

Women in Finance Charter
Progress Report

Progress against targets

The Women in Finance Charter requires businesses to set a target for female representation in senior management. The Group has chosen to set further targets to support its initiative.

Measure	Target	At 30 September 2018	Achieved
Female representation in Senior Management*	35%	29.1%	-
Additional targets:			
Females in workforce	50%	52.9%	✓
Females as a percentage of employees receiving management career development / leadership training	50%	52.3%	✓
Gender pay gap difference†	<8%	3.1%	✓
Managers from an ethnic minority background	10%	1.2%	-
Workforce on flexible working	10%	58.4%	✓
Flexible working available on a parttime basis	50%	32.3%	-

*Senior Management is defined as being Executive Directors, Executive Committee members and their direct reports, in accordance with the recommendations in the Hampton-Alexander Report.

† The Group measures its gender pay gap internally by dividing its workforce into subsets based on their duties, skill-sets and responsibility levels. The headline measure quoted above is the weighted average of the median pay gaps in each subset.

The measure of gender pay used for the Group’s targets differs from that set out in the UK government’s gender pay regulations, which were finalised after the targets were set. It is considered to be more useful for the purposes of the initiative, highlighting those roles and areas of the business where particular attention may be required.

The Group is pleased with the progress to date and will be working to ensure that all its benchmarks are met by the target date of January 2022.

Progress on action plan

To date the Group has:

- Reviewed recruitment and selection practices and now instructs search firms to provide improved gender diversity amongst candidates
- Continued to increase its focus on providing female career development and leadership training
- Continued a programme to identify female leaders and potential leaders amongst the workforce, providing those individuals with more mentoring opportunities
- Commenced participation in the Women Ahead cross-company mentoring programme

- Delivered training on unconscious bias
- Conducted its second diversity survey amongst employees (discussed further below)

In May 2018, the Group conducted its second diversity survey, obtaining anonymous feedback from employees on their age, gender, ethnicity, sexual orientation, religious beliefs and disability. A positive response rate of 72% was received (2017: 78%) and, as expected, the survey illustrated the diversity of the Group's workforce. The results were reviewed at executive level and a number of actions were agreed in line with the Group's commitment to the Women in Finance Charter.

Over the coming year the Group will:

- Anonymise CVs before the initial internal screening process
- Continue to provide female career development, leadership training and mentoring opportunities
- Continue to identify female leaders
- Seek better gender balance in succession planning