

LUXEMBOURG WOMEN IN FINANCE CHARTER

2023 Baseline Report

March 2024



THE GOVERNMENT
OF THE GRAND-DUCHY OF LUXEMBOURG
Ministry of Finance





EXECUTIVE SUMMARY

The Luxembourg Women in Finance Charter (the WiF Charter), for Luxembourg financial institutions, was launched in March 2023. It is a commitment by signatories and representative bodies to improve gender balance and inclusivity across Luxembourg's financial services sector. It is an initiative launched by the Luxembourg Bankers' Association (ABBL), the Association of the Luxembourg Fund Industry (ALFI), the Association of Insurance and Reinsurance Companies (ACA), the Luxembourg Capital Markets Association (LuxCMA), the Luxembourg Finance Labelling Agency (LuxFLAG) and the Luxembourg Stock Exchange (LuxSE) and endorsed by the Luxembourg Ministry of Finance. In its first year, 71 organisations employing 43% of Luxembourg's financial sector employees (27,996 workers) signed the WiF Charter and completed the baseline questionnaire carried out in Q3 2023, on which this report is based.

The following statements highlight some of the key findings from the analysis of the baseline questionnaires submitted in 2023 by the WiF Charter signatories.

- **Half of all employees** within the WiF Charter signatories are women.
- The **71 WiF Charter signatories** cover a wide range of financial subsectors, including banking (34 organisations), insurance & reinsurance (15 organisations), super management companies and alternative investment fund (10 organisations), financial associations (5 organisations), specialised PFS¹ (4 organisations), and investment firms (3 organisations).
- **28% of senior managerial** roles (board, executive committee/C-suite or senior management level) within the signatories are held by female employees.
- At **middle and junior** management level, across all signatories, **39%** of the roles are occupied by women. At the level of staff with no managerial responsibilities, gender is balanced.
- Women make up **77% of part-time** employees.
- **93%** (65 organisations) of WiF Charter signatories **have set a target regarding** female representation at the board, executive committee/C-suite or senior management level. In particular, 80% of signatories have set a target regarding female representation at senior management level. Moreover, a significant number of signatories have set targets at executive committee/C-suite level (71%) and at board level (67%).
- Signatories have set the average target of reaching **39%** of female representation at **senior management level**, 32% at board level, and 33% at executive committee/C-suite level.
- The majority of set targets (53%) foresee a **short timeframe**, with a deadline for them to be achieved within the period 2024 and 2025.

¹ About PFS. Access: <https://www.cssf.lu/en/specialised-pfs/>



- All WiF Charter signatories have appointed an **accountable executive**, responsible and accountable for gender diversity and inclusion within the organisation.
- Signatories have reported a **wide range of actions** to improve gender balance. The actions that respondents adopted more frequently are:
 - Improving hiring practices (35 signatories);
 - Leadership programmes (30 signatories);
 - Monitoring diversity metrics (22 signatories);
 - Promoting a culture of inclusion (20 signatories).
- **73% of** signatories have reported to follow **more than one** of the different actions.



Index

CHAPTER 1: INTRODUCTION	4
CHAPTER 2: ABOUT THE LUXEMBOURG WOMEN IN FINANCE CHARTER (WiF CHARTER)	5
CHAPTER 3: METHODOLOGY	7
CHAPTER 4: 2023 QUESTIONNAIRE RESPONSES IN DEPTH - SIGNATORIES' CHARACTERISTICS AND TARGETS SET	8
4.1 Characteristics of signatories	8
4.2 Gender composition of organisations.....	10
4.3 Targets adopted by signatories.....	18
4.4 Initiatives and specific actions undertaken.....	24
CHAPTER 5: CONCLUSION	29
5.1 Conclusion	29
5.2 Next steps	30
CHAPTER 6: ANNEX	31
6.1 List of Signatories to Luxembourg WiF Charter 2023	31
6.2 Limitations	34
6.3 Other Initiatives on Gender Finance	35



CHAPTER I: INTRODUCTION

Luxembourg, a globally leading financial hub, acknowledges its responsibility to promote gender diversity within its financial services sector. With over 65,000 employees², the financial sector is a major contributor to the country's workforce, which can influence and set notable precedents. Fostering gender equality in this industry is not only a commitment to social progress, but also a strategic move to enhance the depth and quality of the talent pool.

While Luxembourg has the smallest gender pay gap in the EU overall, within the financial sector, the pay gap reaches 23% in favor of men.³ In addition, notably in the financial sector, there is also still substantial progress to be made in elevating the presence of women into upper management and senior leadership positions.

The Luxembourg Women in Finance Charter (WiF Charter) has emerged as a catalyst for advancing gender diversity within the Luxembourg financial sector. An initiative launched on 8 March 2023, during a commemorative Ring the Bell event at LuxSE, the WiF Charter is backed by its founding members: ABBL, ALFI, ACA, LuxCMA, LuxFLAG and LuxSE, and endorsed by the Luxembourg Ministry of Finance.

This WiF Charter serves as a collective commitment by its founders and signatory organisations to foster greater gender equality and inclusivity throughout Luxembourg's financial services landscape. Designed as a foundational framework, the WiF Charter envisions heightened female participation across all levels of financial organisations and representative bodies in Luxembourg.

To guide its implementation, the WiF Charter sets four pillars. As such, it requires signatories to set quantifiable objectives aimed at promoting gender parity across all organisational levels. The inclusivity of the initiative is reflected in its openness to a diverse spectrum of financial institutions, including banks, asset management firms, and insurance companies, among others.

To ensure a streamlined and centralised approach to reporting, the Luxembourg Sustainable Finance Initiative (LSFI) has been designated as the coordinating entity and data partner of the WiF Charter. The LSFI, in collaboration with the Steering Committee comprising the WiF Charter's founding members, has overseen the reporting process.

Annually, the WiF Charter founders and the LSFI will release a report on the progress of WiF Charter's signatories. The focus of this 2023 inaugural report are the signatories' baseline metrics and set targets.

Each year, an updated report will be released, as an important part of this commitment to increase gender balance is the monitoring of the progress made by the signatories. This

² Luxembourg for Finance and Deloitte (2023) The State of the Financial Sector in Luxembourg. Access: <https://www.luxembourgforfinance.com/en/publication-mag/the-state-of-the-financial-sector-in-luxembourg/#:~:text=Luxembourg%27s%20financial%20services%20sector%20saw,compared%20to%2049%2C985%20in%202011>

³ <https://observatoire-egalite.lu/emploi/salaire/gender-pay-gap>



annual reporting strengthens each signatory's engagement and allows us to collectively take stock to see if the financial center's ambitions are on target.

The Luxembourg Women in Finance Charter represents a collective industry-backed initiative, signaling a concerted effort to enhance the participation of women at every level within financial services organisations in Luxembourg. It reflects Luxembourg's proactive approach to enhancing gender equality as an integral part of the ongoing development of its financial services sector.





CHAPTER 2: ABOUT THE LUXEMBOURG WOMEN IN FINANCE CHARTER (WiF CHARTER)

By formally endorsing the WiF Charter, signatories commit to implementing a set of mandatory and voluntary actions.

These key actions are referred to as Pillars and can be found below.

The Four Pillars of the WiF Charter

1. Promote Women's Advancement

- Commit to advancing women at all levels, including senior and board positions, to cultivate a gender-balanced and inclusive working environment.

2. Accountable Executive (AE) Appointment

- Appoint a senior executive responsible and accountable for gender diversity and inclusion within the organisation.

3. Set Internal Targets and Action Plans

- Establish internal targets regarding female representation at senior managerial roles (headline targets) and action plans; while establishing targets is mandatory, disclosing action plans is optional.
- Specify headline numerical targets for female representation at board and executive levels within a designated timeframe of 1 to 5 years.
- Optionally, include headline and interim targets for middle/junior management.
- Adhere to a "comply or explain" procedure if headline targets cannot be set and clarify reasons and alternative measures.
- Encourage sharing best practices and internal actions to achieve the WiF Charter targets.
- Share action plans on how the signatory organisation plans to achieve its internal targets.

4. Support Transparency

- Publicly and annually report progress toward the set targets on the organisation's website.
- Optionally, publish metrics and targets in the organisation's annual and/or sustainability report or on the parent company website or social media if no company website is available. In all of these instances, a link to where the target(s) has/have been made publicly available will have to be provided by the signatory organisations to the LSFI during the data collection campaign.

This comprehensive approach ensures a commitment to inclusivity, accountability, and transparency.



CHAPTER 3: METHODOLOGY

In 2023, 71⁴ organisations signed up to the WiF Charter (see Appendix I for the full list of signatories). The WiF Charter signatories were asked to complete a baseline data questionnaire with data from 1 January 2023 to 30 September 2023.

Through the questionnaire, signatories were asked to define their company (size, activity and legal headquarter), and their employees' composition – describing the different staff seniority levels and identifying the number of men and women working full-time and part-time at each level. Regarding the composition, organisations could use seven different seniority levels (board; executive committee; senior management⁵; middle and junior management; and, other staff⁶). While these levels may not map directly onto organisations' in-house hierarchical nomenclature, they provided a means of comparison across all signatories.

Also, via the questionnaire, signatories were required to establish their targets for gender balance and diversity. The WiF Charter does not impose specific targets or KPIs. However, signatories have to set a target on gender balance for at least one of the following seniority levels: board, executive committee/C-suite and senior management. Organisations were free to select the seniority levels where actions would be taken, establish their own KPIs and timeline, as well as define their actions. All targets were expressed as a percentage of female representation sought at the identified level.

The information for this baseline report (cf. chapter 4) has been based on the responses extracted from the questionnaires.

⁴ Three firms that signed up to Luxembourg's Women in Finance Charter in March 2023 were removed from the signatory list due to acquisition, change in CSSF status, and failing to return the completed questionnaire in the specified timeline. One signatory exceptionally provided the questionnaire beyond the deadline: it has been included in the signatory list, but the data provided has not been taken into account in the analysis.

⁵ Relative to this definition of senior management, employees in middle management and junior management roles were identified as one level below or two levels below senior management level, respectively.

⁶ Other" were defined as employees with non-managerial responsibilities.



CHAPTER 4: 2023 QUESTIONNAIRE RESPONSES IN DEPTH - SIGNATORIES' CHARACTERISTICS AND TARGETS SET

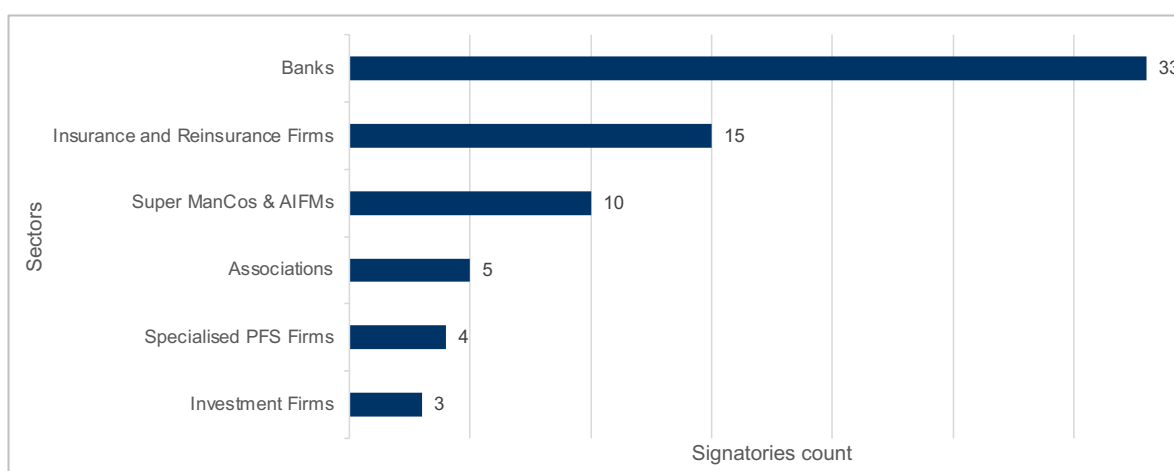
70 signatories⁷ completed the baseline questionnaire providing their data for 2023. This chapter comprehensively outlines the characteristics of the signatories, their current gender representation and delineates the targets set by them, in line with the WiF Charter Pillars. It also describes the initiatives and specific actions undertaken by signatories, providing an understanding of the action plans designed to foster gender balance within their organisations.

