and has set a new target of parity on its board by 2024.
Nest	50%	2025	Nest reached its target of 30% in autumn 2019 and has revised its target to parity to reflect the wider population, with a 2025 deadline.
Brewin Dolphin	45%	2023	Brewin Dolphin has already met its target of 35% ahead of its 2021 deadline, so has increased its target to 45% by the end of 2023 to maintain motivation for gender balance across the organisation.
Beazley	45%	2023	Beazley reached its target of 35% by 2020 and has set a new target of 45% senior women by the end of 2023.
Pension Protection Fund	45%	2023	The Board of the Pension Protection Fund has surpassed its previous target of 40% by 2021 for the second consecutive year, so has set a new stretch target of 45% by 2023.
National Savings and Investments	40-60%	Maintain	National Savings and Investments is reframing its target from 50% +/- 5 roles, which it hit in 2020, to maintaining between 40-60% averaged over the year.
LifeSearch	40%	Maintain	LifeSearch had a target of maintaining 39%, and has increased this to 40%, which it has already surpassed.
Ageas UK	40%	2021	Ageas UK has increased its target to 40% female senior managers by 2021 having already exceeded its original goal of 35%.
NatWest Group	40%	2021	At 39%, NatWest exceeded its target of having 36% women in its top three leadership levels globally (an increase of 10% since NatWest introduced targets in 2015), and 14 out of 15 of NatWest's businesses have at least 30% women in their top three leadership levels. NatWest's aggregate target for 2021 is 40%.
Sainsbury's Bank	40%	2024	Sainsbury's Bank met its target of 30% by 2020 and has set a new target of 40% senior women by 2024. It has also widened its senior management target.
Canadian Imperial Bank of Commerce	35-40%	2022	Canadian Imperial Bank of Commerce reached its previous target range of 30-35% in 2019, and has increased the target to 35-40% by 2022, based on labour market availability and comparable data from other financial institutions.
Direct Line Group	35%	2022	Direct Line Group achieved its target of 30% by the end of 2019 and has set a new target of 35% by the end of 2022, modelled on a greater rate of progress than its previous target.
Mercer	35%	2022	Mercer hit its target of 30% by 2020 and has set a higher target of 35% by 2022. It has also added a layer of management to its definition of senior management.
Fidelity International	35%	2023	Fidelity International met its previous target of 30% by 2020 and has now set an overall global target of 35% by 2023, with a long term goal of at least 40% female and 40% male.
RSA Insurance	34-48%	2022	RSA Insurance met its target of 33% in 2020, which was aligned to Hampton Alexander, and has now set targets ranging from 34% to 48% for each geographical region by 2022.
OneSavings Bank	33%	2023	OneSavings Bank hit its previous target of 30% by its deadline at the end of 2020 and has set a new target of 33% by the end of 2023.
Man Group	30%	2024	Man Group achieved its target of 25% by 2020 and has set a new target of 27.5% by the end of 2022 and 30% by the end of 2024, which it says is ambitious but realistic.
Societe Generale	30%	2025	Societe Generale hit its target of 25% by 2022 and has set a new target of 30% by 2025.
Wellington Management International	25%	2025	Wellington has exceeded its previous target of 20% by 2023 for two consecutive years, so has modelled a new stretch goal based on its projected pipeline of 25% by 2025. It has also refined its senior management definition.

APPENDIX 4 (continued)

Fig.iii List of 43 firms that changed their targets and why (by category, listed by level of target)

Signatory name	New target	New dead-line	Increasing targets: signatories that raised their targets
Nationwide Building Society	50%	2028	Nationwide Building Society missed three of its six layers of management targets, and has set new targets of 50% for the lower four layers by 2028.
Jupiter Asset Management	40%	2023	Jupiter Asset Management missed its 2019 target of 30-50%. It has increased its target to 40% to better reflect the UK population and allowed a longer time horizon to 2023, in order to allow for changes in process and culture to have an impact.
QBE European Operations	40%	2025	QBE European Operations did meet its target of 32% across its wider European division, but not for its UK population. It has set a new target of 40% by the end of 2025 for its European operations.
Wesleyan Assurance Society	40%	2025	Wesleyan Assurance Society has made good progress towards it target of 33% by 2022 and has increased its target to 40% by 2025.
Deloitte	40%	2030	Deloitte missed its 2020 target of 25% female partners, with levels currently at 24%. It remains committed to its longer term target of 40% by June 2030 (with an interim target of 30% by 2025).
Quilter	37-43%	2023	Quilter missed its target of 35-40% by the end of 2020 based on its previous senior management definition, but has met its original target for its new definition of senior management (its "senior leadership community"). The firm has set a new target of 37-43% by the end of 2023.
Standard Chartered Bank	35%	2025	Standard Chartered Bank reached 29.5%, slightly below its 30% target by the end of 2020. It has set a new target of 35% by 2025.
BNY Mellon	33%	2025	BNY Mellon previously had a target of 30% female representation in senior management in EMEA by 2018, which it has not yet achieved. It has now set a new target of 33% in EMEA senior management by the end of 2025.
UBS	30%	2025	UBS reached 25.2% female representation amongst UK executive directors and above by the end of 2020. It achieved its group target of 25% but not its stretch target of 27% for the UK. In January 2020 UBS set a new group level target of 30% for director level and above by the end of 2025. The new target includes a wider definition of senior management.

