OMFIF GENDER BALANCE INDEX 2021

This statistic is a call to action*

*It's how many leading global financial institutions achieved gender balance in 2021

A 'she-cession' hurts us all

Ignoring the fact that the pandemic has affected women more than men will deepen the economic fallout from Covid-19. By **Ana Botín**, Executive Chairman of Santander.

EVERY March we take stock of women's rights in the world: looking at how far we've come and, more importantly, how much further we still have to go. But 2020 was a year like no other for gender equality.

The social and economic consequences of the pandemic have fallen disproportionately on women. There is even a word for it: 'she-cession', coined by C. Nicole Mason. It highlights that, for the first time in history, the US is experiencing an economic downturn where unemployment and income losses are affecting women more than men.

But it is not only happening in the US. According to the recent International Labour Organization report, in 2020 the global loss in employment for women was 5%, versus 3.9% for men. Why are women more at risk than men of losing their jobs? A quarter of global job losses come from sectors in which women account for a higher proportion of the workforce: leisure, hospitality and retail have all been hit hardest.

But there's another critical reason. Lockdowns have meant many of us (including men) have had to provide additional childcare, education and housework: 52 hours a week on average, more than another full-time job. But the burden of unpaid care work falls unequally on women. Even before the pandemic women globally were doing on average 75% of unpaid care work. According to United Nations Women, during Covid-19, women have been doing a full working day of unpaid childcare more than men each week.

One in four women have considered downshifting their careers or leaving work altogether, and the majority say childcare responsibilities are the main reason, according to the latest McKinsey and Lean In 'Women in the Workplace' study.

Why does this matter? Several studies have found that the share of women in unpaid care work has a high and negative correlation with female labour force participation rates. It also has a negative impact on women's chances for professional and technical jobs or holding leadership positions. If this disproportionate impact on women goes unaddressed, it will not only put at risk gender equality, but also have global economic consequences.

During the Covid-19 crisis, the priority of most financial institutions has been (and still is) the wellbeing of their teams. At Santander, we provided the tools for remote working after sending home 100,000 employees. We also adapted our branch network to ensure the safety of staff who continued to interact with customers in person. As work-life balance and stress brought further challenges, we implemented flexible working arrangements and gave mental health support, as well as advancing payments and granting special loans.

Organisations can and must do their part, but government policies are crucial. If governments work with the private sector to develop effective, evidence-based interventions, we can counter workplace inequality while encouraging a balanced recovery. Promoting gender equality could add $13tn to global gross domestic product by 2030. If we ignore the fact that the pandemic is affecting women differently, our economic recovery will be unequal and slower.

'If the disproportionate impact on women goes unaddressed, it will not only put at risk gender equality, but also have global economic consequences'

As we continue to plan our way out of this crisis, we must remember that a 'she-cession' hurts us all. When we support women, we support families and communities: the financial empowerment and economic wellbeing of women is good for everyone and it is the foundation of an equitable, resilient and sustainable post-pandemic world. •

OMFIF

About OMFIF

With a presence in London, Singapore, Washington and New York, OMFIF is an independent forum for central banking, economic policy and public investment – a neutral platform for best practice in worldwide public-private sector exchanges.

For more information visit **omfif.org** or email **enquiries@omfif.org**

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CONTENTS

OMFIF GENDER BALANCE INDEX 2021

Diversity in a time of crisis

Danae Kyriakopoulou, Chief Economist & Director, Research, OMFIF

THE THEME of this year's International Women's Day is 'Women in leadership: achieving an equal future in a Covid-19 world'. As many of the policy-makers and practitioners writing in this report note, the pandemic has affected men and women differently. Science has shown that men are more vulnerable to the virus itself, but the economic and social cost of the crisis has been higher for women. The pandemic has also tested leadership and shown the benefits of diversity. In 2019, then IMF Managing Director and now European Central Bank President Christine Lagarde told the Daily Show's Trevor Noah that, 'Whenever the situation is really, really bad, you call in the woman'.

2021 has started strongly with a series of historic appointments of women in leadership. In January, Kamala Harris was sworn in as the first female US vice president and Janet Yellen as the first female US treasury secretary. In February, Jane Fraser became CEO of Citi, the first woman to lead a major US bank, while Ngozi Okonjo-Iweala become the first woman to assume the office of Director-General of the World Trade Organization in March. At the time of writing, one of the two candidates in the running for the position of Secretary General of the Organisation for Economic Co-operation and Development is a woman. Her appointment would be another historic first.

These appointments should be celebrated. High-profile female leaders in finance and public policy prove that the 'old boys' club' is opening the door to others who can bring new perspectives and experiences. They also act as role models to younger talent, demonstrating that successful careers are possible. But these celebrations are also a reminder of how few female leaders there are and a cause of exasperation: why has it taken so long?

The OMFIF Gender Balance Index, now in its eighth year, is a call to action. In the many conversations that our research has generated over the years, a common reaction across audiences has been: 'We knew diversity in the field was bad, but we didn't know it was that bad'.

Elevating anecdotal experiences of a male-dominated field into aggregate statistics is a sobering exercise. Out of 540 institutions in the index, only 71 are headed by women and 56 have no women at all in their executive teams and boards. Only three of the institutions covered – or less than 1% – achieved a perfect gender balance score of 100. Just 12 of these – or just over 2% – scored 90 or more, a level that indicated the institution is close to achieving balance.

By confronting people with the numbers, we hope to mobilise decision-makers towards improving results and measuring progress.

The conclusions are clear: lack of diversity in the field is a structural, persistent problem. Progressive policies are needed to correct the historic underrepresentation of women and level the playing field. And, while more balanced talent pools bring hope, the issue will not go away by itself.

The index tracks the presence of men and women in decision-making positions in financial institutions. A score of 100 represents perfect balance (see methodology on page 78). For the first time this year we are including commercial banks in the analysis to make comparisons between the public and private sector. The 50 commercial banks selected for this report achieved an average score of 29.9, compared to the weighted average score of 27.0 for central banks, 25.4 for pension funds and 18.6 for sovereign funds.

Taken together, these scores suggest that financial institutions still have a long way to go when it comes to achieving gender balance.

We are grateful to the institutions who participated in our survey, and to the 116 women and men from across 85 institutions that have shared their experiences in this report or in the conversations we have organised around it. One common theme emerges: diversity matters, not only as a value for public institutions representing society, but because it helps drive better results. We look forward to engaging with this community further and translating analysis into policy actions to improve results. •

Key findings

Central banks

2.2%

Financial institutions that score more than 90 in the GBI

• Central banks fail to improve on gender diversity in top positions. The global score remains broadly unchanged at 27.

• Out of 31 central bank governors who were appointed last year, only one was a woman – Vietnam's Nguyen Thi Hong.

• Below the top, more women are appointed to senior positions: in 79 central banks scores improved and in 51 scores declined.

• The Federal Reserve Bank of Richmond tops this year's index, the only central bank in the index's history to achieve a perfect score of 100. The central banks of Eswatini, Lesotho, Spain and Aruba follow, all with scores above 90.

Sovereign and public pension funds

• Sovereign funds remain the least balanced institutions with a score of 19, a deterioration from last year.

• Only eight of 72 sovereign fund CEOs are women and less than a quarter have any women at all in senior management and/or board level.

18%

Only 18% of pension fund CEOs are women

• Victorian Funds Management Corporation tops the index again, this time with a score of 100.

• Pension funds analysis reveals a stark contrast between Europe and Asia Pacific, with the former scoring a regional average of 47, more than double Asia Pacific's 19.

Commercial banks

• Only three out of the 50 commercial banks in our index were headed by women at the time of the data collection. This will soon go up to six now that Jane Fraser has taken her seat as CEO of Citi and Hana al Rostamani has become head of First Abu Dhabi Bank, while Helen Wong will do the same at Singapore's OCBC in April.

• Of more than 500 commercial bank executive committee members that are currently running P&L divisions, just 18% are women.

• 39% of women on bank executive committees are in administrative roles, compared to just 15% of men.

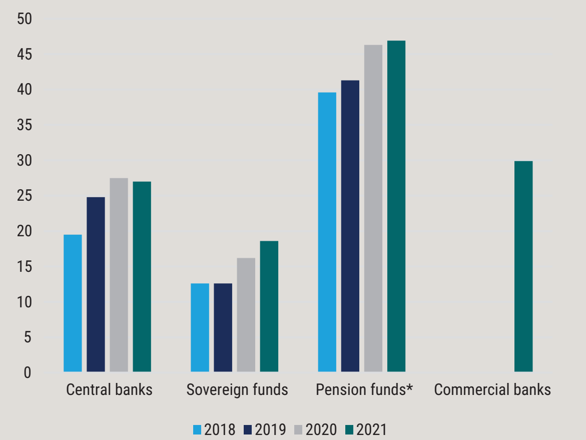
• US commercial banks score an average of over 40 in the index; all other regions score less than 30.

15%

15% of bank C-suite executives are women

1. Private sector outperforms on diversity

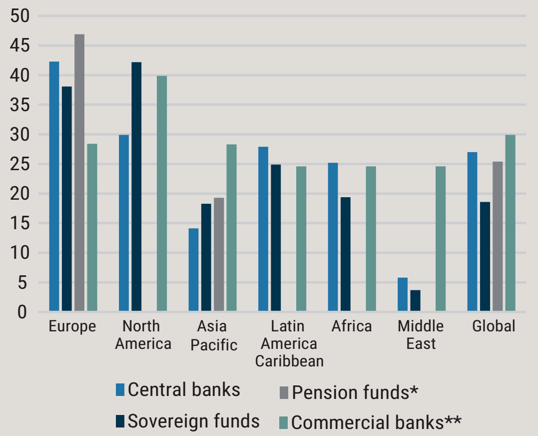
Gender Balance Index scores, by institution type, 2018-present



Source: Gender Balance Index 2021

2. Europe leads on diversity

Gender Balance Index scores, by region and institution type, 2021



Source: Gender Balance Index 2021

**Pension funds analysis extends to Europe and Asia Pacific only. **For the commercial banks analysis one joint score was given to the regions of Latin America, Africa Central & Eastern Europe and the Middle East. OMFIF's research, based on a database of almost 9,000 individuals, tracks progress in gender diversity across central banks, sovereign funds, public pension funds and commercial banks. Results are complemented by an anonymous survey of institutions' diversity and inclusion strategies, helping share best practice in designing policies that work.*

Path to progress

Financial institutions are moving towards better representation at senior management and board levels, as shown by several important developments in the past year.

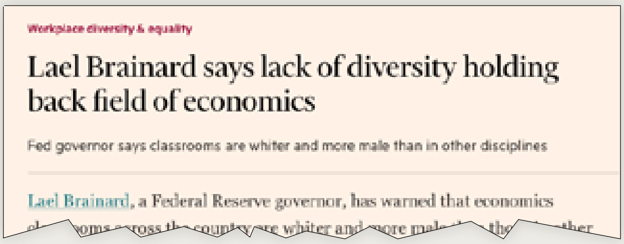
Levine Thio

Important speeches

Central bankers said the pandemic has exacerbated existing inequalities and they stressed the need to take gender issues into consideration when planning for recovery. Central bankers also underscored the importance of gender diversity and creating an inclusive environment for women in the field of economics and fintech.