4.1 Characteristics of signatories

Through the questionnaire, WiF Charter signatories indicated the financial subsector they belong to, the size of their organisation, as well as the location of their legal headquarters. This information served as a basis for gaining a deeper understanding of the signatories' profiles and characteristics.

The 70 signatories represent a variety of financial services. As anticipated, in total, the signatories employ 27,994 people, which represents 43% of the employees in the financial sector in 2023.

Figure 1 – Number of Signatories by Financial Subsector⁸



Source: Luxembourg's Women in Finance Charter annual questionnaire 2023.

Banks and insurance and reinsurance are the two sectors with the largest proportion of signatories, respectively 47% and 21% (Figure 1). While banks represent 21,725 employees, insurance and reinsurance firms account for 2,405 employees (Figure 2). These two sectors are followed by Super Management Companies (Super ManCos) & Alternative Investment Fund Managers (AIFMs) which represent 14% of all the signatories and employ 635 people. However, by number of employees, the third biggest subsector is Specialised PFS firms, a

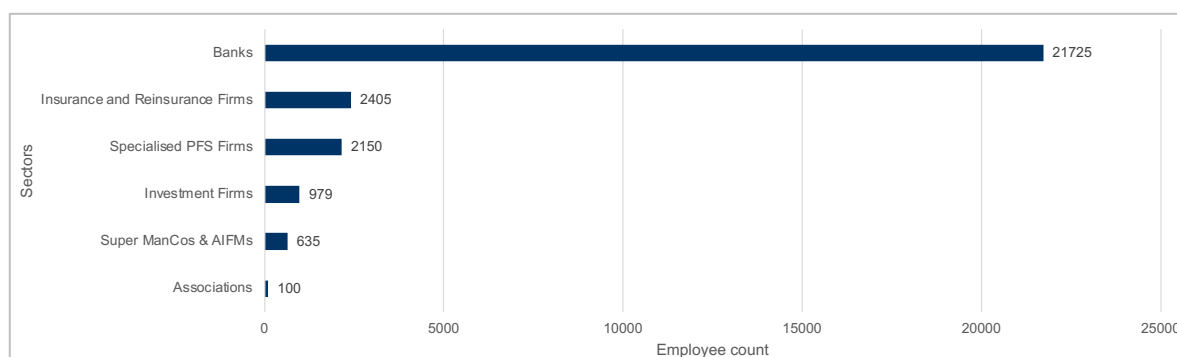
⁷ 1 signatory exceptionally provided the questionnaire beyond the deadline, it has been included in the signatory list but the data provided has not been taken into account in the analysis.

⁸ Note: the sector of activity is based on self-reported information which was validated by the relevant registry (CSSF, CAA, RCS) and the association affiliations.



group which includes specialists in funds, trust and corporate management services and the stock exchange: it represents 2,150 employees, although it makes up only 6% of signatories.

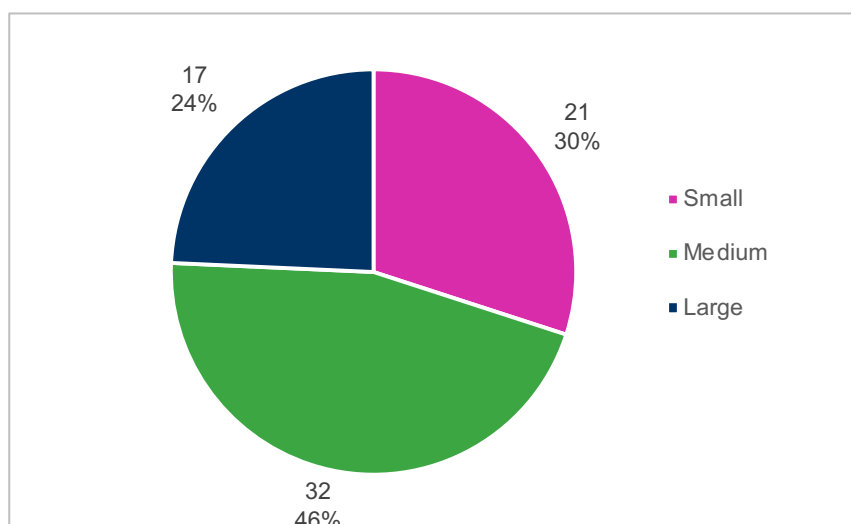
Figure 2 – Number of Signatories' Employees by Financial Subsector



Source: Luxembourg's Women in Finance Charter annual questionnaire 2023.

Regarding the organisation's size⁹ (Figure 3), the largest proportion of signatories are medium-sized; these account for 32 organisations representing 46% of the total, followed by small ones that account for 30% (21 signatories).

Figure 3 – Percentage of Signatories by Organisation Size



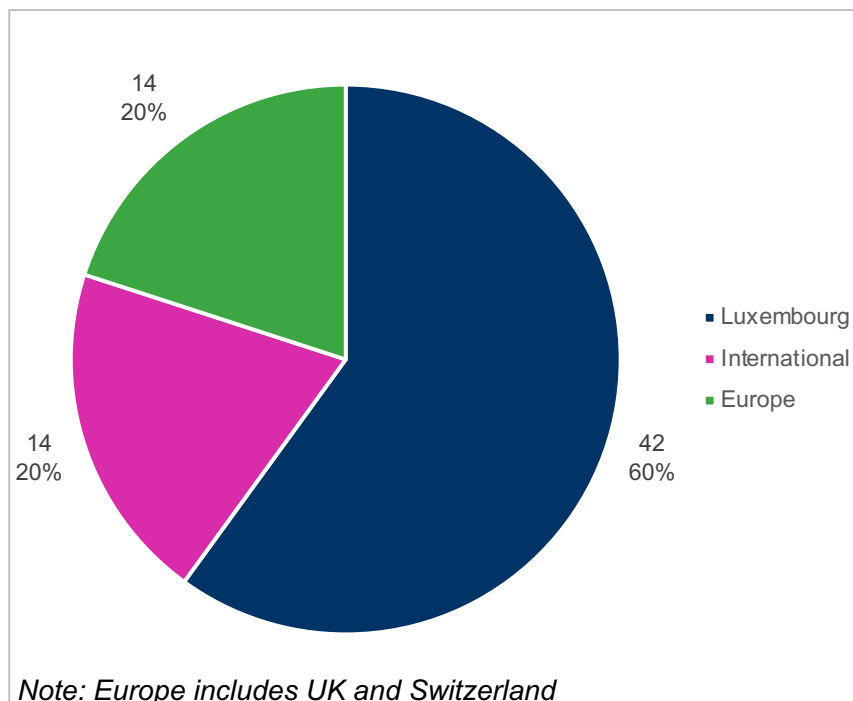
Source: Luxembourg's Women in Finance Charter annual questionnaire 2023.

⁹ Within our analysis, firm size is defined as: small (less than 50 employees); medium (between 50 and 249 employees); and large (over 250 employees). Under this definition, 24% of signatories are large firms.



Regarding the legal headquarters (Figure 4), 42 organisations, representing 60% of signatories, have indicated that they are based in Luxembourg, and the remaining ones are equally split between international and Europe.

Figure 4 – Percentage and Number of Signatories by Legal Headquarter¹⁰



Source: Luxembourg's Women in Finance Charter annual questionnaire 2023.

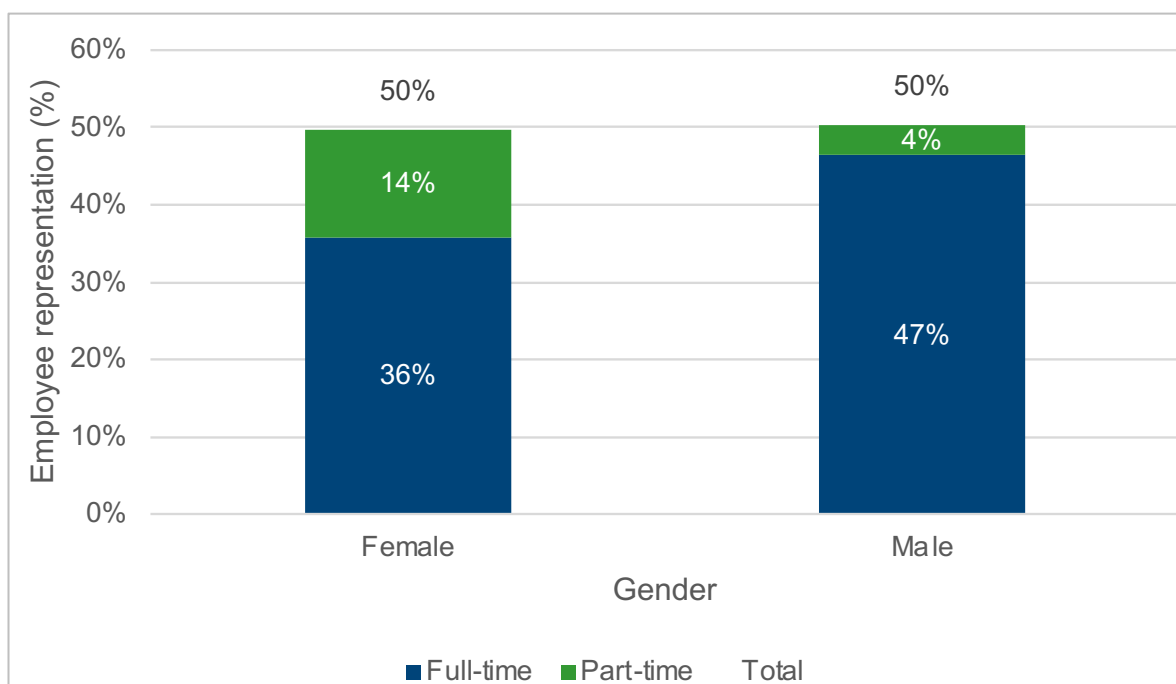
4.2 Gender composition of organisations

The questionnaire also offers details on the current level of representation of female employees within the organisations. In particular, it looks at the gender distribution according to employment type (full time or part time) and seniority level, delving into each financial subsector. By providing this information, the signatories align with the commitment established by the WiF Charter to further support transparency in this domain.

The majority of part-time positions are occupied by women

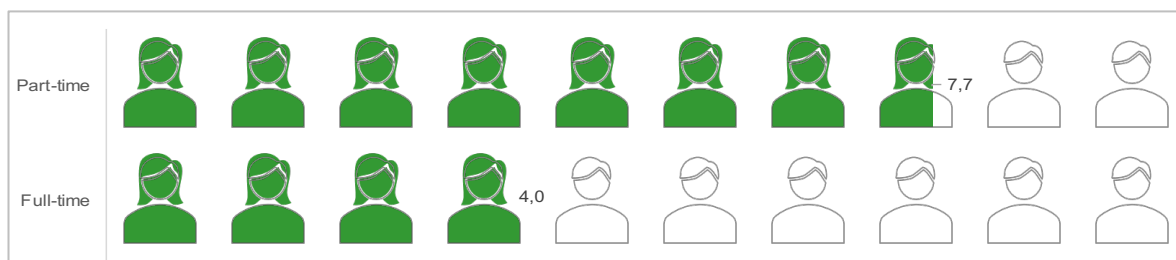
Overall, women constitute half (50%) of all employees in the signatories (Figure 5). Approximately 82% of the signatories' workforce is under a full-time employment contract. Of those, women constitute 40% of employees and men 60% (Figure 6). Part-time employees make up 18% of the signatories' workforce; among them, women comprise the majority with 77% representation while men account for the remaining 23%.

¹⁰ When signatories indicated multiple headquarters, the European one was used in the analysis, as it represents the legal headquarter / parent company.

Figure 5 – Percentage of Employees by Gender and Employment Status¹¹

Source: Luxembourg's Women in Finance Charter annual questionnaire 2023.

Figure 6 – Women vs Men Representation by Employment Status (out of 10)



Source: Luxembourg's Women in Finance Charter annual questionnaire 2023.