Signatory name	New target	New dead-line	Lowering targets: signatories that reduced their targets
Lloyd's of London	35%	2023	Lloyd's of London has surpassed its previous target of at least 40% women and 40% men in senior management. In a newly defined, narrower senior management population (consisting of board, exco and direct reports to exco), it now has 47% women. However, Lloyd's has changed its target to align with a broader market target for the Lloyd's market to increase female representation from 29% to 35% by December 2023 and parity within a decade.
Visa Europe	35%	2023	Visa achieved its goal of 36% female senior manager across its European business in 2019. It has now set a new target of 35% by September 2023 for a new, broader senior management definition. It has also set a target of 41% female representation in its European workforce.
MetLife	33%	2021	MetLife missed its 2019 target of 50% senior female managers, and has now reduced this target to 33% and extended its deadline to 2021. It has also added a 50% target for a lower level of management in order to enhance succession plans and develop female talent for the future.
Nutmeg Saving and Investment	33%	2022	Nutmeg did not meet its target of 50% by 2020, and has changed its target to 33% by 2022 to better reflect its estimate of the female talent pool in the fintech sector.

APPENDIX 4 (continued)

Fig.iii **List of 43 firms that changed their targets and why** (by category, listed by level of target)

Signatory name	Target	New dead-line	Extending deadlines: signatories that increased the timeframe to reach existing targets
AIB UK	50%	2021-2023	AIB UK missed its target of achieving parity in 2020 due to a recruitment pause in 2019 that was further impacted by Covid. It has extended its timeframe for its targets for different layers of leadership, with deadlines in 2021, 2022 and 2023. AIB remains committed to gender balance.
Post Office	50%	2024	Post Office achieved its first target of 40% in 2018, but missed its revised target of 50% by 2020. It has extended its deadline to 2024.
Capital One Europe	50% +/- 10%	2025	Capital One Europe has extended its deadline from 2021 to 2025 because of the ongoing impacts of Covid and fluctuations in recruitment and attrition.
LV= General Insurance	40%	2021	LV= General Insurance missed its 2020 target of 40% and has extended its deadline to the end of 2021, which its said was realistic in the context of the level of organisational change it expected and was already experiencing.
AXA XL	35%	2023	AXA XL has extended its target for achieving 35% female representation from 2021 to 2023, due a change in its senior management definition.
Funding Circle	40%	2030	Funding Circle missed its 2020 deadline and has added 10 years to its timeframe to achieve its 40% target to reflect its recognition of the long term challenge for gender diversity in both the finance and technology sectors, particularly engineering and capital markets
Bibby Financial Services	35%	2023	Bibby Financial Services missed its 2020 target of 35% and has extended its deadline to 2023. The firm also aims to achieve at least 30% by the end of 2022.
Financial Reporting Council	33%	2021	Financial Reporting Council met its 2020 targets of 33% for its board and exco-1 target, but missed its 33% exco target because two female exco members left during the reporting period. It has extended its deadline to 2021.
CNA Hardy	30%	2022	CNA Hardy missed its 2020 deadline of 30% and has extended the deadline to 2022.
Franklin Templeton Investments	28-33%	2022	After completing the global acquisition of Legg Mason and its affiliates in August 2020, Franklin Templeton has extended its deadline from 2021 to the end of 2022.
Bank of America	28%	2022	Bank of America has extended its deadline by 6 months to July 2022 to reach its target of 28% female representation in the top 4 layers of senior management. The extension takes into consideration previously unanticipated impacts of the current environment.