'Covid-19 is having a disproportionate impact on certain groups in society such as women, people from ethnic minority backgrounds and others from socio-economically disadvantaged backgrounds'

Gabriel Makhlouf, Governor, Central Bank of Ireland



Workplace diversity & equality

Lael Brainard says lack of diversity holding back field of economics

Fed governor says classrooms are whiter and more male than in other disciplines

Lael Brainard, a Federal Reserve governor, has warned that economics

ft.com, 17 November 2020

'The government has also resorted to the use of digital means of cash transfers to women and other groups under the Livelihood Empowerment Against Poverty programme using the biometric e-switch card and mobile money interoperability platform'

Ernest Addison, Governor, Bank of Ghana

Business

Schnabel Says ECB Progress on Gender Imbalance Is 'Incomplete'

By Carolynn Look
September 28, 2020, 12:12 PM GMT+1

- Further progress needed to reflect composition of constituency
- Executive Board member speaks at gender economics conference

bloomberg.com, 28 September 2020

Coping with Covid-19

Women have been disproportionately affected by the pandemic because the blurring of the boundaries between work and home life has further intensified existing difficulties. Based on data from United Nations Women and Ipsos, women are spending almost six hours more per week on childcare compared to three additional hours men spend.

In OMFIF's survey of central banks, **67%** of respondents have improved their existing flexible working arrangements as a result of Covid-19, enabling staff to engage in remote working, flexible working hours and split team arrangements.

Of the respondents, **12%** gave staff additional childcare benefits and support. These include medical and education benefits, additional caregiving allowances and paid leave because of the temporary closure of kindergartens and schools.

'[Covid-19] has driven us to reinforce taking care of our employees and their families, fostering a work-life balance'

Survey respondent

To cope with the pandemic, policy-makers and regulators around the world rolled out 2,517 policy measures classified as gender-sensitive in the Covid-19 Global Gender Response Tracker published by the UN Women and UN Development Programme. These include policies that directly address women's economic and social security, the labour market, violence against women and unpaid care.

- **1,061** social protection measures such as Myanmar's maternal and child cash transfer programme.
- **249** labour market measures that include virtual training in Colombia and Chile and South Korea's temporary subsidies for employees with children.
- **503** fiscal and economic measures such as Nigeria's central bank credit facility for SMEs and Canada's interest-free loans to small businesses and not-for-profits.
- **704** measures on violence against women and girls including support networks for women and hotlines in Argentina.

First females

These women have recently been appointed to key positions in their fields

Nguyen Thi Hong, State Bank of Vietnam

Hong is the first female governor of the SBV in its seven-decade history. She has worked at the central bank since 1991 and became deputy governor in 2014.

Jane Fraser, Citi

Fraser is Citi's first female CEO and the first to run a major US bank. She has been with Citi since 2004, and was previously president and CEO of Citi's Global Consumer Bank.

Tokiko Shimizu, Bank of Japan

Shimizu is the first woman to serve as executive director in the central bank's 138-year history. She became the first female branch manager of the BOJ in 2010.

Nik Amlizan Mohamed, Kumpulan Wang Persaraan

Nik Amlizan is the first female CEO of Malaysian pension fund KWAP. She returned to KWAP after a two-year stint as CEO of Malaysia's Armed Forces Fund Board.

Helen Wong, OCBC

Wong will become the first female CEO of Singapore's OCBC Bank in April 2021. She was previously the bank's deputy president and head of global wholesale banking.

Laura Wallis, Bank of England

Wallis is the first woman to be appointed private secretary to the governor of the Bank of England, a role that involves overseeing the implementation of the governor's policies.

New programmes

European Central Bank launches new programme to improve gender balance
The goal is to increase the share of women at all staff levels, going beyond previous efforts that only targeted management positions.

Santander sets targets to increase female representation
Santander's goal is for women to occupy between 40% and 60% of board positions by the end of 2021.

Iceland's central bank implements shorter work week for work-life balance
The Central Bank of Iceland reduced its working week by 45 minutes, amounting to four and a half days per year, to promote a more family-friendly environment.

Bank of Papua New Guinea develops policy against domestic violence and sexual harassment
Aligned with the country's broader policy on dealing with family sexual violence, the bank is formalising its own internal guidelines.

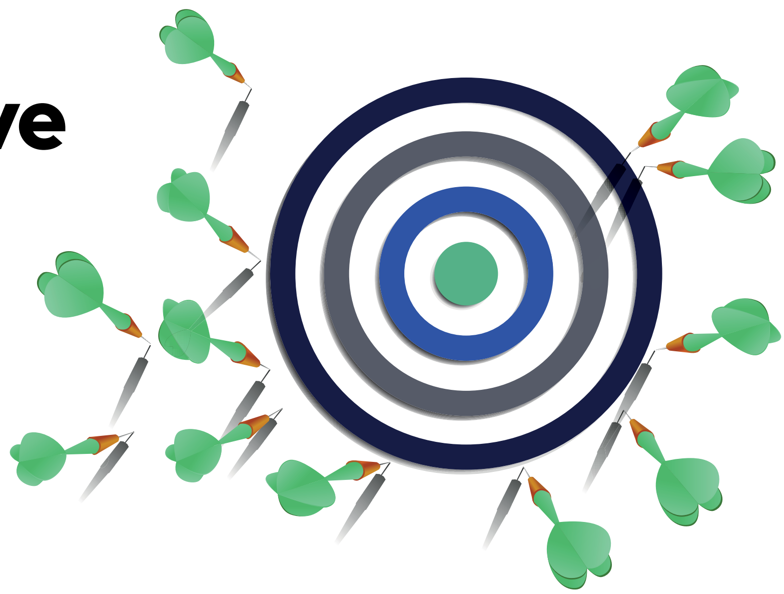
Norges Bank Investment Management pushes for greater gender diversity on boards
NBIM published its position paper on board diversity and will be working with company boards to encourage gender balance targets.

Goldman Sachs will not take public any company with an all-male board
Chief executive David Solomon announced that Goldman Sachs will not underwrite initial public offerings of companies unless they have at least one board member from an under-represented or minority group.

Nigeria's central bank aims to increase women's financial inclusion
With its National Financial Inclusion Strategy, the Central Bank of Nigeria is targeting 80% financial inclusion. Only 59% of women have access to formal financial services, making them one of the five most-excluded demographics.

State Bank of Pakistan publishes draft policy for closing gender gap in financial inclusion
The central bank has drafted a policy aimed at improving women's access to financial services, for example through institutional diversity and product diversification.

Missed opportunities slow central bank diversity drive



Just one out of 31 central bank governors appointed last year was a woman. But the likes of the ECB and the Fed are transforming the next generation of leaders.

By Danae Kyriakopoulou

CHRISTINE Lagarde doesn't mince her words on the topic of female bosses.

'Women tend to do a better job,' the president of the European Central Bank told The Washington Post in July 2020 when asked what she thought Europeans have learnt about political leadership during the Covid-19 crisis. Lagarde praised the policies and communication styles of leaders such as German Chancellor Angela Merkel and her female peers in Belgium, Taiwan and New Zealand.

Female leaders in several other countries won praise for their effective handling of the crisis and for their empathetic and compassionate style of communication. It is clear that diversity enhances decision-making and that women bring different experiences, perspectives and skills to policy-making. But the crisis has also exposed the disproportionate burdens that women in the wider population carry, from unpaid work at home and caring for others to increased domestic violence as well as discrimination and harassment in the workplace. These factors make it even harder to ensure the wider participation of women in leadership positions.

Largarde is still a rarity

Central banking is no exception and is, in many ways, even worse compared with other public policy-making institutions. Lagarde is still a rarity in the male-dominated field of central banking, more than a year after her appointment as the ECB's first female president and her ranking by Forbes magazine as the world's second-most powerful woman (after Merkel). She is one of only 18 women in the world leading a central bank; the other 167 are led by men. At home, her leadership contrasts with the all-male Eurosystem of national central bank governors. The ECB ranked 91st out of 185 institutions examined in this year's Gender Balance Index for central banks, with a score of 30 (where 100 means perfect balance, see methodology on page 78).

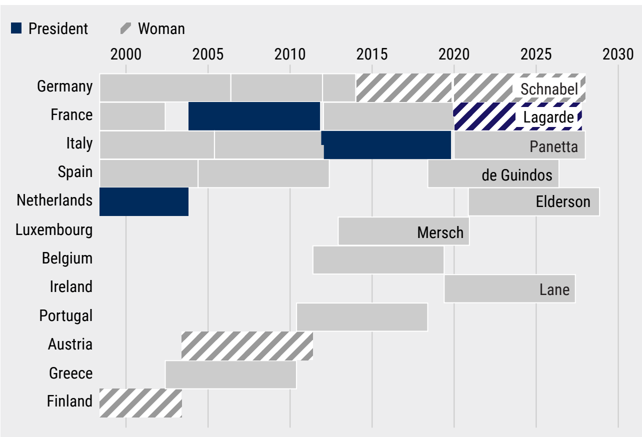
The ECB says 'diversity is a key contributor to our success', as it is considered to 'enrich the quality of work and to add value to the ECB's decision-making', according to its own diversity statement. But is the central bank practising what it preaches?

Consider the top echelon of decision-making: the ECB's main executive body or governing council is made up of the 19 governors of NCBs from across the Eurosystem and the six-member executive board based in Frankfurt. Since its creation in 1998, only one out of 63 NCB governors has been a woman – Chrystalla Georghadji of Cyprus

1. Number of women on ECB board at historic high… of two

Appointments on the ECB executive board, 1998-present, by country and gender

Source: European Central Bank, Bloomberg



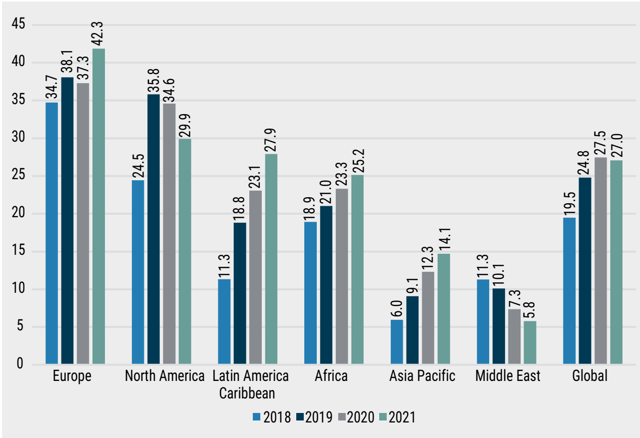
(2014-18). The executive board has done better with a total count in its history of five women out of 25, but is still far from balanced. With the appointments of Christine Lagarde and Isabel Schnabel in 2019, the number of women on the board reached an historic high of two (Figure 1). When Frank Elderson succeeded Yves Mersch on the board in December 2020, the ECB missed an opportunity to improve its gender diversity; the next vacancy is not due to come up until 2026.

In fairness to the institution, the ECB itself has no say over who makes up its governing council. NCB governors are appointed by their respective national governments. Members of the executive board are proposed by national governments and ultimately appointed with the approval of the Eurogroup of euro area finance ministers and the European Parliament.

Where the ECB can influence diversity is with the appointments and career paths of its staff, from entry-level intakes to senior management. In this area, there has been greater improvement. Between 2013-19, the ECB more than doubled the proportion of women in senior management roles to 30% from 14%, exceeding its target of 28%. Over the same period the share of women in overall management grew to 30%, below the target of 35%.