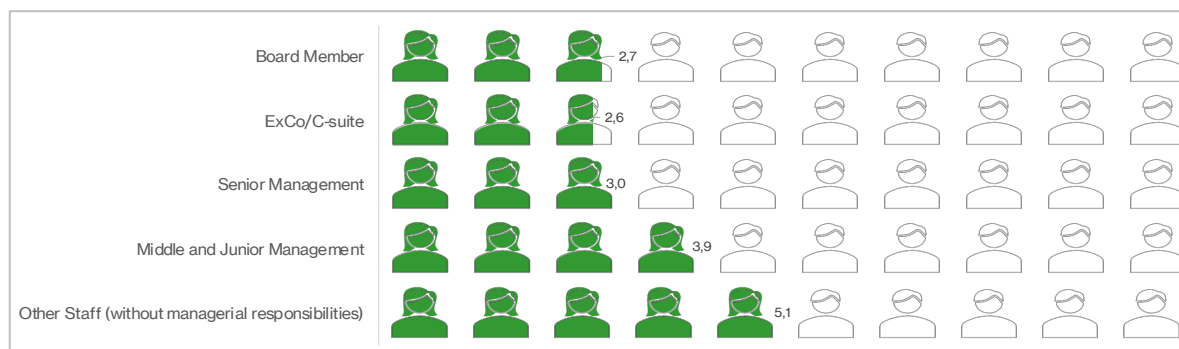
28% of the senior managerial roles are held by women

Regarding the average level of female representation for each seniority level across all organisations, overall, 28% of managerial positions (board, executive committee/C-suite or senior management level) across the financial subsectors (banking, insurance and reinsurance, investment firms etc) are held by female employees. At the middle and junior management level, 39% of roles are occupied by women. Both genders are equally represented among staff with no managerial responsibilities (Figure 7).

¹¹ The values shown are rounded thus justifying a slight misadjustment in the figures.



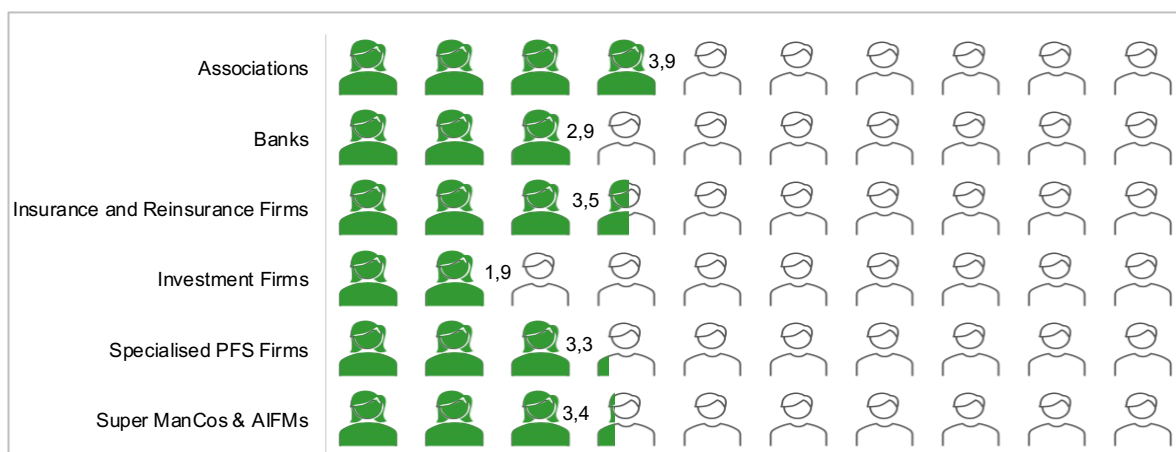
Figure 7 - Women vs Men Representation by Seniority Level (out of 10)



Source: Luxembourg's Women in Finance Charter annual questionnaire 2023.

If we explore the representation of women in senior managerial roles within each subsector, we find that associations have the highest proportion of women, with an average of 3.9 out of 10 employees being women. This is followed by insurance and reinsurance firms where 3.5 out of 10 are women, and Super Mancos & AIFMs where the figure stands at 3.4 out of 10 (Figure 8).

Figure 8 - Women vs Men Representation at Senior Managerial Roles by Subsector (out of 10)



Source: Luxembourg's Women in Finance Charter annual questionnaire 2023.

In general terms, for most subsectors, senior management is the hierarchical level where women are best represented (Figure 9).



Figure 9 – Women vs Men Representation at each Senior Managerial Roles by Subsector (out of 10)



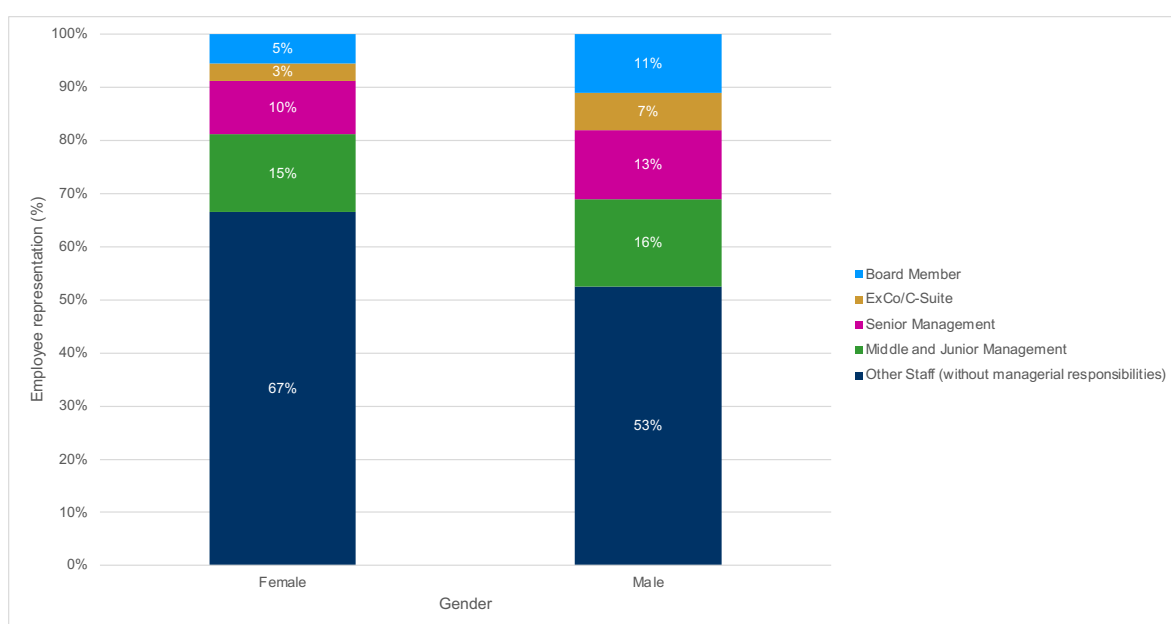
Source: Luxembourg's Women in Finance Charter annual questionnaire 2023.



Despite the equal representation of women and men in the financial sector, nearly one-third of all men employees occupy senior managerial roles, while within women the value stands at 18%

Analysing the data from the questionnaires allows us to explore the distribution of seniority levels among women employees and among men. Of all the women employees in the signatory organisations, 18% hold senior managerial roles (board, executive committee and senior management); whereas for men the proportion in those same positions is one-third (31%) (Figure 10).

Figure 10 - Distribution of Seniority Levels within Each Gender Group



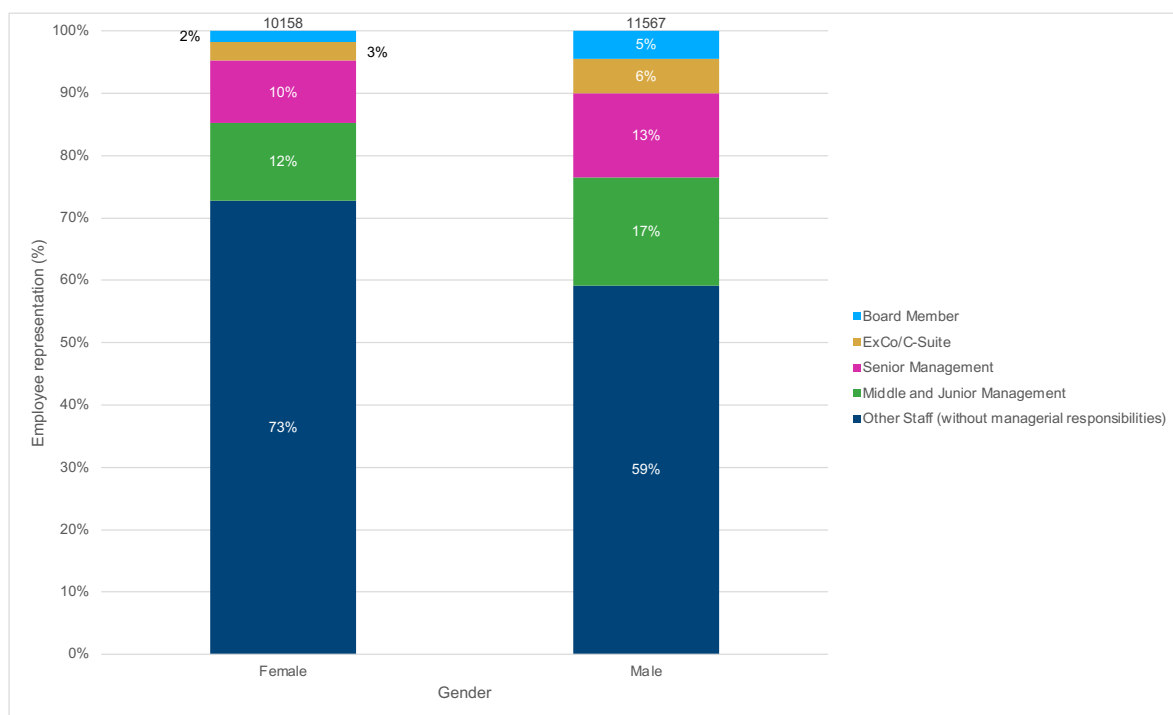
Source: Luxembourg's Women in Finance Charter annual questionnaire 2023.

If we delve into the distribution of seniority levels within each gender group and by subsector (Figure 11), we observe that among women employed in investment firms, 9% of them work at the board level while among male employees, that percentage is 4%. In the case of Super ManCos & AIFMs, 6% of all female employees work at the board level, while among the male employees, the percentage reaches 15%.

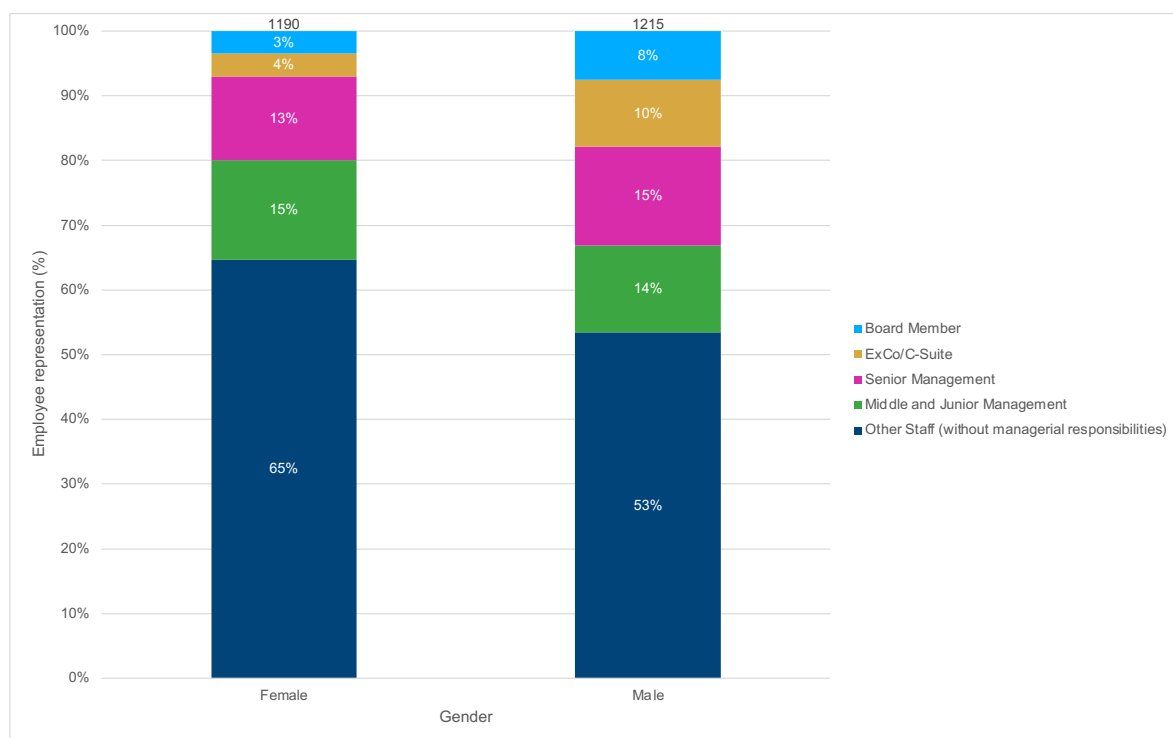


Figure 11 - Distribution of Seniority Levels within Each Gender Group by Subsector¹²