APPENDIX 5: CHANGES TO SENIOR MANAGEMENT DEFINITIONS

Fig.iv List of 20 firms that changed their senior management definitions (by category, listed alphabetically)

Signatory name	Narrowing senior management population
Admiral Group	Admiral has halved its senior management population by changing its definition from CEOs and their direct reports globally to the UK only.
AXA XL	AXA XL has reduced its senior management population by more than 90% from all senior professionals positions (approximately exco-3) to direct reports to exco. This change follows restructuring over the past two years, and the firm says the new definition is more consistent and better aligned to the insurance market and wider peers.
Lloyd's of London	Lloyd's of London has changed its target senior management population from the best paid 25% of staff to a new group of board, exco and direct reports to exco, to align with the Hampton Alexander definition of senior management. It had already met its target of at least 40% women and 40% men under both new and old senior management definitions. However, it has changed its target to gender parity within a decade, with an interim target of 35% by the end of 2023, in order to align with and be an example to an initiative it is leading for the Lloyd's market.
SMBC Bank International and SMBC Nikko Capital Markets	SMBC Bank International and SMBC Nikko Capital Markets combined their reporting in 2020 to reflect organisational changes. As part of this, they have moved their senior management definition up a level to director and above. The firms said the new definition reflects seniority and influence within the organisation and is closer to the executive level.
Virgin Money	Virgin Money hit its target of 40% in 2020. It is now narrowing its definition of senior management to exco and its direct reports, excluding any senior support roles. This new definition aligns with Hampton Alexander reporting, and the bank said it captures all those with senior responsibilities.

Signatory name	Minimal impact on size of senior management population
Nucleus Financial Group	Nucleus Financial's previous definition included board, exco and leaders registered under the FCA's Senior Managers and Certification Regime, and it has updated it to include an additional handful of direct reports to exco. The firm said these roles are the most accountable for decision making in the organisation.
Nutmeg Saving and Investment	In addition to changing its target of 50% by 2020 to 33% by 2022, Nutmeg has updated its senior management definition. It previously included executive directors and a selection of their direct reports, and has now added a few extra roles with people management responsibilities. Nutmeg said this group is responsible for hiring decisions, creating inclusive environments and driving retention and engagement of employees.
Unity Trust Bank	Unity Trust has redefined its senior manager population from what it previously called its senior management team to those captured by the FCA's Senior Managers and Certification Regime. Although the size of the senior manager group is the same, the previous definition depended on business priorities and was changeable, while the newly defined group will change less frequently and are involved in strategic decision making for the firm and either hold or deputise for executive roles.
Wellington Management International	Wellington has surpassed its target of 20% by 2023 and has set a new target of 25% by 2025. It has also tweaked its senior management definition to partners and managing directors, no longer including additional staff who serve on boards and executive decision making bodies. Wellington has set a separate goal of 30% for board and executive decision making bodies by 2025.

APPENDIX 5 (continued)

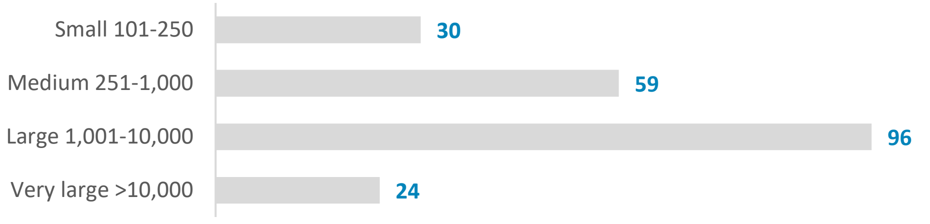
Fig.iv List of 20 firms that changed their senior management definitions (by category, listed alphabetically)

Signatory name	Widening senior management population
AXA UK	AXA UK's previous definition of senior management was its senior leader and exec population (less than 2% of the workforce). The firm has expanded its definition to include its leader grade band (around 10% of its workforce), to better align with other Charter signatories.
Funding Circle	Funding Circle has added an extra layer of managers to its senior management definition, taking it from director level and above to senior manager level and above.
Mercer	Mercer hit its target of 30% by 2020 and has set a higher target of 35% by 2022. It has also expanded its definition of senior management from the top four layers of management to the top five.
MetLife	Metlife has updated its senior management definition from director and exco population, which it said is too small for the Charter. It has now doubled the senior manager group by adding people leaders at lower levels, in order to focus on succession planning and talent development.
Phoenix Group	Phoenix Group acquired Reassure Group in July 2020, increasing its workforce by more than half. It has updated its senior management definition from the three of its bands to now include its executive, business leadership and senior leadership teams.
Prudential	Prudential has increased its senior management population from its previously defined leadership team to now include its executive council, CEOs of local business units and C suite in units that it considers critical. The firm said the new group is comparable in terms of roles to the previous leadership team, but now has a better balance between headquarters and business roles.
Quilter	Quilter missed its target of 35-40% based on its original senior management definition of exco-1, as the exco-1 population halved in size due to changes in reporting lines in 2020. Quilter has since changed its senior management definition to its senior leadership community, which the firm said more accurately reflects senior management. This new group has met the 35% target and Quilter has set a new target of 37-43% of by the end of 2023.
Sainsbury's Bank	Sainsbury's Bank has increased its senior management population by a third. The previous definition was senior manager and above, plus the board, while the new senior management group also includes direct reports to exco with key decision making responsibilities.
UBS	UBS missed its target of 27% and has now set a new target of 30% by the end of 2025. It has also expanded its definition of senior management beyond executive directors and above, to include directors. This change is to ensure more employees fall within its focus on hiring more, losing less and promoting more women.
Visa Europe	Visa has almost quadrupled its senior management population by changing its definition to align with its global job architecture. The previous definition included managing directors, directors and vice presidents in its top four layers, the new definition is director and above. Visa has also revised its target down to 35% by the end of September 2023 (from a target of 38% by 2021).
West Bromwich Building Society	West Bromwich met its target of 30% in 2020. It has broadened its definition to be more representative of decision makers across the organisation following a new approach to job banding, which distinguishes between managerial roles and specialist roles. Previously, the definition included divisional directors and heads of department (which only represented about 20 roles), while its new definition includes divisional directors, and other senior managers and senior specialists.