In May 2020, the ECB went a step further by launching a new model for gender targets, aimed at increasing the share of women at the different levels from analysts to senior management to between 40% and 51% by 2026, with interim assessments in 2022 and 2024. The targets are supported by a range of initiatives promoting gender diversity, including a scholarship for female students of economics. President Lagarde noted that 'we want gender balance to be the norm now rather than a revolution to fight later'.

Despite its overall slow progress, the ECB still scores above the global (weighted) average of 27, highlighting just how far central banks are from achieving gender balance. Overall,



2. Emerging markets show most improvement, Middle East an exception

Gender Balance Index score, by region, 2018-present

Source: OMFIF Gender Balance Index 2021

'We want gender balance to be the norm now rather than a revolution to fight later. Let us not forget that gender is one of the many dimensions of diversity that we must all value. We should mirror the society we serve.'

Christine Lagarde, President, ECB

Righting an economic wrong

Public policies are promoting gender balance objectives

Verónica Artola Jarrín
General Manager, Banco Central del Ecuador

REACHING gender balance requires effort from all parts of society. In Ecuador, the central bank is at the forefront in this regard. The central bank's senior management has strongly emphasised the need to reduce gender gaps and has promoted many different policies to reach this goal.

The bank subscribes to the Women's Empowerment Principles, a joint initiative of the United Nations Global Compact and UN Women. These guide companies and organisations on how to boost gender equality and empower women in the workplace.

In accordance with these principles, extensive work has been carried out over the past three years. Events, seminars, workshops and meetings have brought together more than 5,000 people to help achieve the goal of gender equality. The consistent theme, looking at the economy through a gender perspective, was promoted in 24 events at national level, addressing female leadership, equity, empowerment and inclusion. In addition, economic gender equality research was carried out, promoting respect for the economic rights of women. These actions aimed to transform the collective conscience of the country and contribute to the construction of public policies which promote these objectives.

Observing this, in August 2019 the technical secretariat of the Whole Life Plan recognised the central bank as a safe institution, free from violence against women.

Framed by its commitment to gender parity, the central bank laid out its equity and equality policy, which all employees must understand and subscribe to. This cements gender equality as a vital goal for institutional action and the foundation for its organisational culture. Gender equity and equality are promoted by detecting, preventing, prohibiting and eradicating processes or behaviours that undermine it. Additionally, the bank built a gender perspective into its management framework for delivering products and services.

Furthermore, the bank allied with national and international organisations which promoted these same goals. Among them is Rotary International, an organisation that brings together business and professional leaders to foster humanitarian actions, with which it promoted the training of businesswomen, deepening empowerment and helping them achieve greater economic independence. Similarly, the bank has established a memorandum of understanding with UN Women, which will see both institutions act jointly towards building equality in the labour and social spheres by strengthening financial inclusion.

Women are still considered a vulnerable group of Ecuador's population. The central bank played a key role in constructing the national strategy for financial inclusion, which focuses on addressing this issue.

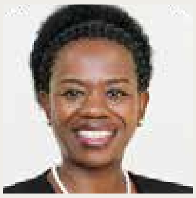
'Events, seminars, workshops and meetings have brought together more than 5,000 people to help achieve the goal of gender equality'

The formal financial system must become more gender-sensitive. This will increase the opportunity for women to save, receive, pay or borrow small amounts of money. That will make a big difference in households headed by women, with many living in precarious conditions without secure income, housing or food.

Advancing the economic rights and capabilities of traditionally neglected groups, such as women, is an essential component for poverty reduction and sustainable development. The central bank's actions, aimed at improving financial inclusion in Ecuador, also contribute to growth, while, importantly, righting a social and economic wrong. •

Thinking deeply about gender

Diversity demands more than balancing the numbers



Dr Monique Nsanzabaganwa
Deputy Chair, African Union Commission, former Deputy Governor, National Bank of Rwanda

IN 2016, alongside Women's World Banking, I pushed for gender diversity in central banks to be part of the Denarau Action Plan. However, I had in mind something deeper than just an inclusive workplace. Balancing the numbers is necessary for achieving gender diversity in finance, but it's not enough. We must be deliberate in the way we think, the processes we use, the initiatives we promote and the strategies we deploy.

Central banks have a responsibility to deliver economic outcomes that benefit women and men, boys and girls equally. They are influential in creating and upholding gender equality in society and the economy.

There is growing evidence that gender diverse teams perform better. Bringing female and male perspectives together in work, analysis and decision-making increases the ability of central banks to meet the expectations of stakeholders. Having more women in leadership roles could contribute to even better performance.

Closing the gender gap is a strategic issue for central banks. There are many reasons for this. The International Monetary Fund and others have found evidence of the benefits of gender inclusion in the economy. Increasing women's access to finance and including women in the leadership of financial institutions have positive outcomes on financial stability. Moreover, inclusive financial markets improve the transmission of monetary policy.

I am proud that the National Bank of Rwanda performs well in these areas. We have achieved gender parity on the board and executive teams. We continue to see more women in newly recruited teams, giving us hope for the future of the bank.

Whenever I get an opportunity to talk to staff, I encourage them to look beyond their job descriptions. I challenge them to identify where in our economy and society we are yet to establish gender equality. I push them to interrogate the evidence available and I emphasise the need to understand why there is a gender gap.

Building gender into our vision and analysis needs to be supported by entrenched systems and procedures. From recruitment and procurement rules, corporate culture and communications, management information systems and IT tools, to our partnerships and stakeholder engagements, there must be a deliberate effort to remove the gender bias.

Following the Denarau Action Plan, the NBR was quick to introduce changes. We opted for the Gender Equality Seal. This is a United Nations Development Programme standard implemented in partnership with the gender monitoring office in Rwanda. The process involved an assessment of our policies, structures and procedures and came up with recommendations for areas to improve.

'Gender equality is not just a woman's business. Nor is gender all about women'

More important than a certification, we developed a strategy that places gender front and centre. We created a gender committee chaired by the deputy governor. It is comprised of male and female members to oversee the process of certification and create a gender-inclusive culture in the bank.

I have had the privilege to lead these efforts alongside a male governor that understands and promotes equality and inclusion. Gender equality is not just a woman's business. Nor is gender all about women.

As leaders, we must create an environment for men and women to deliver on outcomes that are economically beneficial to everyone. We must ensure this is entrenched in our systems and organisational culture. It is the only way to achieve gender equality sustainably. •

3. Island economies more likely to have women governors

List of central banks headed by women in 2021

Source: OMFIF Gender Balance Index 2021

Country/ institution	Name	First in institution's history to be a woman?	Year appointed	Background/ previous position	Training
Cayman Islands	Cindy Scotland	Yes	2000	Central bank	Economist
Aruba	Jeanette R. Semeleer	Yes	2008	Central bank	Economist
Samoa	Maiava Atalina Emma Ainuu-Enari	Yes	2011	Central bank	Economist and Lawyer
Kansas City Fed (US)	Esther George	Yes	2011	Central bank	Business administration
Lesotho	Retselisitsoe Matlanyane	Yes	2012	Central bank	Economist
Seychelles	Caroline Abel	Yes	2012	Central bank	Economist
Serbia	Jorgovanka Tabaković	No	2012	Member of parliament	Economist
Russia	Elvira Nebiullina	Yes	2013	Russian Federation (aide to the president)	Economist
Cleveland Fed (US)	Loretta Mester	No	2014	Central bank	Mathematics and economics
Belize	A Joy Grant	Yes	2016	Financial intelligence unit (less than a year) and before, minister of energy, science and technology, and public utilities	Commerce (undergrad), MBA
Ecuador	Verónica Artola Jarrín	No	2017	Central bank	Economist
North Macedonia	Anita Angelovska Bezhoska	Yes	2018	Central bank	Economist (undergrad) and MBA
San Francisco Fed (US)	Mary Daly	No	2018	Central bank	Economist
Malaysia	Datuk Nor Shamsiah binti Mohd Yunus	No	2018	IMF and previously deputy governor at the central bank	Accountancy
San Marino	Catia Tomasetti	Yes	2018	Private sector (law firm and president of banks and listed companies)	Lawyer
ECB	Christine Lagarde	Yes	2019	IMF managing director	Lawyer
Cuba	Marta Sabina Wilson González	No	2019	Public sector	Economist
Vietnam	Nguyen Thi Hong	Yes	2020	Central bank	Economist

Europe is the best-performing region when it comes to diversity in central banks, followed by North America (Figure 2).

Africa, Asia Pacific and Latin America and the Caribbean have improved steadily and the past year included several milestones in all three regions. In Asia, the State Bank of Vietnam appointed Nguyen Thi Hong as its first female governor while Tokiko Shimizu was the first woman to be appointed as executive director at the Bank of Japan. In Africa, the Bank of Mauritius appointed a female deputy governor and two other women to its board making it one of the most improved central banks this year. The central banks of Venezuela, the Bahamas and South Korea also appointed women to their boards over the past year.

The Middle East is the only region whose score has fallen consistently from 11.3 in 2018 to 5.8 this year. Of the 30 central banks which scored zero, because they lacked any women in senior positions, nine are in the Middle East. Israel has been an exception in recent years, as it had a female governor and deputy governor in 2018. However, both posts are now occupied by men.

Diversity at the US Federal Reserve

'Watch your step, there's busted glass. Janet broke another ceiling', wrote rapper Dessa in her Hamilton musical-inspired ode to Janet Yellen, the former Federal Reserve chair who President Joe Biden picked as his Treasury secretary.

Celebrating firsts and broken glass ceilings can help improve gender diversity in several ways. Role models inspire others to envision the possibility of a successful career in traditionally male-dominated fields. But, as with the election of Kamala Harris, who made history as the first female, first black and first Asian-American US vice president, it also draws attention to the chronic under-representation of women in public policy-making. It raises the question: what can be done to correct this?

Yellen remains an exception in US central banking. Across the 12 regional Feds, only three are led by women: San Francisco, headed by Mary Daly (read more on pg 18), Kansas City, headed by Esther George, and Cleveland, headed by Loretta Mester. Diversity is lacking beyond gender: Raphael Bostic (Atlanta) and Neel Kashkari (Minneapolis) are the only non-white presidents in the group of 12, in a country where non-white ethnic groups make up about 40% of the population. The Federal Reserve Board is slightly more gender-balanced, with four men and two women. However, the chair and two vice chairs are men.

Look below the top ranks, though, and the Fed is doing better than many others. For the first time, we examined the diversity in senior positions at the regional Feds. Seven out of 12 scored above 70, putting them in the top 20 central banks globally. The Richmond Fed gets a perfect score of 100, the first central bank to achieve this in the history of our index. The central bank is led by a male president, has a female vice president, a balanced executive committee and a diverse board of directors. Even the system's worst performer, the Boston Fed, gets a score of 29, above the global (weighted) average.

A Brookings study in 2019 found that the share of female economists at the Fed has been roughly steady at around 24% since 2013, with improving gender diversity at the regional Feds offset by worsening stats at the Fed Board in Washington. In aiming to improve diversity, the Fed – like many other central banks – cannot legally hire based on gender. Instead, strategies to improve outcomes have focused on smarter recruitment techniques, such as unconscious bias training and strategies to attract a broader pool of applicants (see page 28). The St. Louis Fed also organises an annual 'Women in Economics' conference and runs a 'Women in Economics' podcast offering mentorship to young economists who want a career in central banking. This year's conference included sessions such as 'A day in the life of a Federal Reserve economist' and 'What can I do with a Bachelor's or Master's degree in Economics?'