Banks



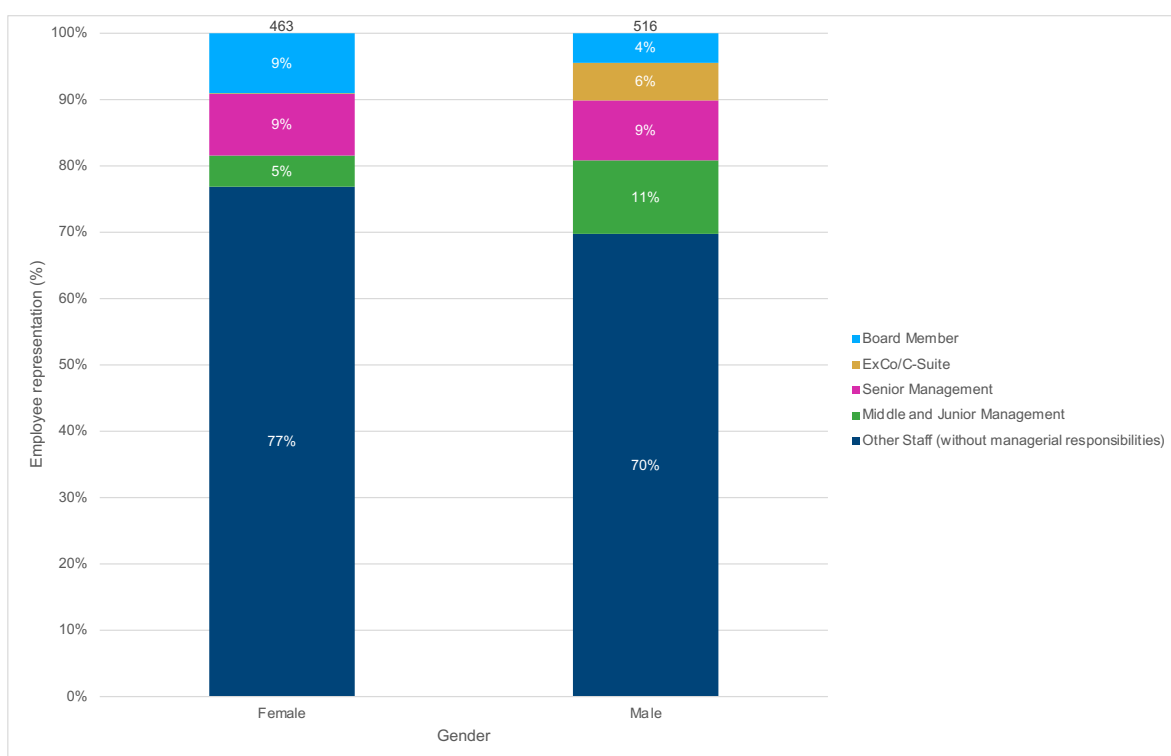
Insurance and Reinsurance Firms



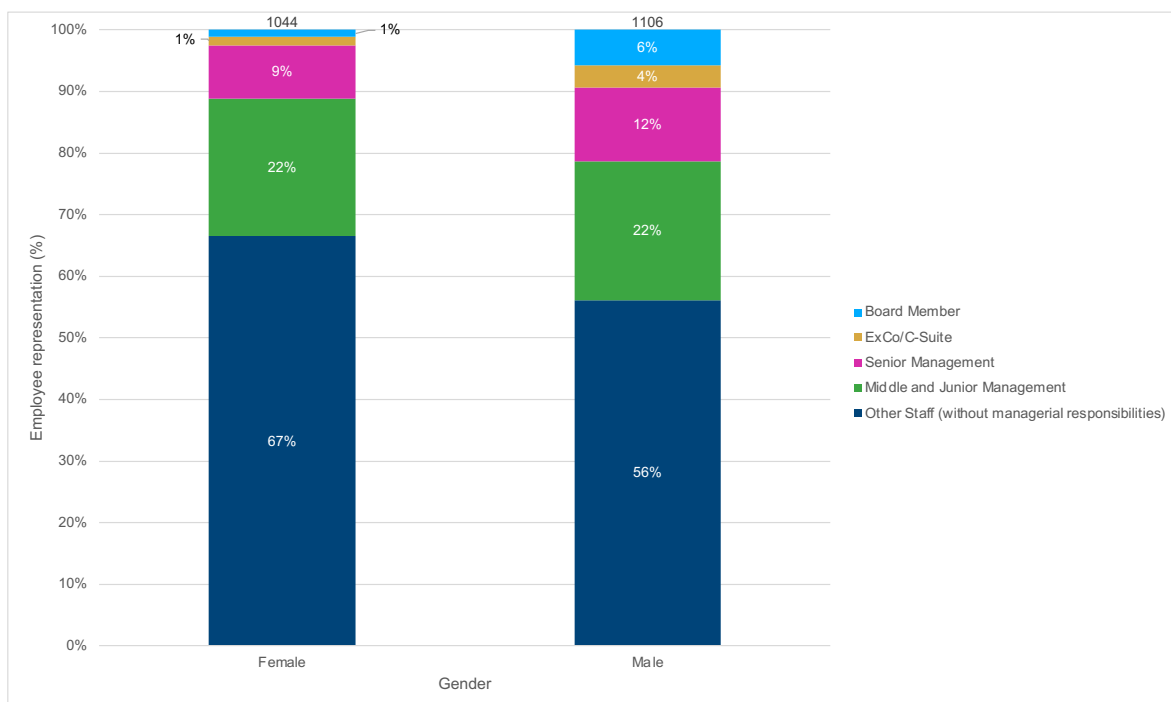
¹² The charts also show the total number of employees for each subsector by gender. This applies to all the charts from page 15 to 17 (Figure 11).



Investment Firms

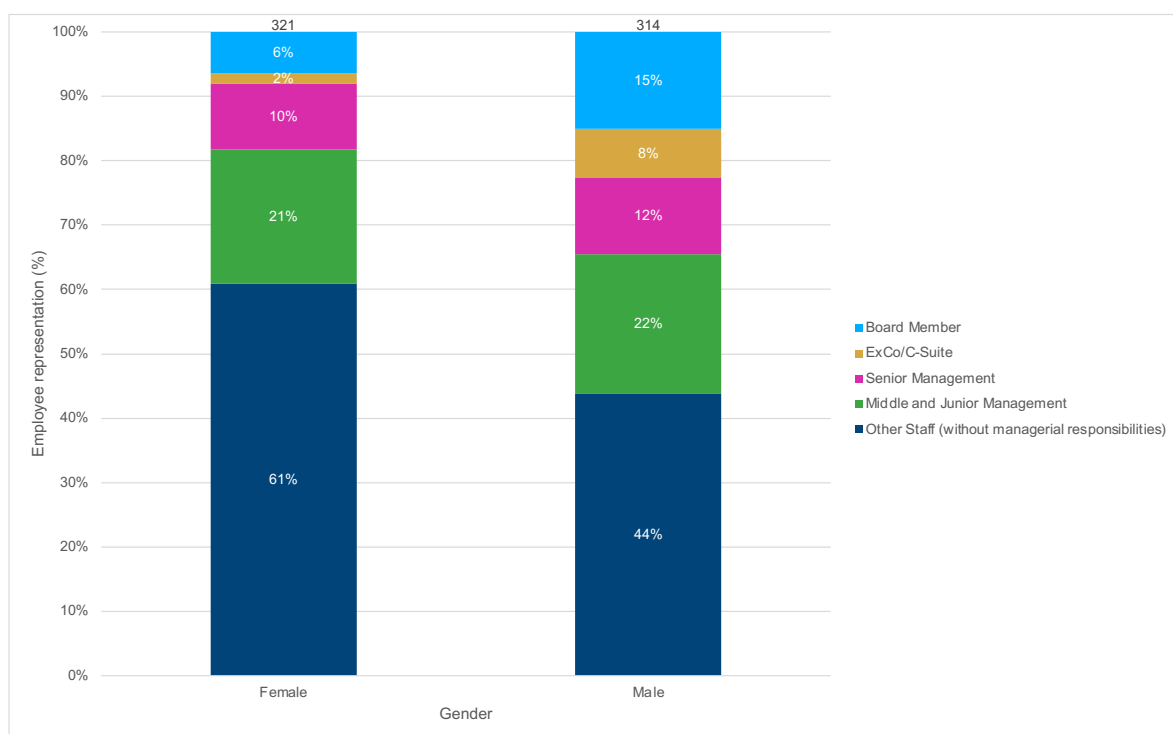


Specialised PFS Firms

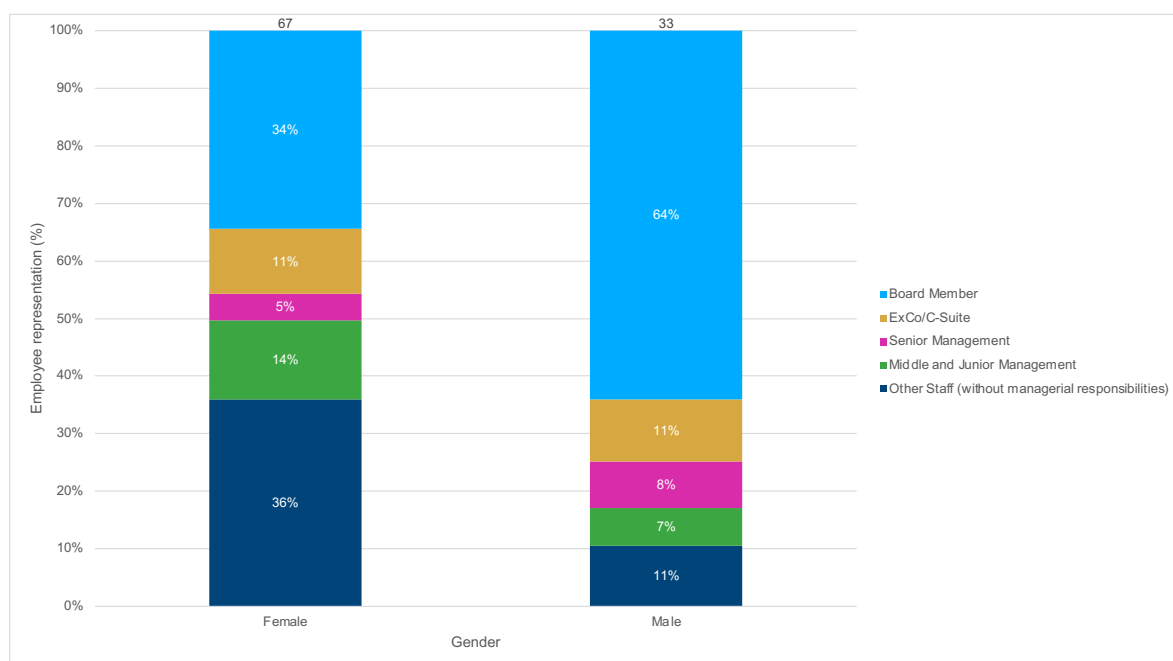




Super ManCos & AIFMs



Associations



Source: Luxembourg's Women in Finance Charter annual questionnaire 2023.



3. Targets adopted by signatories

The WiF Charter requires signatories to set targets with regards to gender balance and diversity within their organisations.