APPENDIX 6: SIGNATORY DESCRIPTIONS

Fig.v Signatories by size

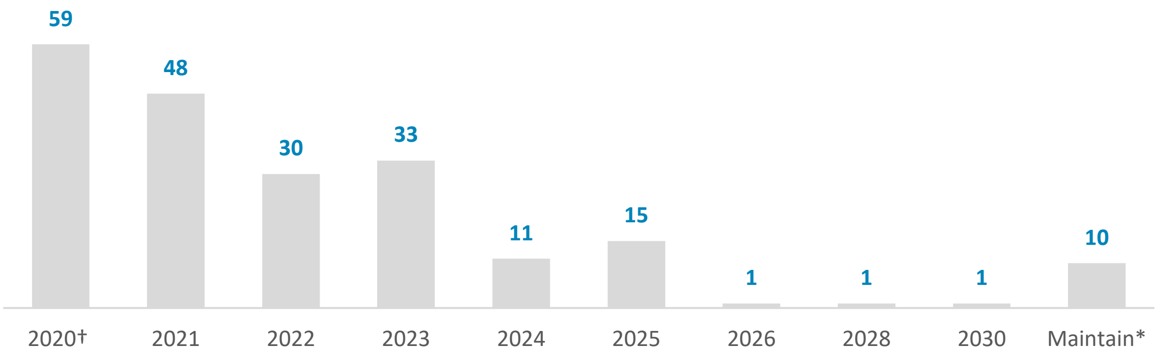
Signatories grouped by number of employees to which the Charter applies, number of firms



n=209

Fig.vi Signatories by deadline year

Signatories grouped by year of target deadline, number of firms



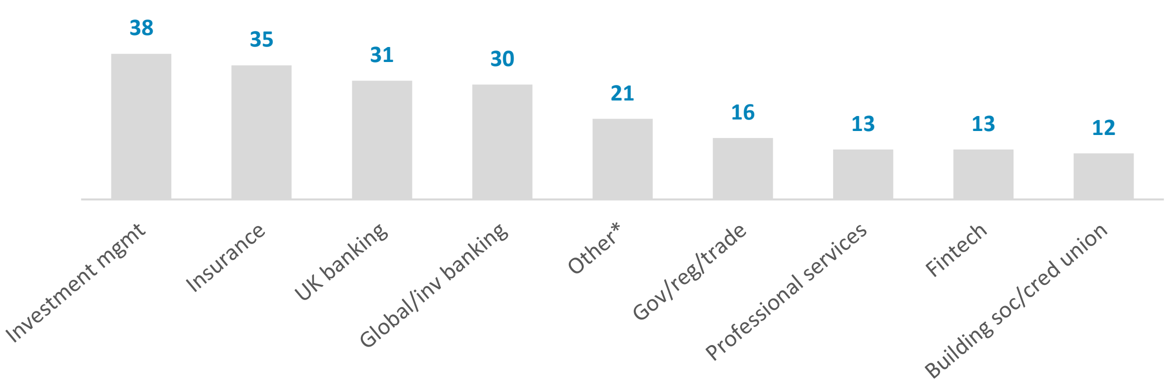
n=209

† Of the 81 firms that had a 2020 deadline, 22 have also set a future target deadline recorded in this data

*Maintain refers to an ongoing target which has already been met

Fig.vii Signatories by sector

Signatories grouped by sector, number of firms in each

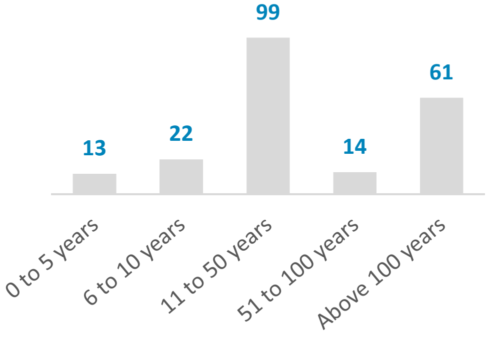


n=209

*Other includes payment systems, life and pensions, consumer credit, compliance advisers, energy, personal loans, market infrastructure, consumer finance, interdealer broker, life and pensions, development finance, invoice finance and credit reference agencies