The importance of (small) size

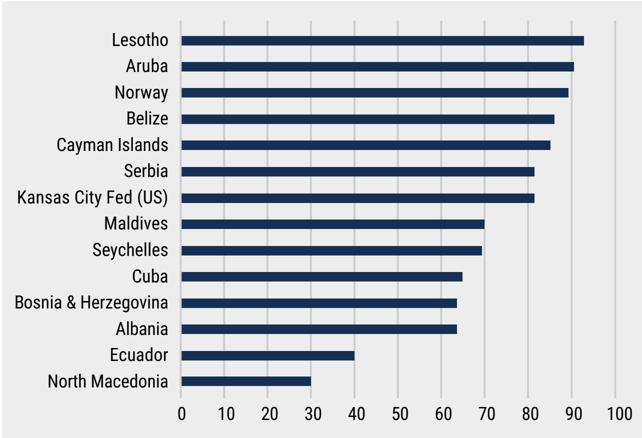
Europe's high marks largely reflect strong diversity in non-euro area countries, particularly in the Balkans and former Soviet Union. Russia, Serbia and North Macedonia are three of the 18 central banks in the world with a female governor (Figure 3). Small island economies also tend to do well on gender balance: the central banks of Aruba, Samoa, Cayman Islands, the Seychelles and Cuba have female governors. Several of these are also on this year's list of central banks that have a positive female bias, with an over-representation of women in senior positions (Figure 4).

Overall, the relationship between population size and gender diversity in senior positions has been a consistent trend in our index: smaller countries are more likely to have more gender-balanced top teams. Six out of this year's top 10 scorers (excluding the regional US Feds) are in countries where gross domestic product is less than $10bn. Spain is the only large economy to feature in the top 20. In contrast, G20 economies tend to do less well: only Russia, Australia and Germany earn a score above 50 (Figure 5). This is not surprising if we consider one of the core motivations for diversity is to make the best use of the talent pool. In countries with small populations this need is even more acute, sharpening the incentives to widen the net when recruiting.

Diversity at the top levels also helps to widen the talent pool. As San Francisco Fed President Daly rightly notes, 'if young people don't see leaders who look like them at the top, they'll choose another path – and we miss out on that talent' (see page

'We should not be rigid about these things, but if a body of people looks uniform, it might suggest it is less open to considering a range of views on important decisions'

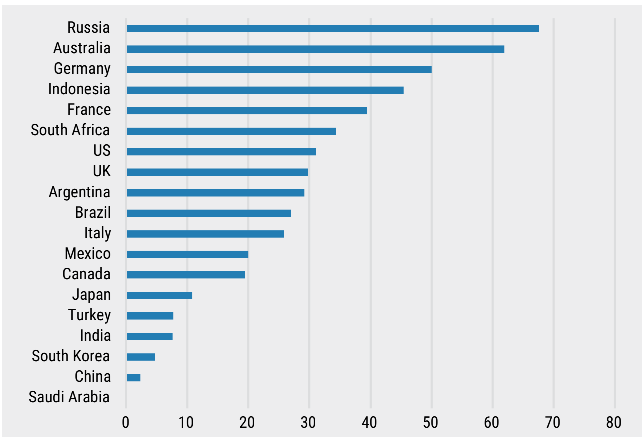
Ben Broadbent, Deputy Governor, Bank of England



4. Gender balance not just about women

GBI score for central banks that miss out on balance because of overrepresentation of women in top positions

Source: OMFIF Gender Balance Index 2021



5. G20 lags on gender

GBI scores of G20 economies, 2021

Source: OMFIF Gender Balance Index 2021

Triggering cultural change

Quotas defy bias and stereotypes

Alessandra Perrazzelli
Deputy Governor,
Banca d'Italia

WORKPLACE diversity and inclusion, at all levels and in all fields, is important for the functioning of organisations, societies and economic systems.

The issue of gender diversity has always been at the core of my own experience and career. When I first joined the banking sector, almost 35 years ago in New York, I was the only woman among the young Italian bankers and one of very few overall.

Since then, the presence of women in the financial sector has grown significantly, but still too few reach top managerial positions in private and central banks. Finance remains one of the most male-dominated sectors worldwide.

In Italian private banks, women represent around 17% of directors and only 1% of these are CEOs. This is a major improvement compared to 25 years ago, when the share of women among bank directors was less than 1%. This progress was largely due to the affirmative action policies adopted in 2011 and 2012 that imposed minimum quotas of gender representation in the boards of listed banks. Following the adoption of these rules, the share of women on Italian bank boards has grown to 40%.

Women still face obstacles that slow their career progression. They are typically more involved in care duties, devoting less time to their careers. Having children has long-term impacts on women's pay and progression. Strong gender stereotypes persist: leadership and decisiveness are still seen as male qualities.

Cultural values assign men and women different roles in society and in the labour market. This is particularly true in Italy where the debate on gender diversity has only recently come to the fore. It is not surprising that Italy has not yet had a female president of the republic, prime minister, central bank governor or minister of economy and finance.

This delay is reflected in the Bank of Italy too. Despite policies aimed at supporting women and reconciling work and family duties, we have a mostly male workforce and women are still underrepresented at senior levels. We are working to identify and address shortcomings, with invisible barriers being the most difficult to overcome.

While culture evolves slowly, some circumstances and actions can trigger a more rapid change. For example, the pandemic has shown that more flexible working is possible, with a stronger focus on performance rather than time.

This change of perspective can help to overcome barriers that prevent women from reaching management positions. However, such work arrangements need to be managed carefully to avoid effects that may exacerbate rather than alleviate gender disparities, such as women working from home and men at the workplace.

Building networks of female professionals can help to promote an inclusive culture in organisations. ValoreD, a network of firms that I cofounded in 2009 with 11 other managers, now counts over 200 firms in Italy engaged in achieving gender balance.

'While culture evolves slowly, some circumstances and actions can trigger a more rapid change. For example, the pandemic has shown that more flexible working is possible, with a stronger focus on performance rather than time'

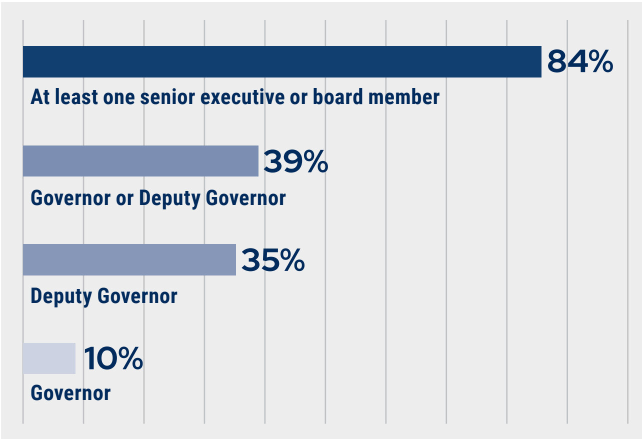
Affirmative action policies, like gender quotas, have helped an unprecedented number of women in their careers. Seeing women in senior positions can inspire young women to pursue ambitious careers and mentoring initiatives can prevent women from shying away from competition.

We need to turn the spotlight on implicit gender bias and stereotypes, and the common belief that women cannot pursue a rewarding career and have a family at the same time. •

6. Just one in 10 central banks headed by a woman

Levels of female presence in central banks, by seniority

Source: OMFIF Gender Balance Index 2021



18). Here, central banks are making progress, with the number of women in governor positions at an all-time high. But, out of the 18 women to head a central bank, 12 were the first women in their respective institutions to occupy that position (Figure 3).

Hard way to the top

The most common path for women to attain the job of governor is to rise up the central bank's ranks. Of the 18 female governors, 11 were promoted from within the central bank and 12 are economists by training (Lagarde being an exception on both fronts).

But a long and distinguished career at the central bank does not guarantee promotion to the top job. This is partly because senior women in central banking tend not to have the more public or finance-focused roles that typically lead to promotion to the top post. The databank behind this year's GBI research covers 2,532 individuals employed in senior positions across 185 institutions (see page 67). Analysis of a random sample of 25 institutions showed that women in executive roles are more likely to head human resources and other administrative directorates. In 16 of these 25 institutions, the head of such directorates was a woman, in stark contrast to the gender imbalances we document in wider central bank senior management.

This year's research found that just over one-third of central banks have a woman in the position of deputy governor (Figure 6). But even being deputy governor does not guarantee promotion to governor. During the past year, 31 new central bank governors were appointed. Only one was a woman – in Vietnam. In six cases, a man was recruited to take over as governor even though there were women already in the position of deputy governor. This made headlines in Canada, where Senior Deputy Governor Carolyn Wilkins lost out in the final shortlist to replace outgoing Governor Stephen Poloz in April 2020. Tiff Macklem, a former deputy governor, is the 10th white man in a row to become the Bank of Canada's governor since the central bank's formation in 1934. Macklem himself had been senior deputy governor when he lost out on the governor post to Poloz in 2013 and left the central bank a few months later to become dean of the University of Toronto's Rotman School of Management. Wilkins may follow the same pattern: she has chosen not to seek a second term as deputy governor, and is young enough to aspire to a comeback as governor when Macklem's term expires in 2027.

'If left unaddressed, these barriers [causing gender imbalance] will continue to culminate in self-fulfilling expectations, perpetuating the flawed belief that women are less suited to succeeding in the profession than men'

Isabel Schnabel, Executive Board Member, ECB

The time to act is now

Reports such as the GBI help to highlight that central banks can and should do better when it comes to ensuring they honour, reflect and benefit from the diversity of the populations they serve. There is increasing recognition of this in the central banking community itself. Over the past eight years in which we have published this annual report, 44 individuals – men and women – from 30 central banks, from all across the world, have joined us in advocating for the benefits of diversity. Many institutions are responding to the challenges by putting in place initiatives and policies to improve outcomes (see page 28-38).

The Covid-19 crisis has shifted central banks' focus onto policies to protect the economy from the effects of the pandemic. But while attention is on new accommodative monetary policy measures and lending operations, central banks should not fall behind on measures to correct the lack of diversity.

At times of crisis, diversity matters more than ever. Reflecting on the potential factors behind the 2008 financial crisis on an OMFIF podcast in 2019, Central Bank of Ireland Deputy Governor Ed Sibley highlighted how system failings related to group-think and insufficiently challenged assumptions contributed to the depth of the crisis through poor risk management and decision-making. Paraphrasing Lagarde, diverse teams tend to do a better job. Similarly today, central banks and the governments who appoint them have a responsibility to ensure that our economies and societies benefit from the strength of diverse leadership at times when this is needed the most. •

IN CONVERSATION

Raising standards to build better teams

Mary C Daly, President of the Federal Reserve Bank of San Francisco, speaks to OMFIF's Danae Kyriakopoulou about diversity in leadership and the impact of Covid-19 on the gender debate.

Danae Kyriakopoulou: Of 185 central banks globally, only 18 are headed by a woman and one in six have no women at all in senior management. What do you see as the root of the problem when it comes to gender diversity in central banking?
Mary C Daly: Too often, leaders and organisations talk about the importance of diversity and inclusion but don't actually move the needle. So, the root of the problem is recognition without action. To achieve better diversity in central banking, we must make a firm commitment to reflect the people we serve, hold ourselves accountable with concrete goals and stay the course until we deliver tangible, measurable results.

What does that look like? It starts with building a stronger pipeline of talent and not just when we have a specific job or slot to fill. Once you get talent in the door, you need to nurture it – so building a strong culture of mentorship is key. Lastly, if you want a diverse workplace, you need to implement policies that support it, like adequate paid family leave.