In particular, the WiF Charter requires all signatories to set at least one target at the board, executive committee or senior management level, referred to as “senior managerial roles”. Setting targets regarding junior and middle management levels as well other level is voluntary. Where no targets could be set at senior management level, signatories had to provide an explanation, adhering to the so-called “comply or explain” approach.

The targets adopted by the WiF Charter signatories reflect their ambition for change in raising the existing levels of female representation and thus promote women’s advancement as per the WiF Charter’s Pillars.

The WiF Charter also requires signatories to appoint an Accountable Executive (AE) responsible and accountable for gender diversity and inclusion within the organisation. **In 2023, all the signatories have successfully appointed an Accountable Executive.**

With regards to the targets set, it is important to note that some signatories with international and European legal headquarters chose to align their WiF Charter targets with those that have been set by their parent company (see figure 4 for more details).

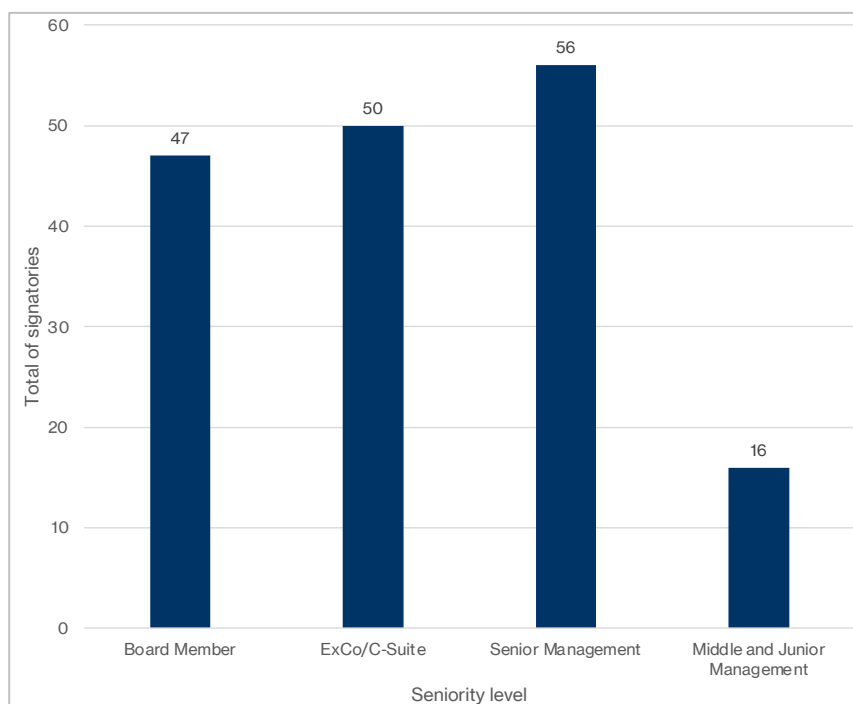
The vast majority of the signatories comply with the WiF requirement of setting targets regarding female representation for senior managerial roles

Overall, 93% (65 signatories) of the WiF Charter signatories have set a target related to female representation in senior managerial roles, hence complying with the commitment defined in the WiF Charter pillars. Likewise, all the signatories that did not set a target provided an explanation.

80% (56 signatories) of the signatories have established a female representation target within the senior management level (Figure 12), making it the hierarchical level where most signatories have set a target. However, a significant share of signatories has also set targets for their executive committee/C-suite levels (71% of the signatories, representing 50 organisations) closely followed by board level (67% of the signatories, representing 47 organisations). It is important to note that most of the signatories have set targets for various levels of seniority.



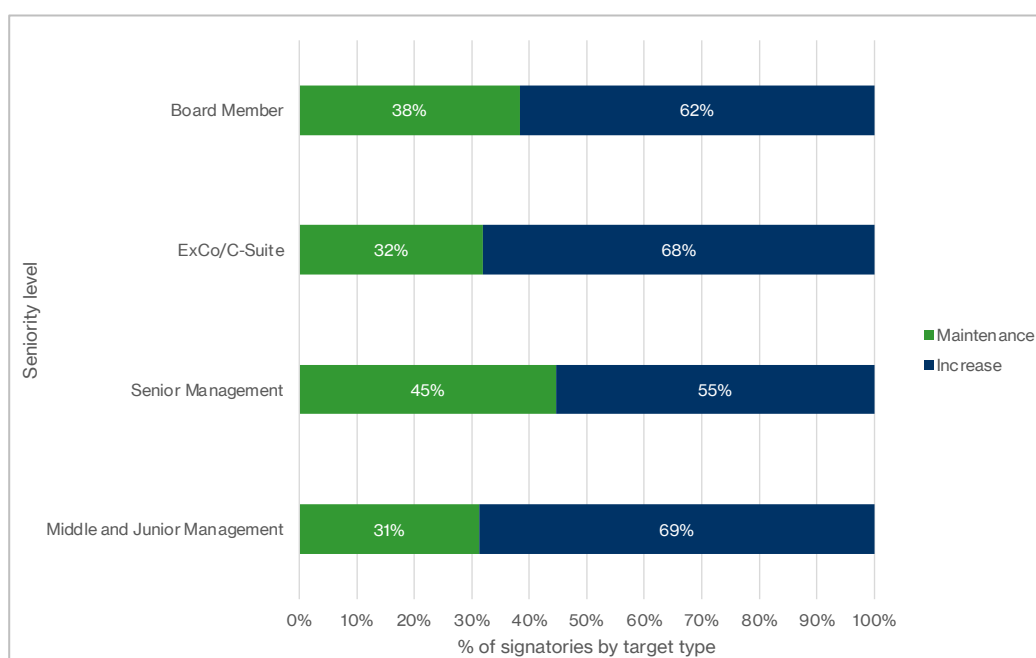
Figure 12 - Number of Signatories Setting Targets by Seniority Level



Source: Luxembourg's Women in Finance Charter annual questionnaire 2023.

Additionally, the majority of the targets for all the seniority levels aim to increase the current levels of female representation, notably for board member and exco/C-suite levels, rather than maintaining the current representation (Figure 13).

Figure 13 - Type of Targets at each Seniority Level



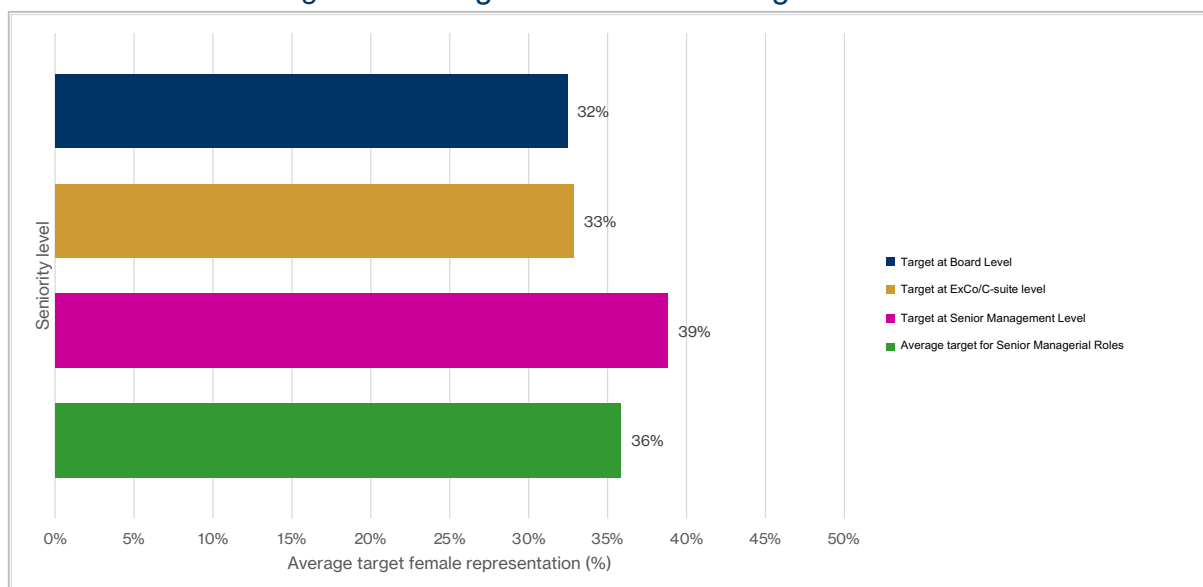
Source: Luxembourg's Women in Finance Charter annual questionnaire 2023.



Signatories aim to reach an average of 36% of women in senior managerial roles

Within the targets established by the signatories, there is the average goal of reaching 32% of women at the board level, 33% at the executive committee/C-suite and 39% at senior management level.

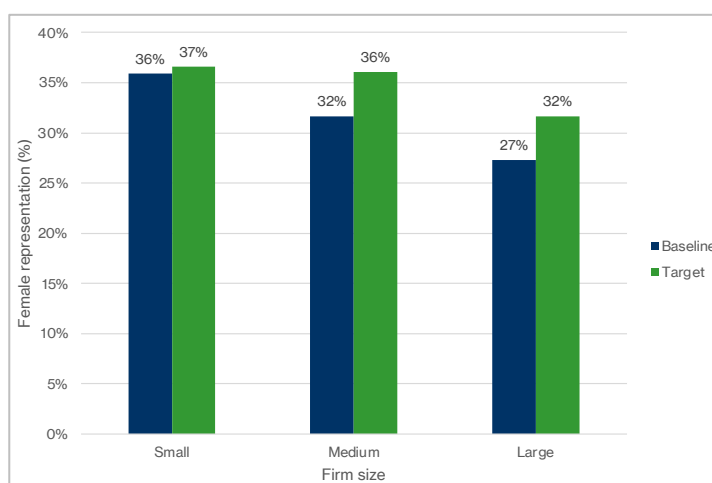
Figure 14 - Targets for Senior Managerial Roles



Source: Luxembourg's Women in Finance Charter annual questionnaire 2023.

Looking at the current levels of female representation in senior managerial roles and the targets set, while also taking into account firm size (Figure 15), on average small organisations observe higher targets (37%); however, they also have the highest baseline metric (36%). This target is closely followed by those established by medium and large size ones.

Figure 15 – Current Women Representation and Targets for Senior Managerial Roles by Firm Size

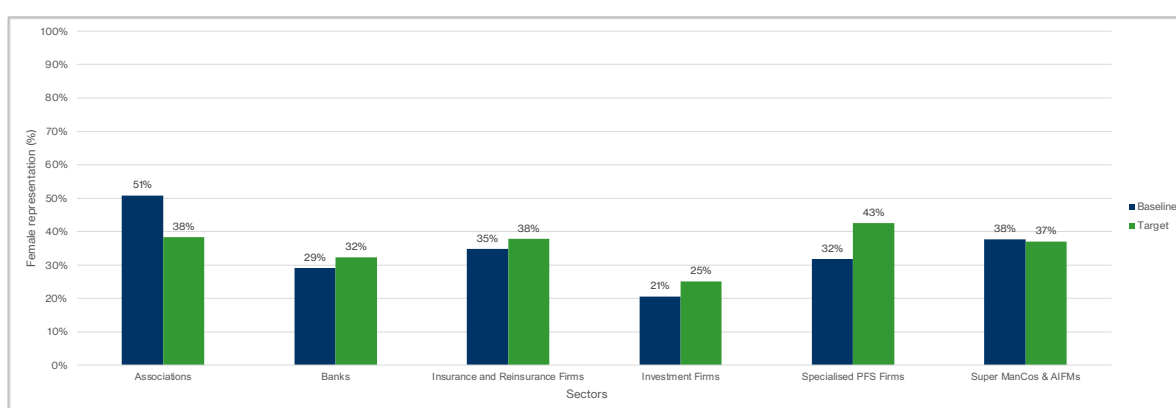


Source: Luxembourg's Women in Finance Charter annual questionnaire 2023.



When examining each financial subsector (Figure 16), variations become apparent. Specialised PFS entities set the highest target at 43%, followed by insurance and reinsurance firms at 38%. It's noteworthy that although the targets differ, the level of ambition, measured by the percentage of improvement, is quite similar in most cases, hovering around 3%, with the exception of specialised PFS firms that exhibit the highest ambition for improvement. Despite currently having 32% of women in senior managerial roles, they aim for an average target of 43%.

Figure 16 – Current Women Representation and Targets for Senior Managerial Roles by Subsector



Source: Luxembourg's Women in Finance Charter annual questionnaire 2023.