Fig.viii Signatories by age

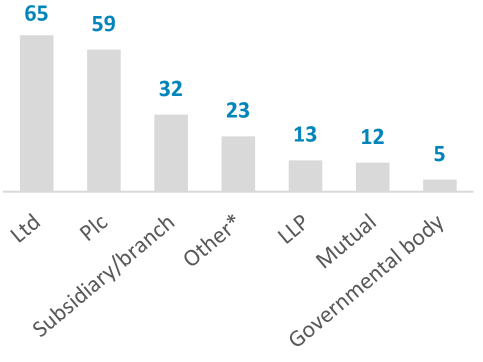
Signatories grouped by age, number of firms in each category



n=209

Fig.ix Signatories by company type

Signatories grouped by company type, number of firms in each category

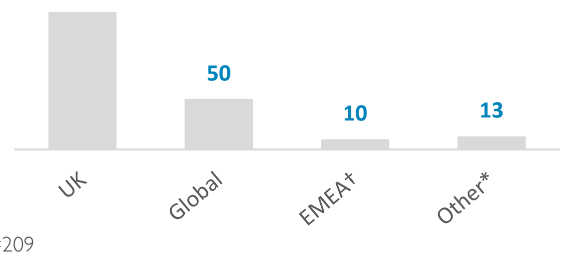


n=209

*Other includes not for profit, building society, public corporation, mutual, export trade agency, private unlimited company, public corporation, royal charter bodies, professional body and building societies

Fig.x Region to which target applies

Signatories grouped by region to which Charter target applies



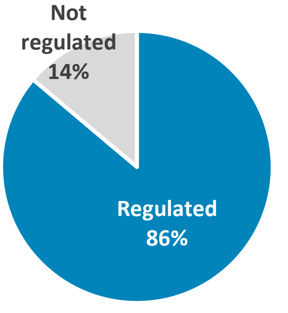
n=209

†Europe, Middle East and Africa

*Other includes UK and Channel Islands, UK, Ireland and Jersey, UK and Ireland, UK and Jersey and Northern Ireland and UK

Fig.xi FCA-regulated signatories

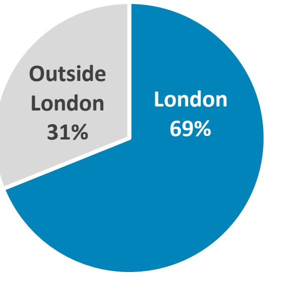
Percentage of signatories that are regulated by the Financial Conduct Authority or conduct regulated activities, %



n=209

Fig.xii Location of headquarters

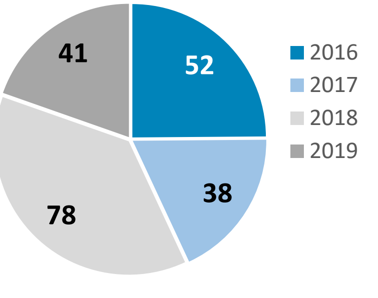
Percentage of signatories with headquarters in London, %



n=209

Fig.xiii Signatories by year of joining the Charter

Signatories grouped by year of joining the Charter



n=209

APPENDIX 6 (continued)

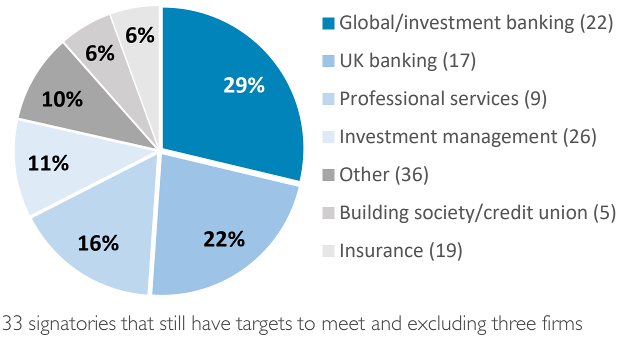
Fig.xiv Size of total workforce and senior management populations by sector