DK: How concerning is this lack of diversity in central banking? The benefits to society in terms of representation are perhaps more straightforward, but what are the potential gains for institutions that could encourage them to take action?
MCD: Diversity in central banking isn't a 'nice to have' – it's essential. Without it, we damage our credibility and our ability to achieve our goals. To deliver the best possible outcomes, we need the best minds and the best ideas around the table. If we don't fully represent the people we serve, we're going to deliver incomplete solutions to today's most pressing economic challenges.

A lack of diversity also makes our organisations and business sectors less competitive. If young people don't see leaders who look like them at the top, they'll choose another path and we miss out on that talent.

DK: A common objection is that measures to improve diversity are constraining and may lead to lower standards. How would you respond to this criticism?
MCD: That may be a common objection, but it's one that is rooted in faulty assumptions and systemic biases. Efforts to improve diversity aren't constraining – in fact, they broaden what we're able to achieve. By widening our search to include traditionally overlooked talent pools, we are only increasing the odds that the person with the next big idea is in the room. We're not lowering our standards to achieve decorative diversity. We're raising our standards to build even better teams – diverse groups of people with a wide array of talents and ideas.

'We all do better when we all do better'

DK: With economies continuing to be hit by the Covid-19 pandemic, many reports have shown women and minorities to be disproportionately impacted by the crisis and at greater risk of unemployment and income loss. What role can central banks play through their crisis response measures to address this and how can they contribute to ensuring that the recovery is inclusive and sustainable?
MCD: Central banks must do their part to ensure the economic damage caused by Covid-19 doesn't leave a permanent scar. We know that the costs of this virus are not being borne equally. Many mothers with children at home have had to quit

‘By widening our search to include traditionally overlooked talent pools, we are only increasing the odds that the person with the next big idea is in the room’

their jobs to provide schooling and childcare. People of colour and low- and moderate-income communities across the US have seen a frightening decline in income and wealth while their basic needs have increased.

Central banks have a responsibility to continue accommodative policy until we're able to ensure a truly inclusive recovery. The Federal Reserve's new monetary policy framework recognises this in how it addresses maximum employment. We are committed to not just using every tool at our disposal but continuing to use them until our policies reach all Americans.

‘We're only achieving our goals if the economy lifts everyone up’

DK: The pandemic has reintroduced debates around trade-offs between prioritising the economy against other objectives, in this case health. Do you see a similar trade-off when it comes to diversity and inclusion? Are these values that we should aspire to because of or despite economic considerations?

MCD: This idea of trade-offs is a false narrative that assumes a zero-sum game. We live in an interconnected world, which means we all do better when we all do better. In much the same way that we can't have a healthy economy without a healthy population, we can't have a healthy economy without diverse, inclusive opportunities. We're only achieving our goals if the economy lifts everyone up. •

From the frontline

The top levels of central banking may be lacking gender diversity, but more and more women are rising through the ranks. This year, we highlight four women leading key departments.

CLIMATE CHANGE

Learning from the approach to climate change

Central banks can lead in environmental and social sustainability

Bertille Delaveau
Head of Sustainable Finance Division, Banque de France

The Banque de France has a long-standing commitment to diversity and non-discriminatory practices, and I can share a first-hand experience. Ten years ago, I put the bank's gender equality policies to the test when I began my first role. I was 30 and pregnant with my second child. This did not prevent me from joining the Banking Supervision Policy department.

After my maternity leave, I returned to my position part-time and was promoted to a managing position after a second maternity leave. A year ago, I set up the Sustainable Finance department within the Financial Stability directorate. I am now leading a gender-balanced team of 12 people, in charge of the Secretariat of the Central Banks and Supervisors Network for Greening the Financial System and coordinating internally the various initiatives for sustainable finance.

On top of its internal agenda on diversity and sustainability, the Banque de France is among the leading central banks fighting climate change. It was one of the founding members of the NGFS, which recognised that climate change is a source of financial risk. As such, this risk can be addressed through many central bank activities, mobilising various experts, including economists, researchers and lawyers.

Due to the climate emergency, acting on this aspect of sustainability has been the priority. However, social concerns remain a core preoccupation of the Banque de France. It promotes the European regulatory approach to sustainability, covering the broader spectrum of environmental, social and governance considerations.

In the area of climate action, the Banque de France is leading by example, as almost 90 central banks and supervisors – including the US Federal Reserve – have now joined the eight founding members of the NGFS. I am convinced that it can be the same in the field of gender equality, diversity and inclusion.

Public institutions like central banks can show that women have the same ability as men to take senior management positions and lead through difficult times. In my experience, women are accustomed to work hard to build trust and prove that they are committed to their duties and their teams, even though they may have children.

'Central banks can show that women have the same ability as men to take senior management positions and lead through difficult times'

Another challenge is preserving a healthy work-life balance when getting into management positions. This may discourage new talent and especially women. To grow professionally, they need what I have had so far: examples showing them that it is possible, supportive senior management and a lot of help at home! •

FINTECH

Breaking through barriers in tech

In finance and technology, women are still the minority

Stavroula Kampouridou
Chief Executive Officer of DIAS SA, Technology Adviser to the Governor of the Bank of Greece and former Head of the FinTech Innovation Hub

AS I write this article, the Bank of Greece has announced the appointment of Christina Papaconstantinou as deputy governor. This is a happy coincidence and a step in the right direction. The governing council of the BoG is almost entirely comprised of men, but there has been a lot of progress in the representation of women in senior and mid-level positions. Women make up 40% of the directors running the day-to-day business of the bank.

Similar to finance, women in the technology sector are still considered to be minorities. According to PwC's 'Women in Work Index 2020', women make up 30% of the workforce in this industry, and only 5% of leadership positions.

Men need to be partners in the diversity agenda and Governor Yannis Stournaras has been instrumental in this. At the BoG, the technology-focused departments of Information Systems and Payments and Settlement Systems are both headed by women. Units have been created in the past few years to promote the role of the central bank as a facilitator of innovation, such as the unit – also headed by a woman – that addresses climate change.

I am an electrical engineer in the bank and a technology adviser to the governor. Up until the end of 2020, I was head of the FinTech Innovation Hub of the BoG. Women make up 38% of the hub's members, and different departments and professional disciplines from across the bank are represented.

I am also heading the regulatory sandbox project, expected to launch by the end of the first half of 2021. The BoG is one of only seven authorities in the European Union with a sandbox. We are a team that is comprised of 46% women, an unusually high number for such an innovative project. Like the FinTech Hub, its members come from different departments, professions and educational backgrounds, such as economists, engineers and lawyers.

In January 2021, I was honoured to be chosen by the banking ecosystem in Greece to be the managing director of DIAS SA, the national automated clearing house. DIAS has developed and runs the DIAS Payments System that services and clears electronic payments both domestic and international. It develops payments services in collaboration with payments service providers. The payments services target not only the banking sector but also the public and private sectors and aim to modernise the payments landscape in Greece.

DIAS is a technology company, with close to 70% of its staff in the IT and payments departments. Unfortunately, only 36% of the staff are women. So, a lot has to be done regarding gender representation.

'Men need to be partners in the diversity agenda'

At the same time, my roles as technology adviser to the governor of the BoG, and head of the Hub and Sandbox projects show that things are changing for the better and more opportunities are available to women in this sector.

A lot has been done and is still being done regarding gender diversity in central banks and the financial system in Greece. Truth be told though, women must work twice as hard as men to get the same recognition and sometimes the phrase happens to be literal. •

FINTECH

Diversity aids development

Rapid change makes the case for balanced teams

Siritida Panomwon Na Ayudhya
Assistant Governor, Payments Systems Policy and Financial Technology Group, Bank of Thailand

GENDER does not define who you are or how successful you can become. Abilities and mindset are what matters. Looking back on my childhood, my siblings and I were treated equally and given opportunities at home and at school, regardless of our genders. We were given flexibility to grow and learn in our own way. Nevertheless, we were raised to be responsible. Similarly, at work, I always attempt to do my best, stretch myself beyond limits and tackle challenges that come my way. In addition to my upbringing and work environment, I believe that an open and inclusive culture is also an essential for us to realise our potential.

Heading the payments systems policy and financial technology group at the Bank of Thailand, my responsibilities focus on driving innovations in our payments landscape, paving the way for the fintech industry and tackling cybersecurity risks in financial services. Amid complex business models and disruptive technologies, our mission of balancing financial stability and promoting innovation has become more challenging. But these challenges are opportunities to learn, develop and adapt.

However, diversity in expertise and perspectives is needed, especially in areas witnessing rapid developments, such as fintech. That is why I put a priority on building well-rounded teams with complementary strengths and focus on what each individual can contribute, regardless of their gender.

Digital finance and fintech hold a tremendous promise for increasing efficiency, reducing costs, providing better access to financial services and improving standards of living. Promoting these innovations is, therefore, high on our priority list. Though we must also consider potential risks to the financial system from emerging technologies and players. These include the increasingly blurred boundaries between traditionally separate industries and the borderless nature of fintech.

With that said, the Bank of Thailand has pursued the digitalisation of Thailand's payments system, setting the stage for fintech development. We emphasise the growth of open and interoperable infrastructure, and beneficial use cases that can create a positive impact on people's lives.

The Covid-19 pandemic illustrates the importance of financial services technology. PromptPay, Thailand's real-time fund transfer system, helps facilitate online payment transactions and keep economic activities going during lockdowns. Transactions can be made online with greater convenience and security. Exposure to cash and physical terminals can be avoided, maintaining hygiene and social distancing.

Moreover, businesses are becoming more agile and adapting to changing conditions and demands. These changes will persist, with firms investing more in information technology infrastructure and opportunities for collaboration.

'PromptPay, Thailand's real-time fund transfer system, helps facilitate online payment transactions and keep economic activities going during lockdowns'

To succeed in this world of uncertainty and fast technological development, we must nurture a positive mindset. Everyone has the potential to rise above any challenge if given the opportunity, regardless of their gender. Diversity is a key driver of success and gender-related traits when appropriately combined can be of great value to the team.

I would like to encourage women to be confident in themselves, determined to accomplish whatever goals they set and shine proudly and beautifully for the person they are. •

RESERVES MANAGEMENT

How far we've come

Looking back at a career forged in a male-dominated world

Helena Adegas
Head of Markets Department, Banco de Portugal

THE richness of an organisation comes from the diversity of its staff and management. Several studies have shown that gender-balanced teams lead to greater diversity of views and ultimately better decision-making.

When I joined the Banco de Portugal as a young economist 35 years ago, the world was very different. The widespread attitude towards gender roles in society was more traditional and restrictive. My country and its central bank were no exception, but this has been changing over time. In fact, I was part of the first group of new recruits mostly composed of female graduates. And I must say that this novelty sparked great surprise and curiosity in a male-dominated institution.

Today, the Banco de Portugal has a balanced gender mix, close to 50/50. Recruitment is conducted on strictly equal terms and career opportunities are the same regardless of gender. There are several policies intended to support raising a family and working arrangements have become more flexible due to the pandemic. Despite this, we know that a cultural legacy still tends to overburden women in terms of work-life balance, but we must be optimistic and believe that this will change with future generations.

Personally, I have never felt that being a woman has negatively affected my career. On the contrary, I have felt that sometimes it has helped me to better deal with delicate situations. For example, my experience as a mother of teenagers gave me tools that proved very useful in managing teams, which some of my male colleagues were missing. As I grew older, I have learnt that there was no point in imitating my male bosses, and I gained the confidence to develop my own style.