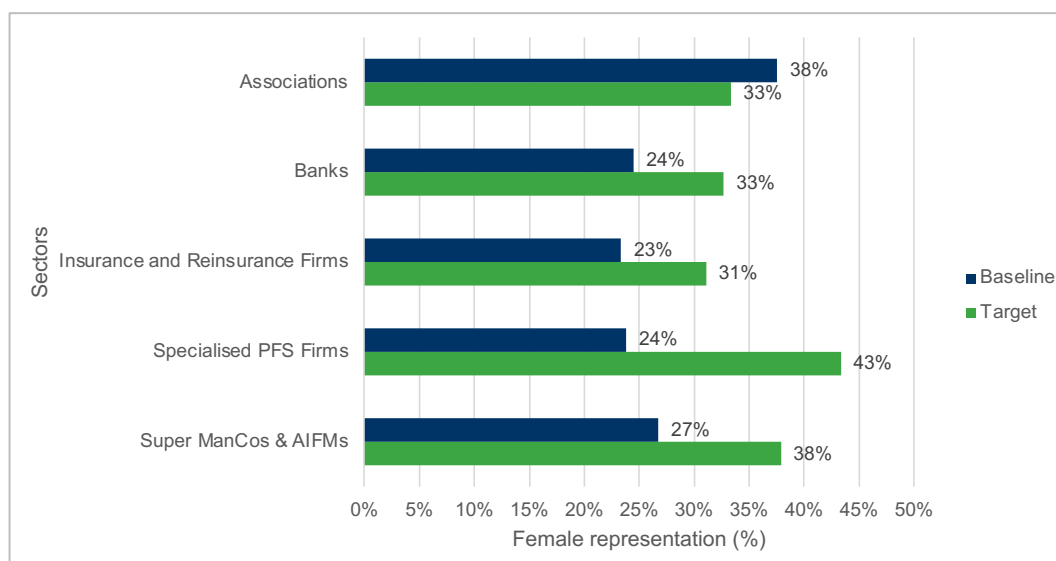
There are no major differences among the targets foreseen by the different subsectors

The insights shared by the signatories also offer us information regarding the specific targets set by the different financial subsectors for each senior management level where mandatory target-setting was required (Figures 17, 18 and 19).

In general, all the targets set at the board level seek to achieve more than 30% female representation (Figure 17). Specialised PFS entities exhibit the highest targets and ambition, currently having 24% women at the board level, and aiming for a target of 43%. In the case of Super ManCos & AIFMs, while their current women representation at board level stands at 27%, they aim, on average, to reach 38%. Following this commitment are the banks, with 24% representation of women at board level, setting an average target of 33%. Similarly, insurance and reinsurance firms, with an average of 23% female representation at the board level, are striving to reach 31%.



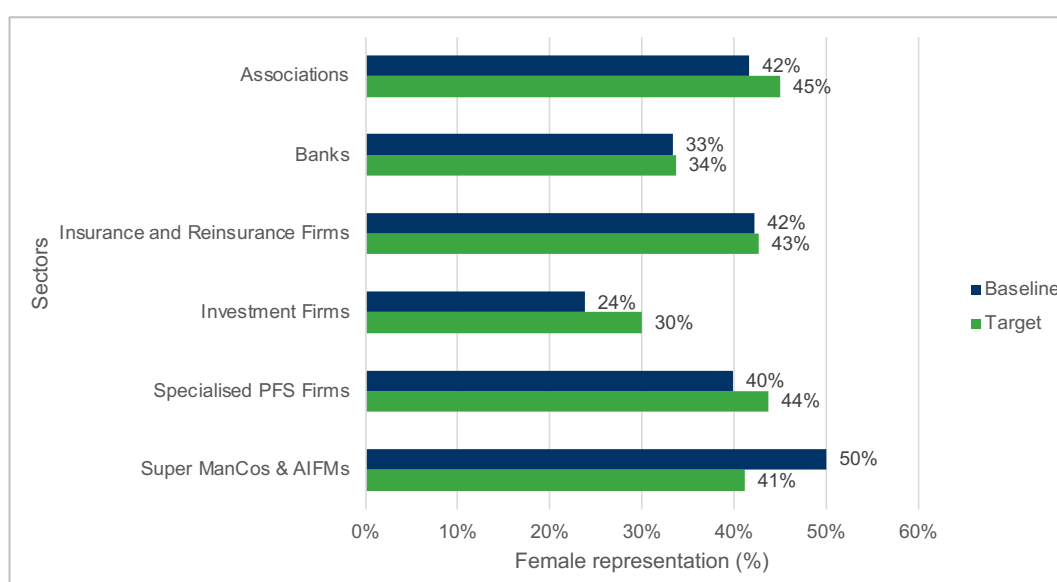
Figure 17 – Women Representation and Targets at Board Level by Subsector



Source: Luxembourg's Women in Finance Charter annual questionnaire 2023.

These targets go higher when we look at senior management level. On multiple occasions, signatories want to reach more than 40% of female representation. For instance, associations have set the target at 45%, specialised PFS at 44% and insurance and reinsurance 43% (Figure 18)¹³.

Figure 18 – Women Representation and Targets at Senior Management Level by Subsector



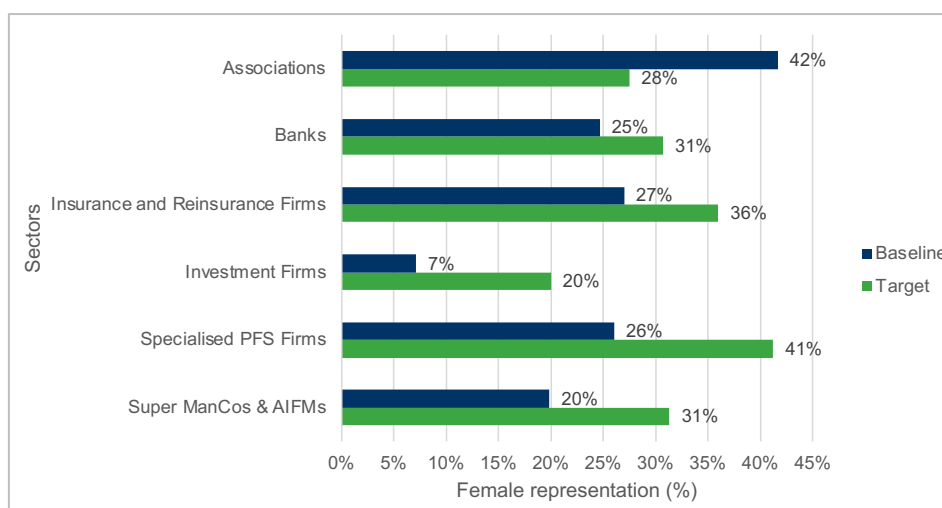
Source: Luxembourg's Women in Finance Charter annual questionnaire 2023.

¹³ The values showed in this figure are averages. Several of these firms have a low overall number of employees in senior management roles, all of whom are women, contributing to an increase in the average baseline value. This scenario applies to other subsectors and charts.



This trend is also reflected in the targets set for executive committee/C-suite positions (Figure 19). In this case, the majority of this subsector contemplates reaching more than 30% female representation at this level. For instance, specialised PFS have an average target of 41%, followed by insurance and reinsurance firms at 36%. In a broader sense, other targets, even if less ambitious, showcase a high level of commitment considering their respective baselines.

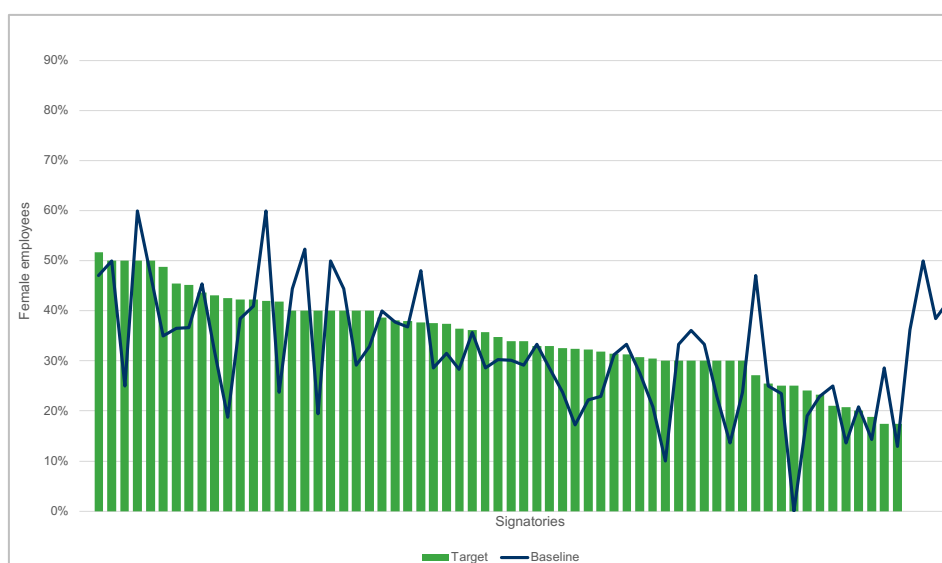
Figure 19 – Women Representation and Targets at Executive Committee/C-suite Level by Subsector



Source: Luxembourg's Women in Finance Charter annual questionnaire 2023.

By looking at each signatory, we observe that while the targets are generally aligned (with the majority setting targets above 30%, as mentioned earlier), variations exist in the current levels of women representation in senior managerial roles. Notably, some signatories already have levels above 50%, while others stand at around or below 20% (Figure 20).

Figure 20 – Women Representation and Targets at Senior Managerial Roles by Signatory



Source: Luxembourg's Women in Finance Charter annual questionnaire 2023



The majority of signatories aim to achieve their targets by 2024 and 2025

As anticipated, in addition to mandatorily setting a target for senior managerial roles, signatories had to define for each target the timeframe in which these have to be achieved. The majority of targets (53%) set have a relatively short timeframe, with a deadline within the period 2024 and 2025. This timeframe, together with the targets set, showcases a clear commitment by signatories to promote women's advancement and to do so promptly.

Table 1 - Number of Targets Set by Seniority Level and Timeframe

	2024	2025	2026	2027	2028	2029	2030
Board	14	14	10	3	11	0	2
ExCo/C-suite	12	14	8	4	11	0	0
Senior Management	13	15	8	5	14	0	0
Middle & Junior Management	7	4	0	3	2	0	0
Total	46	47	26	15	38	0	2

Source: Luxembourg's Women in Finance Charter annual questionnaire 2023.

4.4 Initiatives and specific actions undertaken

This section highlights an array of initiatives undertaken by signatories to enhance gender balance within their organisations. The actions reported through the questionnaire were collated under seven themes: recruitment, promotion, leadership programmes, monitoring diversity metrics, culture of inclusion, flexible working, and eliminating the gender pay gap. The remaining set of actions that did not fit under these themes were grouped as "other".

These actions demonstrate the resolve of the organisations to achieve the WiF Charter objectives and to collectively showcase the multifaceted approach taken by signatories to promote gender diversity and inclusivity across various aspects of their operations.



Table 2 - The Range of Actions under each Theme

Recruitment:

- Implementing unconscious bias workshops for hiring personnel and utilising blind resume screening.
- Ensuring gender-balanced shortlists and adjusting job descriptions to attract female talents.
- Establishing gender-balanced search and appointment panels.

Promotion:

- Implementing talent management and succession planning.
- Encouraging internal mobility and creating a more gender-balanced pipeline for succession through targeted development opportunities for women.

Leadership Programmes:

- Introducing programmes fostering women's advancement at all levels or ensuring female representation at general leadership programmes.
- Identifying and sponsoring female profiles for potential management positions.

Monitoring Diversity Metrics:

- Tracking the percentage of women in newly hired staff cohorts and monitoring this indicator at all organisational levels.
- Providing real-time workforce metrics to leaders for informed decisions on gender diversity improvement.

Culture of Inclusion:

- Enhancing inclusive culture through diversity trainings and workshops to be made available to all employees.
- Promoting the presence of women in meetings and creating platforms for networking.

Flexible Working:

- Offering work flexibility, including part-time contracts and flexible schedules.
- Enabling female leaders to perform their roles part-time, providing flexible hours, part-time work planning, and flexible parental leave.