Sector (n)	Number of employees to which Charter applies	Number of senior managers as per senior manager definition	Number of female senior managers in 2020
Global/investment banks (30)	432,701	26,120	6,861
UK banks (31)	283,814	17,282	5,997
Insurance (35)	170,103	8,982	3,036
Professional services (13)	105,322	18,538	7,094
Investment management (38)	80,137	13,341	4,196
Other* (21)	52,805	3,317	1,160
Building societies/credit unions (12)	31,882	1,659	588
Government/regulators/trade associations (16)	19,343	1,372	530
Fintech (13)	7,490	629	171
Total (209)	1,183,598	91,240	29,633

*Other includes payment systems, life and pensions, consumer credit agencies, compliance advisers, energy, oil and gas, personal loan agencies, market infrastructure, consumer finance, interdealer broker, life and pensions, energy, development finance, invoice finance and credit reference agencies

Fig.xv How many women by sector

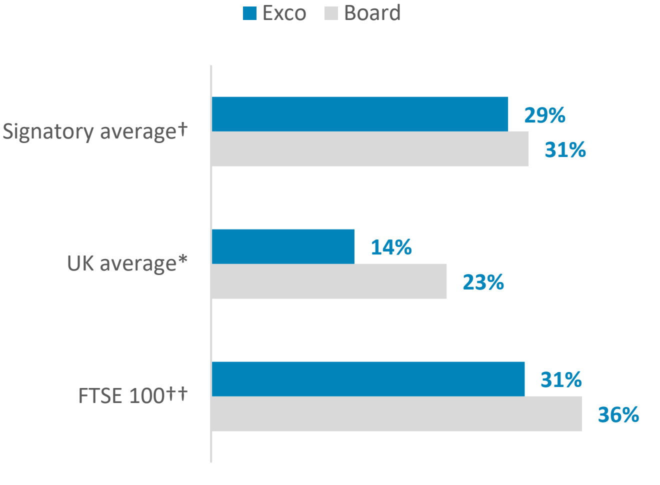
We estimate the signatories would have to add around 3,000 women in order to meet their targets, which would be an increase of around 16% on today's population of female managers. This is a rough estimate – we assume the size of the senior management population will stay the same as it is today, we had to exclude signatory data that was incomplete or inconsistent and there is rounding error. This chart shows the sectoral breakdown of the 3,000 women required to join senior management, by sector, as a percentage of 3,000 women.



n=133 signatories that still have targets to meet and excluding three firms that have insufficient data, category (n)
*Other includes payment systems, life and pensions, consumer credit, compliance advisers, energy, personal loans, market infrastructure, consumer finance, interdealer broker, life and pensions, development finance, invoice finance and credit reference agencies

Fig.xvi Female representation on boards and excos

Average female representation on boards and executive committees of signatory firms



†187 signatories provided data, 177 for boards, 187 for excos
*UK average from New Financial data for Jayne-Anne Gadhia's *Empowering Productivity* review in 2016
†† Hampton Alexander data from the 2020 Review. Note that the HAR definition used here is executive committee and direct reports.

APPENDIX 7: PROGRESS OF SMALLER SIGNATORIES

How are smaller signatories doing?

An additional 75 signatories with 100 staff or less provided an annual update in September 2020. We have simplified the analysis of these smaller organisations (compared to the larger signatories) in order to maintain a proportionate approach to monitoring them.

Of this group of 75, 73% have already met their targets, and a further 15% are on track to meet their targets by their deadlines.

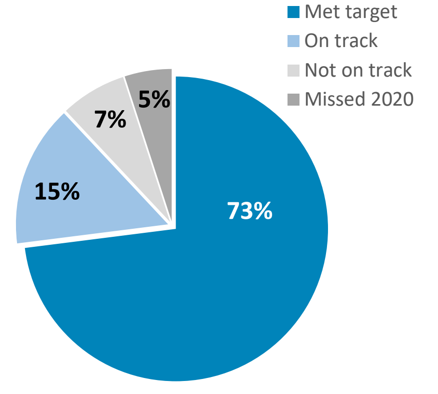
Fifteen have a 2020 deadline, of which 11 hit their target (see Fig.xvii) and four did not: Alternative Investment Management Association, Tribe Impact Capital, AMP Capital Investors and Big Society Capital.

Fig.xviii below shows the range of smaller signatory targets. More than three quarters of signatories (83%) have a target of at least 33%, nearly half have a target of parity, while six firms have a target of more than 50% female representation in senior management. The mean average target is 46%, ranging from 25% to 100%, with a mode and median target of parity.

The average level of female representation in senior management for the group of smaller signatories is 52%, ranging from 0% to 100%.