The Markets department, for which I am responsible, shows a slightly more balanced gender mix than the bank overall. Women make up 55% of the department. This picture changes if we consider managing positions, of which only 43% are occupied by women. But I believe that this is a question of time and demography: as young staff gradually become more senior, women will take on more managerial roles and we will evolve towards more equality.

The key question is what central banks can do to promote gender equality in the wider world. Can central bank investments contribute to the United Nations sustainable development goal of achieving gender equality and empowering all women and girls? This is achievable by integrating socially responsible investment principles and adopting environmental, social and governance practices. Social bonds that finance projects supporting vulnerable populations are key to this.

The Banco de Portugal has been increasingly focused on ESG considerations and committed to incorporating SRI principles in reserves management. The goal is to lead by example, influencing other stakeholders and market participants, and to push standard setting in the financial markets. By the size of their portfolios, central banks have the power to spread best practices, more transparency and disclosure. They should not waste it.

'Central banks have the power to spread best practices, more transparency and disclosure. They should not waste it'

It is striking that, in 2021, women are still considered a target population in the International Capital Market Association's social bond principles. But it should not be a surprise – we know that the pandemic has increased the vulnerability of this group. The European Commission's Support to mitigate Unemployment Risks in an Emergency programme will have a strong impact on the issuance of social bonds.

I am curious to know what will be written on this topic 35 years from now, by someone starting her career today. I would be very happy if there was nothing to write about, because the issue simply had disappeared. •

IN CONVERSATION

Involve men in the conversation

Marouane El Abassi, Governor of the Central Bank of Tunisia, speaks with OMFIF's Natalia Ospina about what central banks in the Middle East and North Africa can learn from Tunisia and the role that men can play in achieving gender diversity.

Natalia Ospina: Central banks in the Middle East and North Africa have consistently underperformed in gender diversity relative to other regions. The Central Bank of Tunisia is an exception and one of the most balanced central banks, coming sixth in our global ranking this year. What explains this success and what can others in the region learn from your example?
Marouane El Abassi: Tunisia is a small country with limited natural resources. Our real wealth is human potential and gender equality contributes to the development of our country.

The Central Bank of Tunisia aims to preserve balance in its monetary and exchange rate policies to achieve financial stability and economic growth. It also aims to create balance through its work around gender equality. The bank has established a three-year strategic plan to achieve this, which runs from 2019-21.

Female representation at the bank has grown over time. Since the 1980s, we have had a female director general of legal services and more women have risen to senior positions in recent years. In 2018, a woman was appointed as vice-governor for the first time and the bank's executive board is mostly made up of women.

For senior management positions, appointments are made based on individual competence, regardless of gender. We are implementing a new statute and a code of ethics to further embed principles of equality and meritocracy at the bank.

NO: Diversity and inclusion are often seen as a 'women's agenda'. Do you agree? What role do men have to play in this and how can they support progress in gender balance?
MEA: As a father of two girls, I believe that gender equality is a human right as well as a prerequisite for sustainability. It is not only a women's issue, but should concern and involve men as well.

It is important to make men part of the conversation because they still occupy positions of power in most countries and institutions. Their involvement is fundamental in enabling women to participate in the economy and increasing access to resources. Both men and women benefit from increased gender diversity in the economy and the workplace.

NO: Many reports have shown that women are disproportionately affected by the Covid-19 crisis and are more vulnerable to unemployment and income loss. How can central banks help ensure an inclusive and sustainable recovery through their crisis response measures?
MEA: The Covid-19 crisis has not spared the Tunisian economy. Its negative impacts have aggravated poverty not only at the socio-professional level but also by gender. According to a study from the United Nations Development Programme on the economic impact of Covid-19 in Tunisia, the health shock could wipe out all progress made over the last 10 years, and it could accentuate the 'feminisation' of poverty. The study specifies that 'monetary poverty would increase to 19.77% for women as a result of the pandemic, compared to 18.71% for men'.

'Tunisia's real wealth is human potential and gender equality contributes to the development of our country'

The Central Bank of Tunisia has taken rapid and concrete measures to relieve financial distress for the population. At a time when the economy was paralysed, we reacted by implementing measures for companies, professionals and individuals. These

'Men have a decisive role to play in achieving gender equality because they exercise the bulk of power in almost all areas and societies'

include the deferral of loan payments (principal and interest) that were due in the period from March–September 2020, and the possibility of granting new loans to beneficiaries of this deferral. We decided to relax prudential standards to strengthen the capacity of the banking sector to support businesses and extend the deadline for granting exceptional financing for businesses and professionals operating in the tourism and arts sectors to the end of March 2021.

NO: Central banks are public institutions at the service of society. How do you make sure that your actions reflect society's outlook? Particularly in relation to central banks' actions on climate change and digital payments, how have you engaged the public in your thinking and in your decisions?

MEA: We are currently working to monitor climate change developments and integrate them into the bank's strategy. Urgent action will be taken through various transformation projects being implemented.

In 2019, the bank launched two initiatives that demonstrate our commitment to environmental sustainability. First, the bank joined the Central Banks and Supervisors Network for Greening the Financial System, which aims to promote financial risk management and the development of green finance. Second, the bank became a member of the Sustainable Banking Network, which works for the development of sustainable financing frameworks based on national priorities and international best practices.

Digital working is in line with our sustainability framework because we aim to reduce waste as much as possible. We are working towards a change of mindset and planning to go paperless, particularly in interdepartmental exchanges.

'Covid-19 could wipe out all progress made over the last 10 years, and it could accentuate the "feminisation" of poverty'

We are working to develop a specific policy through the implementation of a digital maturity indicator. This will enable us to integrate the public's concerns by further digitising our services, especially for digital payments. We have created a regulatory sandbox and an innovation lab to better interact with the public and to innovate the ecosystem. •

No one should be left behind

Gender-sensitive policies are critical to resilient economies

Elsie Addo Awadzi
Deputy Governor,
Bank of Ghana

THE global gender gap in financial inclusion has remained at 9% since 2011. Gender-sensitive policies are needed to address issues affecting work-life balance, employment and income disparities, land ownership and inheritance and lack of collateral for loans. This will help empower women economically.

As the pursuit of inclusive growth policies takes centre stage in emerging economies, policy-makers and regulators are exploring new measures to promote financial inclusion as a key driver of sustainable development.

Unless intentionally designed, however, these policy and regulatory measures tend to reinforce existing structures that benefit the wealthy, while leaving behind vulnerable segments of society such as women, youth, persons with disabilities, forcibly displaced communities, racial and other minorities. This holds back overall development and leads to increasing inequalities.

The Covid-19 pandemic threatens to roll back progress given the disproportionate economic impact on women-led households and businesses. Most countries appear not to have targeted gender-specific policy and regulatory responses, at least in the first wave of the pandemic.

As countries continue to change policy responses to the pandemic, there is an urgent need to reassess the impact of existing measures through a gender lens and design new measures that will better support inclusive finance and growth. The pandemic also presents a rare opportunity for economic institutions to improve gender diversity in leadership, as more flexible work arrangements have been widely implemented.

The Alliance for Financial Inclusion is a network comprising 101 institutions from 90 countries committed to financial inclusion. In 2019, AFI recognised 11 member institutions as gender-inclusive ambassadors for their roles in reducing the financial inclusion gender gap and supporting women in leadership.

AFI's Gender Inclusive Finance Committee supports members in pursuing gender-sensitive instead of gender-neutral policies and regulation. It ensures that gender considerations are integrated into all AFI services from communications, knowledge product generation, capacity building activities, technical support and events.

AFI's gender-inclusive finance workstream seeks to address barriers that women face in accessing financial services. AFI's Denarau Action Plan sets out policy and regulatory measures to support the supply of financial products and services aimed at different markets affecting women. This should help more women transact, save, access credit and generally improve their livelihoods.

As more women assume senior leadership positions, more progress can be achieved in designing policies, regulation, products and services that promote gender-inclusive finance to support sustainable and resilient growth. Measures to strengthen financial safety nets and to promote the use of digital financial services are key to this.

'We have an opportunity and a responsibility to create a post-pandemic world where no one is left behind'

Closing the gender gap in financial inclusion is imperative. Building resilient and sustainable economies for the future will require intentionality in promoting inclusive finance, where the needs of the most vulnerable – especially women – are addressed. The multiplier effect on families, communities and the world economy will be enormous.

We have an opportunity and a responsibility to create a post-pandemic world where no one is left behind. •

Access to finance is imperative

Nigeria is focused on advancing women's financial inclusion

Aishah Ahmad
Deputy Governor, Central Bank of Nigeria

ONE of the biggest barriers to financial inclusion for women is lack of access to finance.

Resolving this is a key focus of initiatives in Nigeria and other sub-Saharan economies. These include Nigeria's TraderMoni empowerment scheme, which provides female petty traders with collateral-free loans and the Micro, Small and Medium Enterprises Development Fund, which sets aside 60% of the fund for women-owned businesses.

Notwithstanding the success of these initiatives, the persistent rate of female financial exclusion indicates that access to finance alone cannot reverse this trend. Other factors such as low income, lack of education, low trust in financial service providers and cultural barriers must be addressed if initiatives targeted at women are to be effective.

In 2020, the Central Bank of Nigeria, in conjunction with Enhancing Financial Innovation and Access and Women's World Banking, launched the Framework for Advancing Women's Financial Inclusion in Nigeria. The framework identified eight strategic areas for empowering women.

1. Implementing measures to support women opening bank accounts on a large scale.
2. Introducing financial and digital literacy programmes for women with low incomes.
3. Increasing delivery channels to serve women closer to home.
4. Mandating the collection of gender-specific data.
5. Integrating a gender lens into the financial inclusion agenda.
6. Developing financially sustainable products and delivery systems.
7. Promoting digital financial services and fintech solutions aimed at improving female inclusion.
8. Building a culture of women's leadership in key financial institutions and agencies.

The CBN is working to improve female financial inclusion statistics in Nigeria. In 2020, 40.9% of adult women were excluded from formal financial services compared with 32.5% of men. Women are also disproportionately impacted by the Covid-19 pandemic.

Financial education initiatives have been engineered with messaging tailored to specific excluded and special interest groups, such as women, youth and small businesses. Technology and social media are being used to widen the reach of these initiatives. The CBN also has a partnership with Nigeria's Federal Ministry of Education to include financial literacy in the secondary school curriculum.

Under the Nigerian Sustainable Banking Principles, banks are required to report gender-specific data. The CBN is extending this requirement to other regulated entities and continuously monitoring financial access points to measure progress with excluded groups.

Strengthening the payment system is a key policy priority to reduce costs and promote trust. This will widen access, usage and financial inclusion for women. Innovation, new digital technologies and unmet financial needs of certain segments of the economy has birthed a wide variety of participants, products and channels.

'40.9% of adult women are excluded from formal financial services compared to 32.5% of men'

These cutting edge technologies and innovations present new opportunities to promote financial inclusion, providing access to those excluded or underserved by traditional banks. In addition to a cross-section of regulatory guidelines, the CBN has created a regulatory sandbox to test new products and platforms, to support safe, sustainable and inclusive innovation in the Nigerian financial industry.