Eliminating Gender Pay Gap:

- Ensuring no pay gap between genders.
- Analysing salary compositions to detect and correct gender-related pay disparities and benchmarking salaries for pay gap elimination.



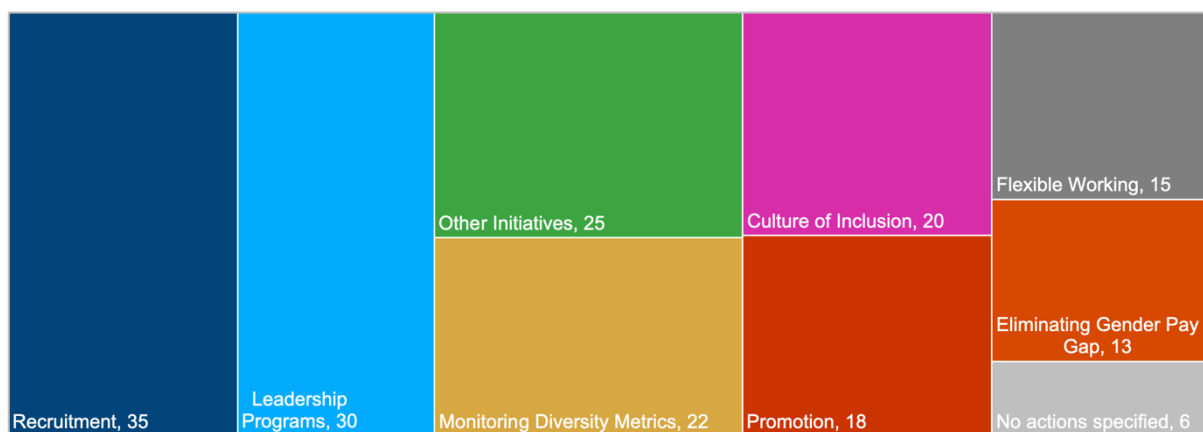
Other Initiatives:

- Engaging in efforts to encourage more signatories for the WiF Charter.
- Organising internal conferences, book club sessions, and movie club sessions to further gender equality awareness.
- Implementing focus groups, round tables, and participating in targeted networking events to share successful experiences and reaffirm commitment to gender issues.
- Developing a toolbox on diversity, equity and inclusion building on the European Banking Authority (EBA) guidelines and UN Women's Empowerment Principles to help association members in crafting their diversity, equity, and inclusion (DE&I) strategies.

Source: Luxembourg's Women in Finance Charter annual questionnaire 2023.

Of the 178 actions undertaken, the most common one to improve gender balance relates to improving recruitment practices, with 50% of signatories (35 signatories) focusing on this. The second most commonly cited theme relates to leadership programmes, with 43% of signatories (30 signatories) aiming to foster more female leaders within the firm (Figure 21). Monitoring diversity metrics and promoting a culture of inclusion are pursued by respectively 22 and 20 signatories.

Figure 21 – Number of Signatories Adopting Each Initiative to Achieve Greater Gender Balance

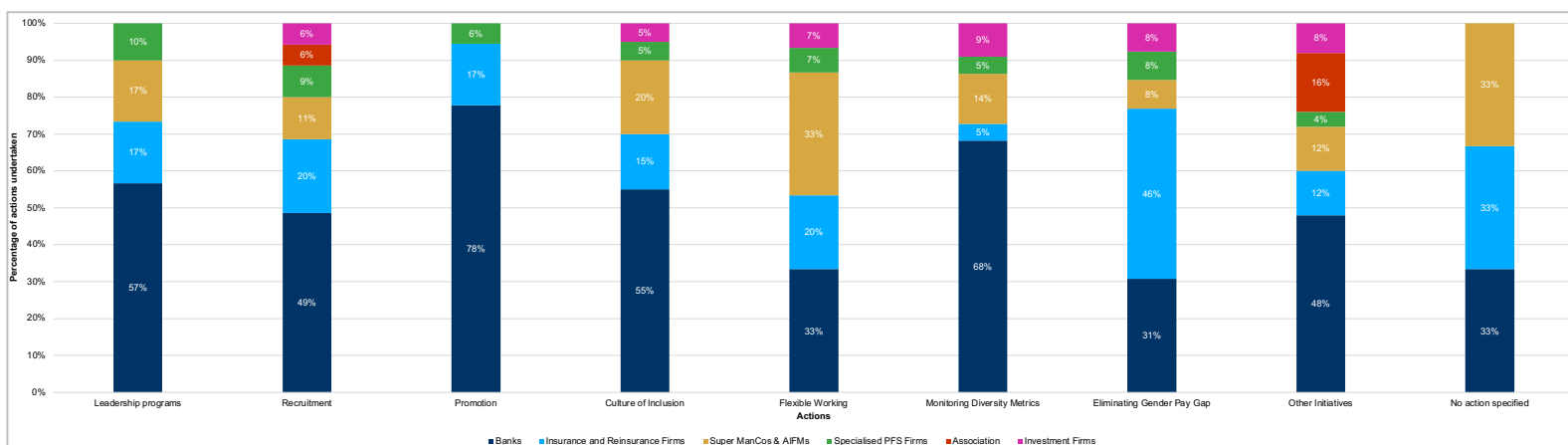


Source: Luxembourg's Women in Finance Charter annual questionnaire 2023.

When looking at the different actions undertaken by each subsector (Figure 22), actions targeting to eliminate gender pay gap is the most popular among insurance and reinsurance firms. Themes related to promotion, monitoring of diversity metrics and recruitment were the most popular among banks. Flexible working actions are the most popular action cited by Super Mancos & AIFMs.



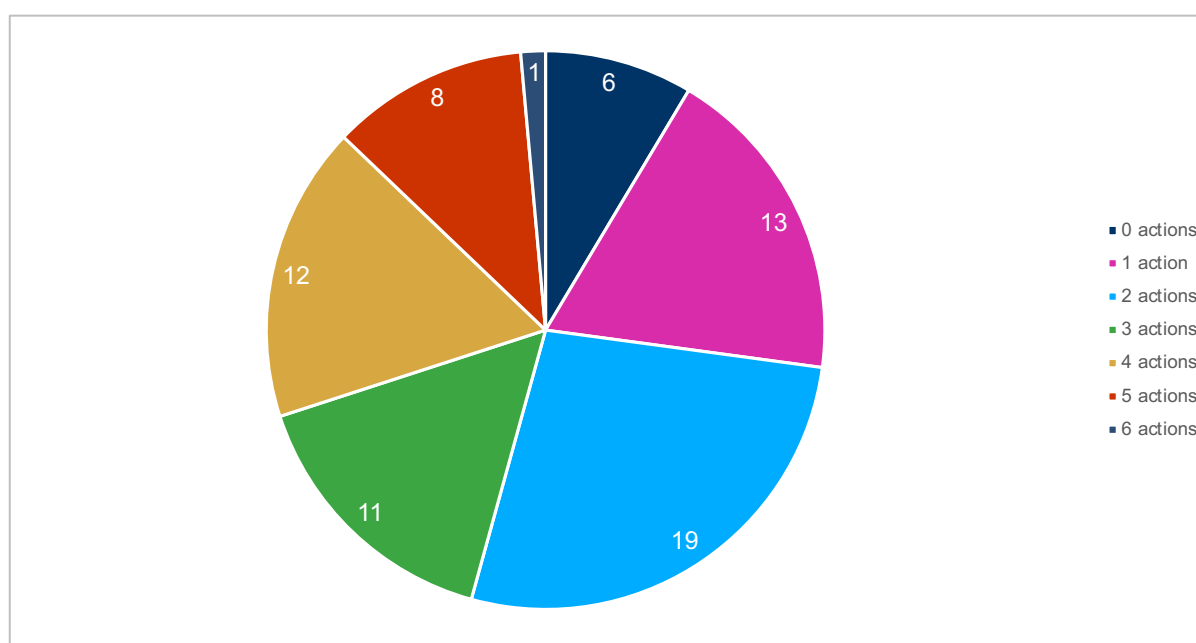
Figure 22 – Percentage of Actions Undertaken by Subsectors



Source: Luxembourg's Women in Finance Charter annual questionnaire 2023.

73% of signatories have reported to follow more than one of the above-mentioned actions. One signatory had a strategy comprising six themes of actions (Figure 23).

Figure 23 – Number of Signatories and Number of Actions Undertaken

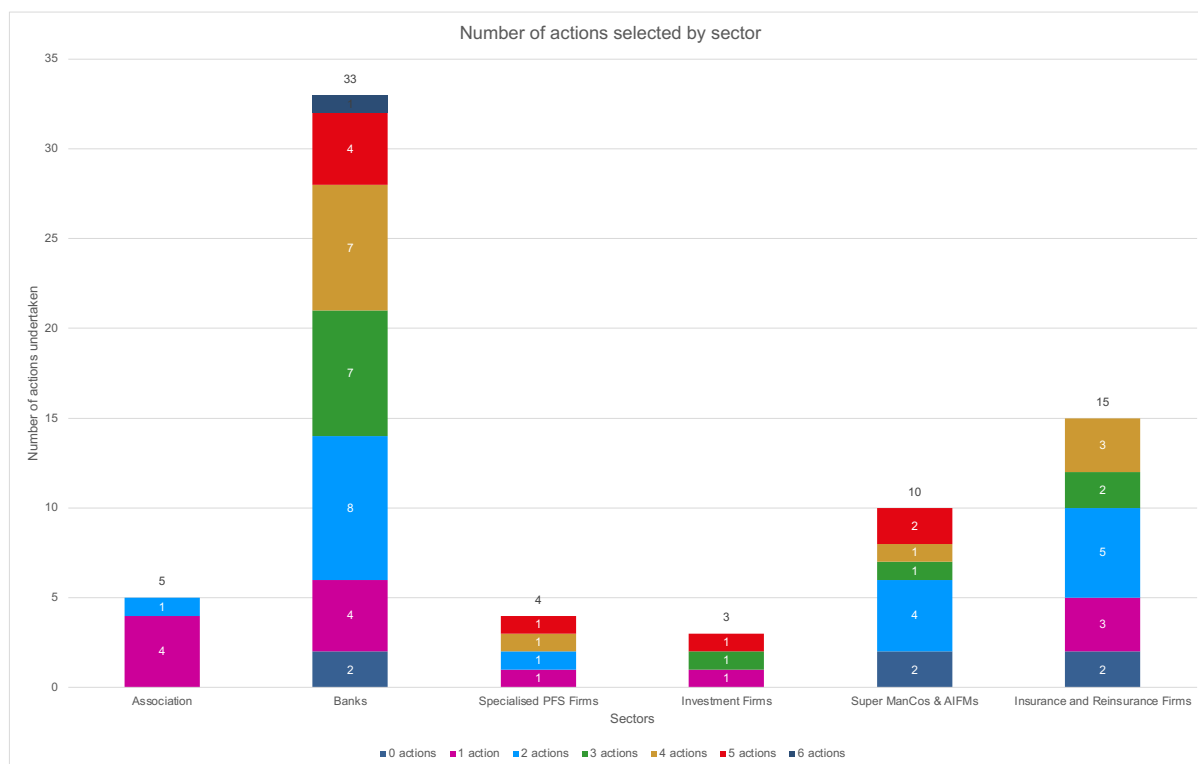


Source: Luxembourg's Women in Finance Charter annual questionnaire 2023.



Figure 24 shows the correlation between the number of actions undertaken and the subsectors. For instance, within the 33 banks that are signatories, the majority follow more than one action; for instance, 8 have reported to 2 actions and 7 banks have reported 3. In the case of Insurance and reinsurance, also the majority follows more than one action.

Figure 24 – Number of Actions Undertaken by Subsector



Source: Luxembourg's Women in Finance Charter annual questionnaire 2023.



CHAPTER 5: CONCLUSION

5.1 Conclusion

The Luxembourg Women in Finance Charter (WiF Charter) reflects Luxembourg's commitment to further advance gender balance and diversity within the financial sector as an essential element in supporting the development of the sector and positioning Luxembourg among the leaders in this space.