Fig.xvii Progress against targets

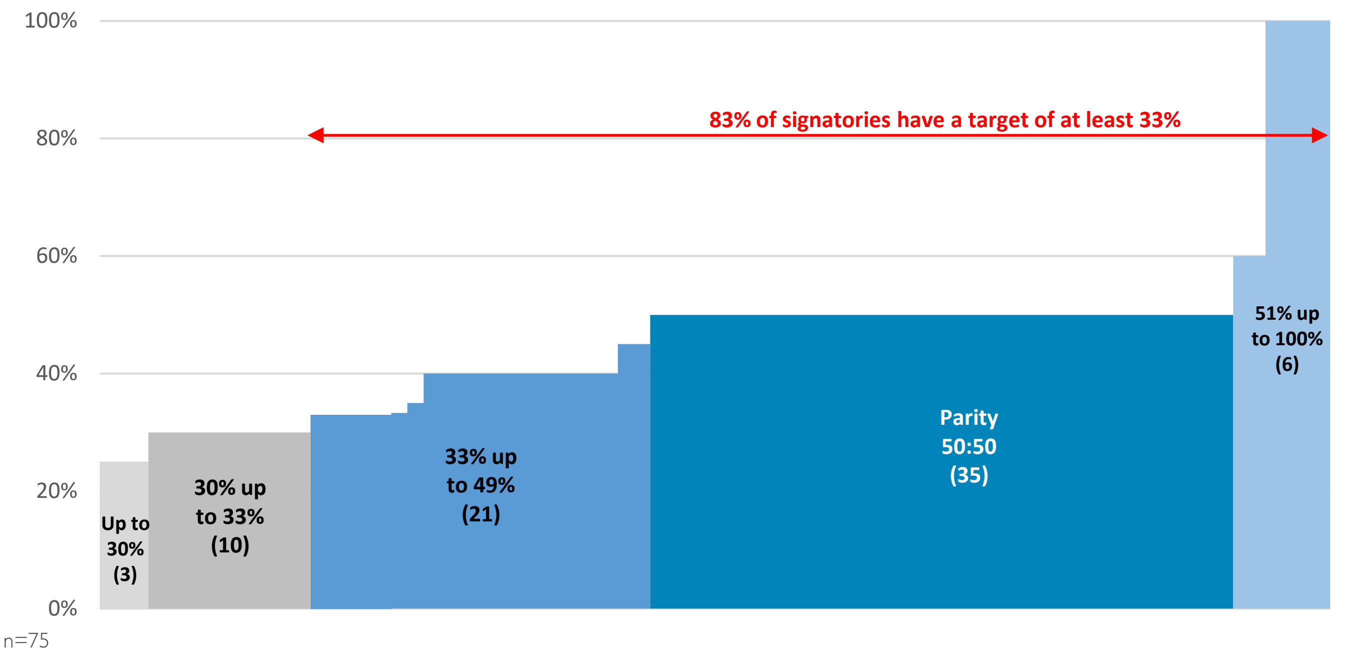
How smaller signatories are progressing against their targets, % of signatories



n=75

Fig.xviii The full range of smaller signatory targets

Distribution of all smaller signatories by headline target for female representation in senior management



n=75

SMALLER SIGNATORIES THAT MET THEIR TARGETS

Fig.xix **The 55 small signatories that have met their targets** (listed by level of target)

Signatory name	Target for female representation in senior management	Deadline
Beaufort Group Consulting (previously House of Beaufort)	100%	Maintain*
Independent Women	100%	2021
Tracy Fletcher	100%	2021
VIBE Financial Services	100%	2021
Bridging Finance Solutions	60%	2021
East Sussex Credit Union	60%	Maintain*
Ark Investment Management	50%	Maintain*
Barcadia Media	50%	Maintain*
Berry & Oak	50%	Maintain*
Bluestone Leasing	50%	2021
Castlefield Partners	50%	2021
Channel Islands Adjusters	50%	Maintain*
Cicero/AMO	50%	Maintain*
City Hive	50%	2021
Crito Capital	50%	2020
First Wealth (London)	50%	Maintain*
Innovate Finance	50%	Maintain*
Investing Ethically	50%	Maintain*
Jane Smith Financial Planning	50%	Maintain*
London Capital Credit Union	50%	2020
Magenta Financial Planning	50%	Maintain*
Medianett	50%	Maintain*
MT Finance	50%	2020
OAC	50%	2021
Payment Systems Regulator	50%	2025
Pensions and Lifetime Savings Association	50%	2022
Sestini & Co	50%	2021

Signatory name	Target for female representation in senior management	Deadline
St. Mary's Private Health	50%	Maintain*
Sturgeon Ventures	50%	Maintain*
Teamspirit	50%	Maintain*
Warren Partners	50%	Maintain*
Brightstar Financial	45%	2020
Hope Capital	45%	2020
AE3 Media	40%	Maintain*
Banking Standards Board	40%	Maintain*
British Friendly Society	40%	2022
British Insurance Brokers' Association	40%	Maintain*
Liz Field	40%	2021
The Investment Association	40%	2022
Willis Owen	40%	2021
Connect IFA	40%	2020
Landbay	35%	2020
Carrington Investment Consultants	33.3%	2023
Finance & Leasing Association	33%	2020
FinTech Strategic Advisory	33%	Maintain*
Nacional Financiera	33%	2021
Ridgeway Partners	33%	2020
Stonehaven International	33%	2021
British Private Equity & Venture Capital Association	30%	Maintain*
Building Societies Association	30%	2021
ClearlySo	30%	2021
Fiduciam Nominees	30%	2021
Prytania Solutions	30%	2020
Scottish Equity Partners	30%	2020
Seedrs	30%	2022

Maintain* refers to an ongoing target that does not have a specific deadline.