We are excited to collaborate with a diverse stakeholder community on these initiatives to help bridge the gap in women's financial exclusion in Nigeria. •

Progress requires positive action

OMFIF's survey of 50 institutions shows that many need to do more to promote diversity – but there are some encouraging signs.

By Natalia Ospina

GENDER balance can be achieved faster if central banks implement policies that actively promote diversity and encourage the progression of women. Research by OMFIF shows that a lot more can be done in this regard.

Central banks are undoubtedly reflecting on how to improve their gender balance. The proportion of institutions responding to the survey that now have an executive directly in charge of diversity and inclusion practices rose by 12 percentage points, although more than half of those surveyed still do not have such a formal role.

Affirmative action remains rare. Quotas – at board level, among senior management and at entry level – have been adopted as a policy by very few central banks. And only one-third of them measure their gender pay gap.

Fifty institutions took part in the survey. They scored an average of 40 points, compared to an average of 27 points among the 185 central banks globally whose gender balance was analysed by OMFIF.

Six respondents to the survey (12%) scored 80 or higher. In the overall research, a total of 15 central banks (8%) scored 80 or higher. Some 29 (58%) of the survey respondents scored below 40, compared to 118 (64%) of central banks. The greater number of low-scoring respondents suggests that these institutions are aware of their gender imbalance and are taking steps to correct this.

Central banks that have either a gender quota or target for their policy boards seem to do better. They scored 43 on average, slightly higher than 40 for those without.

Questions about positive discrimination seemed to prompt social desirability bias among respondents. When asked about gender quotas or targets for recruitment and promotion, respondents asserted that they offer equal opportunities to all, regardless of gender. Such answers miss the mark, as the goal of quotas is to encourage greater representation for the under-represented.

One thing from this year's survey is clear: Covid-19 has changed the working environment dramatically for central banks. More than 90% now offer remote working to their employees, almost double the pre-pandemic level.

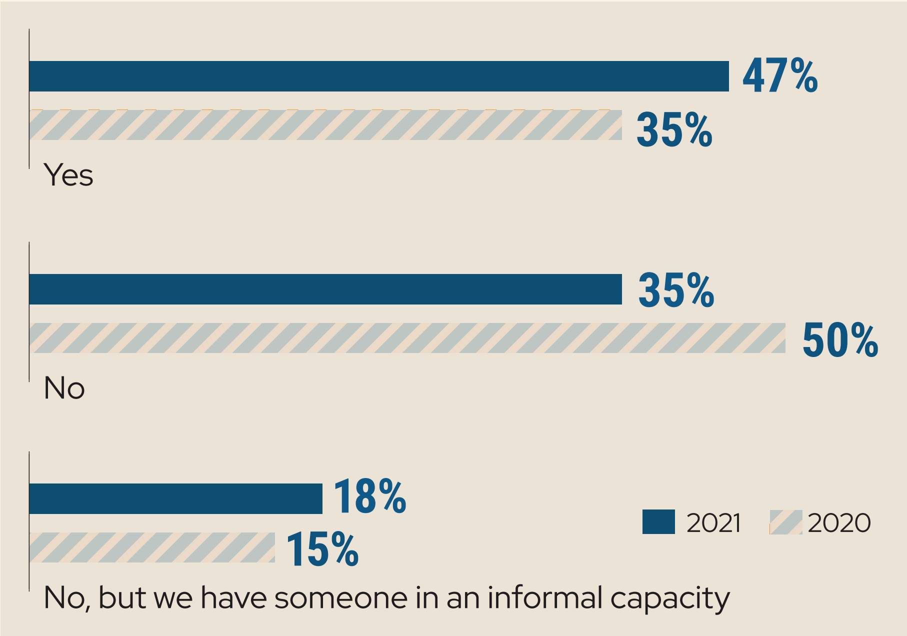
Note on survey

This is the second year of OMFIF's survey of central banks on gender diversity policies. A total of 50 respondents took part, including institutions from Africa, Asia Pacific, Europe, Latin America and North America.

Gender Balance Index 2021 score	Number of respondents*
>80	6
60-79	8
40-59	5
20-39	16
0-19	13
>80	6
60-79	8
40-59	5
20-39	16
0-19	13

Source: OMFIF *Excludes two non-central banks that participated

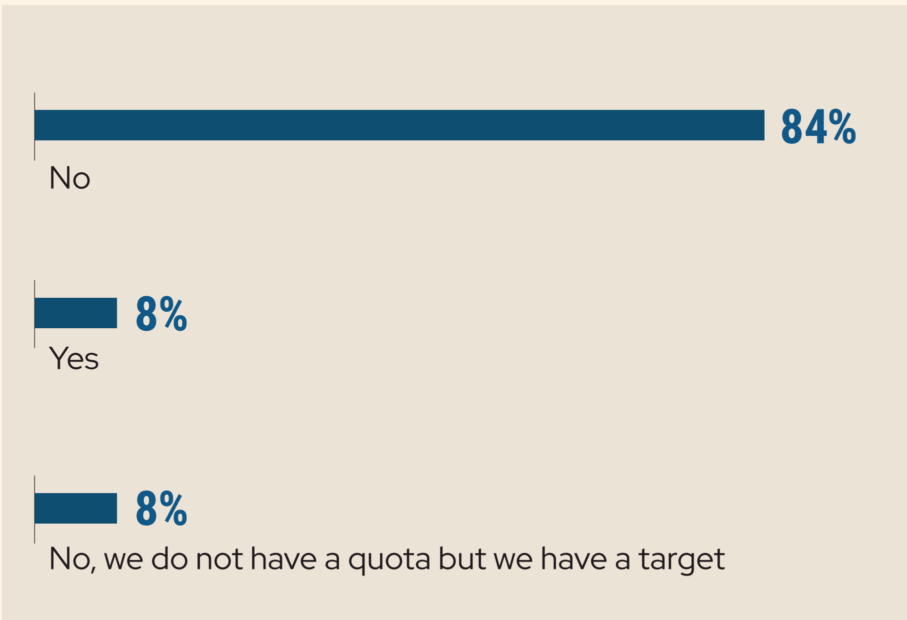
1 Gender diversity officers on the rise
Do you have an executive and/or staff member who is explicitly assigned to matters regarding gender, diversity and inclusion?



Nearly two-thirds of respondents have a diversity officer, improving from only half last year. For 47% of respondents, this is a role formally assigned to an executive sponsor or member of staff, while 18% have someone performing it in an informal capacity. Only six central banks said they had a governor or senior executive assigned to this task.

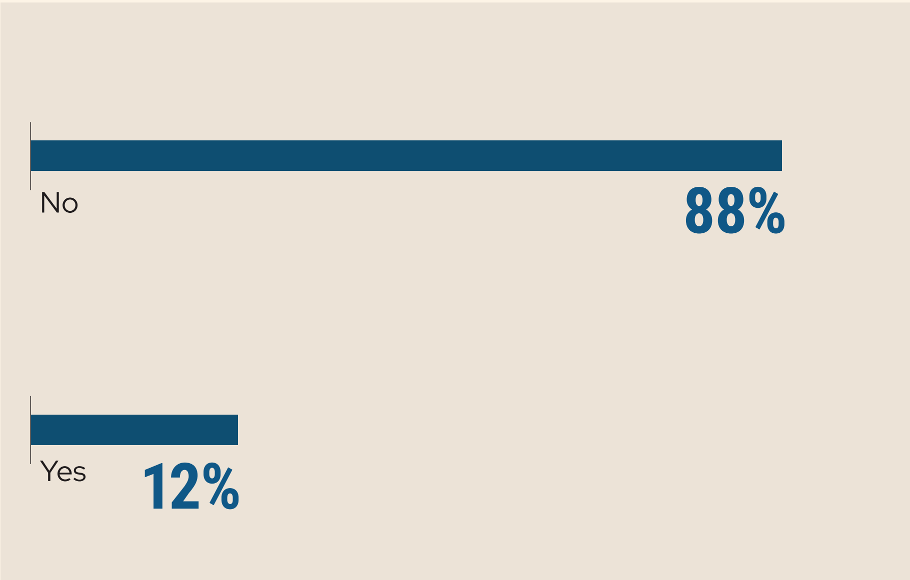
2 Few boards save seats for women
Do you have a gender quota for your board of directors or monetary policy board?

Of the respondents, 84% do not guarantee female representation on their boards or monetary policy committees. Only 8% have adopted a gender quota for these decision-making bodies, while another 8% have set a target to improve representation. Among central banks with board quotas, three are in Europe while one is in Latin America.



3 No guarantee of diversity in manager selection process

In promoting staff to vacancies in senior management, do you have a policy to ensure that both female and male candidates are selected for interview?

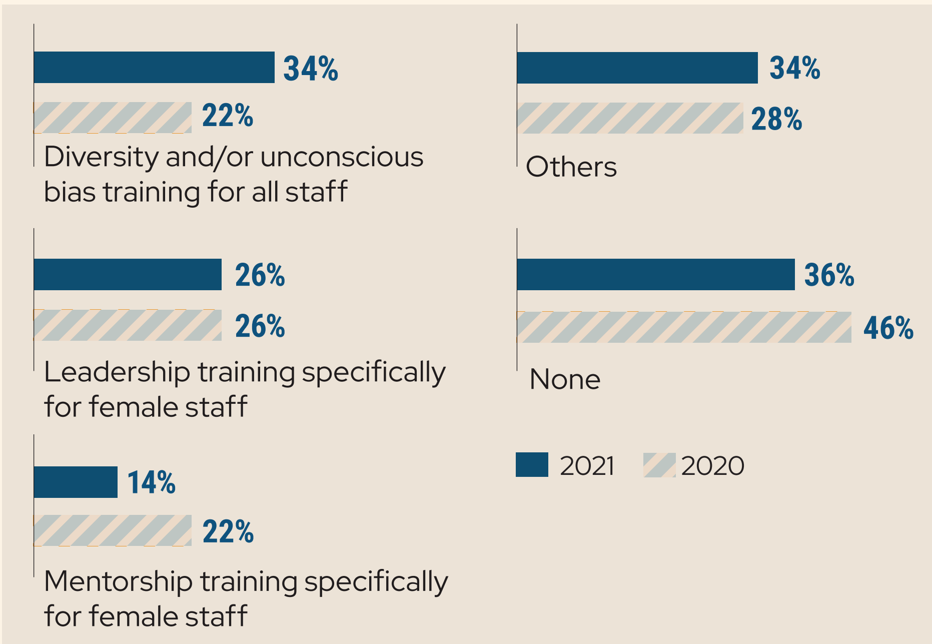


For vacancies in senior management, only six institutions ensure equal representation at interview stage. Banco Central de Chile is one example, requiring at least one female candidate during all stages of the selection process. Any exceptions must be justified before the bank's council.

4 More programmes and training for women

Do you have any of the following programmes that encourage the progression of women within your institution's ranks?

Respondents providing programmes and training that support female progression grew to 64% from 54% last year. Diversity training increased in popularity, with a third of central banks offering it, up from 22% last year. However, mentorship programmes have fallen, with only 14% offering it, down from 22%.



Equality as a cultural cornerstone

In Iceland, gender balance has become part of its self-image

Rannveig Sigurðardóttir
Deputy Governor, Monetary Policy, Central Bank of Iceland

GENDER equality has become the foundation of Icelandic society. Changes in cultural thinking and legislation over the past decades have ensured that equality seeps into all of society, public policy and institutions, including the Central Bank of Iceland.