The creation of the WiF Charter is another step within Luxembourg's sustainable finance journey. Historically, Luxembourg has showcased leadership and expertise in sustainable finance, being home to pioneering microfinance institutions and launching several leading initiatives such as LuxFLAG, the International Climate Finance Accelerator (ICFA) and the Luxembourg Sustainable Finance Initiative (LSFI). Luxembourg is also home of the Luxembourg Green Stock Exchange (LGX), launched in 2016 by the Luxembourg Stock Exchange. In the area of gender, the recent efforts started with the WiF Charter are being complemented, among others, with the introduction of the Gender Finance Task Force by the Luxembourg Ministry of Finance.¹⁴

In its inaugural year, the WiF Charter has experienced a remarkable uptake. The collective commitment of the 71 WiF Charter signatories, employing 27,996 individuals, constitutes approximately half of the sector's workforce in 2023. This underscores the industry's ambition to see increased participation of women at all levels within the financial sector in Luxembourg, signalling the commitment by signatories to take tangible steps in improving gender balance and inclusivity and to do it promptly.

This baseline report reveals that signatories fulfil the WiF Charter Pillar by having set ambitious targets regarding gender equality, with a significant portion aiming for at least 36% of women representation in senior managerial roles. Notably, the majority of these targets are set within a relatively short timeframe, with deadlines occurring within the next two years following the publication of this baseline report. Furthermore, over half of the signatories have articulated action plans spanning three to five thematic areas, illustrating a comprehensive approach to achieving their gender balance objectives. It also showcases a major effort to align with the commitment of further supporting transparency and thus being able to start measuring progress.

This first inaugural report also highlights that, at the moment, we are in the early phases of the journey, indicating the need for further improvements in terms of gender representation at senior managerial roles. However, the prospect of signatories achieving, or significantly advancing, towards their set targets is promising. Such accomplishments would signify a substantial stride toward increased gender balance within Luxembourg's financial sector, a pivotal economic pillar in the country.

¹⁴ Luxembourg Gender Finance Task Force. Access: https://mfin.gouvernement.lu/fr/actualites_gouvernement%2Ben%2Bactualites%2Btoutes_actualites%2Bcommuniques%2B2023%2B09-septembre%2B05-backes-task-force.html



As the WiF Charter continues to gain momentum, its valuable contribution for gender diversity and inclusivity in financial organisations can be expected. We look forward to witnessing more organisations in the financial sector embrace diversity goals and sustainability performance with the same dedication as that applied to financial performance.

5.2 Next steps

Moving forward, the focus will be on fostering and promoting the WiF Charter to extend its impact and reach within the financial sector. Continued measurement of progress remains pivotal, serving as a tool to identify current weaknesses and areas requiring improvement. This ongoing assessment is key to steering the sector towards enhanced gender balance.

Efforts will also be dedicated to supporting the current and future signatories in achieving their targets. Accompanying these signatories in the implementation of their actions is key to ensuring objectives are reached and that we collectively overcome challenges and share best practices.

In the fourth quarter of 2024, organisations will complete their first annual reporting questionnaire, where progress towards targets will be assessed. Besides allowing us to track progress over the coming years, it will also help us identify the strategies that have been most effective over time.



CHAPTER 6: ANNEX

6.1 List of Signatories to Luxembourg WiF Charter 2023

1	ABBL - The Luxembourg Bankers' Association
2	ACA - Luxembourg Insurance and Reinsurance Association
3	ALFI - Association of the Luxembourg Fund Industry
4	Allianz Life Luxembourg
5	Amundi Luxembourg
6	APEX Group Luxembourg
7	Assicurazioni Generali Luxembourg Branch
8	Attrax Financial Services
9	AXA Assurances Vie Luxembourg et AXA Assurances Luxembourg
10	AXA Wealth Europe
11	Bank Julius Baer Europe
12	Banque de Commerce et de Placements
13	Banque de Luxembourg (including Banque de Luxembourg Investments)
14	Banque Internationale à Luxembourg
15	Banque Raiffeisen
16	Banque Transatlantique Luxembourg
17	BGL BNP Paribas
18	BNP Paribas SA Luxembourg Branch
19	CA Indosuez Wealth (Europe)



20	CACEIS Bank, Luxembourg Branch
21	CACEIS IS Bank
22	Cardif Lux Vie
23	CIBC Capital Markets (Europe)
24	Clearstream Banking
25	Clearstream Fund Centre
26	CNA INSURANCE COMPANY EUROPE
27	DekaBank Deutsche Girozentrale (Niederlassung Luxemburg)
28	Deutsche Bank Luxembourg
29	DZ PRIVATBANK
30	Edmond de Rothschild
31	European Investment Bank
32	European Investment Fund
33	Fidelity International Luxembourg group: Fidelity Investment Management; Fidelity; FIL Holdings
34	Foresight Group Luxembourg
35	Franklin Templeton International Services
36	FundsDLT
37	Generali Luxembourg
38	Groupe Foyer
39	Hines Luxembourg Investment Management
40	HSBC Luxembourg



41	ING Luxembourg
42	Intertrust Luxembourg
43	Intesa Sanpaolo Bank Luxembourg
44	IPConcept (Luxembourg)
45	Itaú BBA Europe
46	John Deere Bank
47	Lombard Odier
48	Lux CSD
49	LuxCMA - Luxembourg Capital Markets Association
50	Luxembourg Stock Exchange
51	LuxFLAG
52	M&G Luxembourg
53	Mirabaud & Cie Europe
54	Northern Trust
55	Quintet Private Bank (Europe)
56	RSA Luxembourg
57	Société Générale Luxembourg
58	SOGELIFE
59	Spuerkeess
60	Swiss Life (Luxembourg)
61	Swiss Re Luxembourg companies



62	Swissquote
63	The Bank of New York Mellon, Luxembourg Branch
64	The Shipowner' Mutual P&I Association (Luxembourg)
65	TMF Fund Management
66	TMF Luxembourg
67	Union Investment Luxembourg
68	Vitis Life
69	VP Bank (Luxembourg)
70	VP Fund Solutions (Luxembourg)
71	ZURICH EUROLIFE

6.2 Limitations

The WiF Charter report adopts a similar methodology in capturing and conveying the baseline levels of gender balance to reports on women in finance in other geographies. While this methodology provides valuable insights into the gender landscape within participating organisations, we acknowledge a number of limitations this report may present.

The data utilised in this baseline report is derived from the signatories' responses to a questionnaire sent out by the WiF Charter founders. The information provided by these organisations is self-reported, relying on their internal assessments and disclosures, which have not been verified by the WiF Charter founders or LSFI. Furthermore, variations in how firms categorise and define senior management employees may exist, leading to potential inconsistencies in the reporting of gender balance. As such, there may be inherent limitations in the accuracy and completeness of the data, as it is subject to the reporting practices and interpretations of each individual firm.

While every effort has been made to ensure the accuracy and reliability of the information presented in this report, these limitations should be taken into consideration when interpreting the findings and drawing conclusions about the overall state of gender balance within the signatories and the broader financial sector in Luxembourg.

Finally, the findings and insights presented in this report are based on data collected from firms that voluntarily participated in the WiF Charter. While these firms represent a valuable



subset of the financial sector in Luxembourg, it is important to acknowledge that the report may not be fully representative of the broader industry landscape. The voluntary nature of participation introduces a potential bias, as participating organisations may possess characteristics that differ from non-participating entities.

6.3 Other Initiatives on Gender Finance

IMS Diversity Charter Lëtzebuerg

The Diversity Charter Lëtzebuerg is a national commitment text proposed for signature to any organisation in Luxembourg wishing to commit to diversity promotion and management through concrete actions that go beyond legal. Seven privilege partners, Deutsche Bank, Caceis Investor Services, HSBC Luxembourg, Linklaters, PwC and Sodexo, support the Charter, alongside IMS Luxembourg, as the driving force. With its foundation in 6 articles, the Charter steers organisations in the implementation of practices that promote cohesion and social equity through networks, workshops and conferences, involving all their employees and partners. More details on the Diversity Charter Lëtzebuerg can be found [here](#).

[IMS - Inspiring More Sustainability](#) - is a non-profit organisation, and Luxembourg's leading network for Sustainable Development. IMS' mission is to inspire responsible strategies and practices among national economic actors. The non-profit supports its members through collaborative and federating projects by promoting dialogue with stakeholders (private, public, associative), and ensures the day-to-day coordination and promotion of the Diversity Charter Lëtzebuerg.

Although with distinct targets and actions, both The Diversity Charter Lëtzebuerg and the Women in Finance Charter share the goal of enhancing and embracing increased diversity and inclusion within organisations, at all levels. While the Diversity Charter Lëtzebuerg has a broader scope covering the EU non-discrimination criteria and beyond, across multiple sectors, the WiF Charter takes a focused approach, concentrating its efforts on achieving gender parity in Luxembourg's financial sector. For this reason, they are complementary.

The Luxembourg Stock Exchange (LuxSE) – Pioneering Gender-focused Bonds and Market Action on Gender Equality

As part of its commitment to fostering gender equality and women's empowerment across the world, the Luxembourg Stock Exchange (LuxSE) actively promotes gender-focused financial products and market action on gender equality. In May 2022, it marked a significant milestone in the realm of sustainable finance when, following the signing of a Memorandum of Understanding with UN Women, it established a dedicated gender-focused bond¹⁵ flag on its leading platform for sustainable finance, the Luxembourg Green Exchange (LGX). This flag simplifies the identification process for investors seeking sustainable investment opportunities with a gender focus. Furthermore, leveraging its proprietary sustainable bond data source, the LGX DataHub, in the spring of 2023, it conducted an in-depth market study¹⁶, providing unique

¹⁵ <https://www.luxse.com/discover-lqx/sustainable-securities-on-lqx/gender-focused-bonds>

¹⁶ Luxembourg Green Exchange (2023) Linking Gender and Finance: An overview of the gender-focused bond market. <https://www.luxse.com/discover-lqx/sustainable-securities-on-lqx/gender-focused-bonds/gender-finance-study>



market insights into the state of the gender-focused bond market, the nature of these bonds and their impact on gender equality projects. In line with its mission to deepen its impact, in June 2023, LuxSE launched a new LGX Academy course on "How Capital Markets Contribute to the Growth of Gender Finance".¹⁷ Through the course, participants are provided with in-depth insights into global gender (in)equality and the advantages of promoting gender equality within capital markets, offering practical insights applicable across diverse sectors.

The Luxembourg Gender Finance Task Force

The Luxembourg Gender Finance Task Force was launched in September 2023 by Luxembourg's Ministry of Finance to champion and promote gender finance within the country's financial center. The task force, comprised of diverse representatives from the financial sector, is mandated to identify key opportunities within the domain of gender finance and develop a sector-wide strategy, specifically focusing on both "finance for women" and "women in finance". Chaired by Ms. Jennifer de Nijs, Head of sustainable finance at the Ministry of Finance, the task force will develop a sector-wide strategy, emphasising collaboration between public and private actors. Former Minister of Finance Yuriko Backes emphasised that empowering women is integral to economic growth and sustainable development. The initiative reflects Luxembourg's ongoing commitment to sustainable finance and its leadership in addressing emerging trends, further establishing the country as a pioneer in the field.

¹⁷https://www.luxse.com/discover-lgx/additional-lgx-services/lgx-academy/gender-finance?utm_source=press_release&utm_medium=link&utm_campaign=lgx_gender_study



ABOUT THE LUXEMBOURG SUSTAINABLE FINANCE INITIATIVE (LSFI)

The Luxembourg Sustainable Finance Initiative (LSFI) is a not-for-profit association and a public-private partnership, founded in 2020 by the Ministry of Finance, the Ministry of the Environment, Climate and Biodiversity, Luxembourg for Finance (the agency for the development of the financial centre) and the High Council for Sustainable Development (Conseil Supérieur pour un Développement Durable), which is an independent advisory body to the Luxembourg Government about sustainable development matters. The LSFI serves as a coordinating entity of all Luxembourg sustainable finance actors with the mission to:

- ☐ raise awareness on sustainable finance;
- ☐ help the financial sector further transition towards sustainability;
- ☐ be the central point of information on sustainable finance;
- ☐ design and implement the Luxembourg Sustainable Finance Strategy for the Luxembourg financial centre.

Find out more by visiting www.lsfi.lu.