DESCRIPTION OF SMALLER ORGANISATIONS

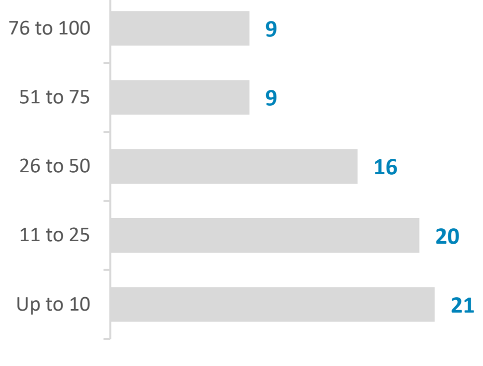
Fig. xx List of 75 smaller signatories included in this analysis, in alphabetical order

This review includes data from the 75 signatory firms listed below, in alphabetical order.
For an up-to-date list of all Charter signatories, visit https://www.gov.uk/government/publications/women-in-finance-charter

AE3 Media
Alternative Investment Management Association
AMC Executive Search
AMP Capital Investors (UK)
Ark Investment Management
Association of British Insurers
Banking Standards Board
Barcadia Media
Beaufort Group Consulting (previously House of Beaufort)
Beckett Investment Management
Berry & Oak
Big Society Capital
Bluestone Leasing
Bridging Finance Solutions
Brightstar Financial
British Friendly Society
British Insurance Brokers' Association
British Private Equity & Venture Capital Association
Building Societies Association
Cameron Hume
Capital Credit Union
Carrington Investment Consultants
Castlefield Partners
Channel Islands Adjusters
Cicero/AMO
City Hive
ClearlySo
Connect IFA
Crito Capital
Earth Capital
East Sussex Credit Union
Ellis Davies Financial Planning
Fiduciam Nominees
Finance & Leasing Association
FinTech Strategic Advisory
First Wealth (London)
Flood Re
Hope Capital
Independent Women
Innovate Finance
Investing Ethically
Jane Smith Financial Planning
Landbay
LDNfinance
Liz Field
London Capital Credit Union
Magenta Financial Planning
Medianett
MT Finance
Nacional Financiera
OAC
Payment Systems Regulator
Pensions and Lifetime Savings Association
Prytania Solutions
Ridgeway Partners
Sapphire Capital Partners
Scottish Equity Partners
Seedrs
Sestini & Co
Shepherd Compello
St. Mary's Private Health
Stonehaven International
Sturgeon Ventures
Teamspirit
The Association for Financial Markets in Europe
The Enterprise Investment Scheme Association
The Investment Association
TheCityUK
TotallyMoney
Tracy Fletcher
Tribe Impact Capital
VIBE Financial Services
Warren Partners
Whitehelm Capital
Willis Owen

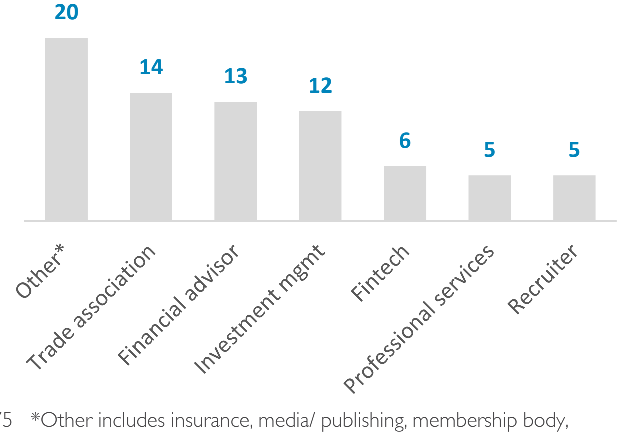
Fig. xxi Smaller signatories by size and sector

a) Smaller signatories grouped by number of employees to which the Charter applies



n=75

b) Smaller signatories grouped by sector



n=75 *Other includes insurance, media/ publishing, membership body, credit union, specialist lender, wealth manager, mortgage broker, training and coaching consultancy and regulatory bodies