Equal rights reached a turning point on 24 October 1975 when 90% of Icelandic women attended one of the largest mass demonstrations in the country's history: Kvennafrídagurinn, or Women's Day Off. The objective of the strike was to highlight the importance of women in the labour market.

To say such action was needed would be a gross understatement. Women accounted for only 5% of Iceland's members of parliament in 1975. Five years later, Vigdís Finnbogadóttir was elected president of Iceland, becoming the first democratically elected female head of state in the world. After another three years, the share of women in parliament was up to 20%.

In the 1990s, improved access to childcare and pre-school helped increase women's participation in the labour market. Since 2000, fathers as well as mothers have been entitled to parental leave. The aim of this was to help promote gender equality, based on the idea that employers considering hiring or promoting an employee will know that men and women are equally likely to take childbirth leave.

Gender equality is prioritised in appointments to public committees and councils, as well as boards of government-owned companies. In 2010, gender quotas in corporate boards of directors were enshrined in law. The aim is that representation should not fall below 40% for men or women.

In 2019, women's labour force participation was over 84% and women made up 65% of university graduates. In 2009, a woman became prime minister of Iceland for the first time, and in the past decade there have been two female prime ministers. The share of women in parliament peaked at 47% in 2016. All of this is reflected in global metrics such as the 'Global Gender Gap Report', where Iceland has ranked at the top for the past 11 years.

By now, this success is part of Icelanders' culture and self-image, and it affects our institutional structure as well. The Central Bank of Iceland is no exception. The bank has reaped the benefits of these reforms and has worked systematically towards equal rights in its own activities.

In 1975, only one of the bank's key employees was a woman. In 2017, an equal pay analysis and interviews with managers and staff revealed that the 40% threshold had been reached at all levels except for governorship positions.

The bank's first female deputy governor was appointed in 2018, and today two of the three deputy governors are women. Just under half of bank employees are women, as are six of 13 departmental directors and 12 of 29 unit heads.

The survey conducted in 2017 showed a gender-based pay gap of 3.2% in favour of men. The bank then set the goal of bringing the pay gap below 2.5% by 2019. Since then, the bank has implemented an equal pay system, which is mandatory for all organisations with 25 or more employees.

'The 2020 pay analysis revealed a wage gap of 1.6% in favour of women'

The 2020 pay analysis revealed a wage gap of 1.6% in favour of women. As this is considered small enough to be insignificant, it can be concluded that there is no unexplained gender-based wage gap within the bank.

By absorbing the cultural belief that gender equality is the natural state in a modern institution, and by taking calculated steps to ensure that women gain experience as specialists and managers, the central bank has given women a voice in economic policy in Iceland. Important steps have been taken towards equal rights, but even though the numbers are promising, challenges remain to maintain the progress achieved thus far. •

5 Entry-level gender quotas extremely rare

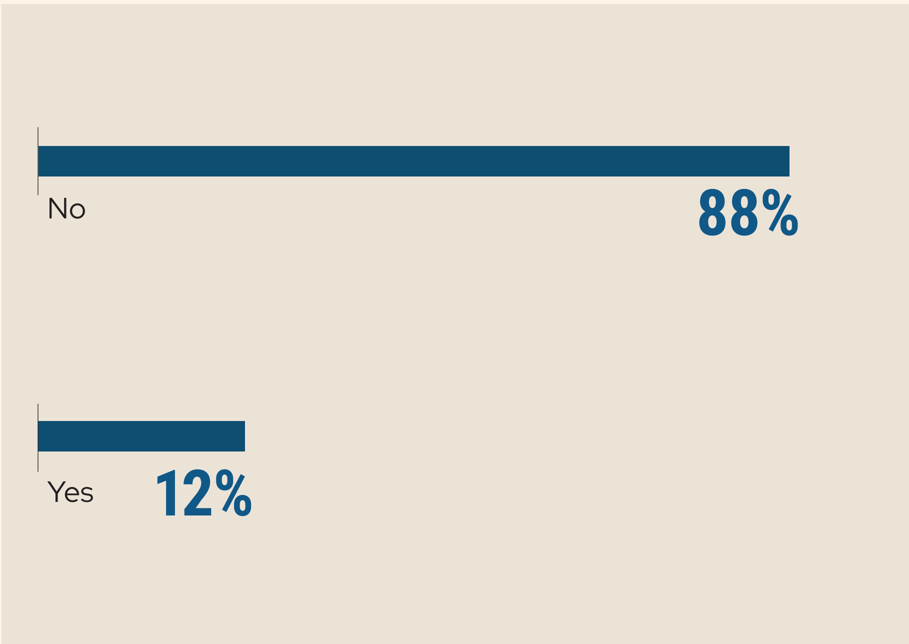
Do you have a gender quota for each intake of entry-level staff?

Only two institutions that responded to the survey impose a gender quota when recruiting junior staff: the European Central Bank and the State Bank of Pakistan. In adopting this policy, the SBP complies with rules set by the federal government. Despite not having a quota, 18% of respondents have set a target for equal gender representation among new hires.

6 Female candidates missing out on interviews

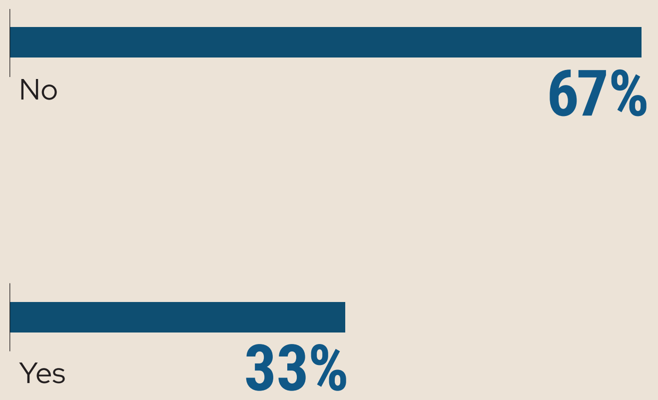
When hiring for a vacant position, do you have a policy to ensure that both female and male candidates are selected for interview?

Most respondents reported applying objective criteria in hiring processes. However, only 12% ensure that both genders are represented at interview stage. The Deutsche Bundesbank, in accordance with the Federal Equality Act, requires equal representation when interviewing for roles that are dominated by one gender.



7 Majority of central banks are not tracking their income discrepancies

Do you measure your institution's gender pay gap?



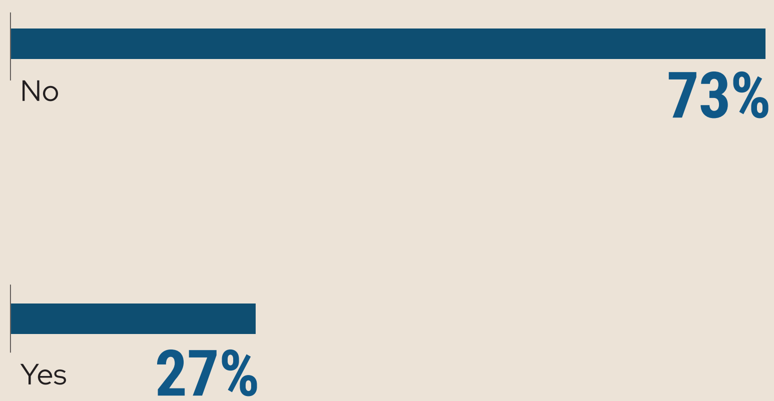
Note: For the purpose of this research, the gender pay gap is defined as the difference between the average pay for men and average pay for women working in the institution.

Measuring the gender pay gap could help central banks take steps to close it, but only a third of respondents say they track this. The biggest pay gap in favour of men reported was 11.6%. The Central Bank of Iceland is a positive outlier with a 1.6% pay gap in favour of women. Of the respondents, 15% assert that they do not have a gender pay gap without measuring it.

8 Low external certification uptake

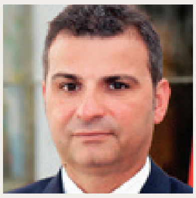
Do you engage any external or third-party organisation to independently assess and/or certify your institution's policies, practices and outcomes on gender equality, diversity and inclusion?

External certification can help central banks set diversity goals and provide incentives to achieve them. Only 27% of respondents are certified by an independent external organisation on gender-related policies. OMFIF partner EDGE has certified some of these institutions, including the ECB, International Monetary Fund and Banco de Mexico.



Representation at all levels

The right policies are needed to achieve balance



Gent Sejko
Governor, Bank of Albania

AT the Bank of Albania, we prioritise workplace diversity and the active inclusion of women in the organisation. Efforts have been made to increase the development and retention of women as well as increase their presence at the managerial level. For many years, the BoA has put a lot of emphasis on diversity when selecting and assessing managers, and the problem of gender balance has been widely addressed.

Women are represented at all levels of management. Both deputy governors, the inspector general and five out of the nine members of the supervisory council are women. Expansion in previous years has facilitated compositional shifts in many departments, creating opportunities for more women to join the bank. Women make up 56% of deputy directors, and 66% of division and unit heads.

It must be noted that high salary competition across the financial sector has decreased the number of men applying for central bank roles. Many women tend to value work-life balance over high salaries, especially when they are secondary earners in their households. Work-life balance is a priority at the BoA, which makes it an attractive career choice for women.

Our institution applies many policies to achieve this balance, including, among others, flexible work hours for women in specific conditions, leave days for employees, telecommuting and active promotion of health initiatives. These policies, have been important in recruiting and retaining women, and the percentage of female staff has continued to rise in recent years.

Having examples of women in senior positions is significant for attitudes towards and incentives for progression. Promoting the presence of senior managers is encouraging for female applicants considering careers with the bank. The BoA is also actively engaged in targeting internal candidates for key roles (such as heads of units, divisions or departments).

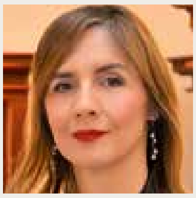
Regular meetings with female staff are held to identify priorities for senior management with respect to removing obstacles to women's careers. The BoA encourages good employee relations through fair and consistent workplace policies such as data protection and safeguarding of confidentiality, rules on reporting workplace harassment and workplace health and safety. The bank has implemented the required regulatory framework aimed at establishing fair treatment, workplace security and treating women with dignity and respect at all times.

Many of my colleagues have indicated that they think more needs to be done in terms of diversity and inclusion. Further work is actively being conducted in this direction by identifying best practices in the field in other European Union central banks, with a view to implement them in our institution. I fully support the extra efforts being made continuously to increase the retention and development of women at all levels of the organisation. •

'Having examples of women in senior positions is significant for attitudes towards and incentives for progression. Promoting the presence of senior managers is encouraging for female applicants considering careers with the bank'

Half is not good enough

Women will lift up the potential of the economy and the wellbeing of society



Anita Angelovska Bezhoska
Governor, National Bank of the Republic of North Macedonia

ALMOST half of the global working age population are women, but only 50% of those are participating in the labour force. We are all born with the same potential, but disparities in access to education, healthcare, finance and technology, legal rights and social and cultural factors constrain women from reaching their full potential. The pandemic has created additional challenges for women as they are more likely to be involved in the most affected segments of the economy, especially informal work.

Unequal opportunities lead to lost productivity and growth. The economic loss is estimated to range from 10% of gross domestic product in advanced economies to more than 30% in low-income countries. This should not surprise us, as research suggests that having more women active in the labour market brings economic benefits. Women have different skills and inclinations, such as risk aversion, thoughtfulness and pragmatism.

Research has also revealed that gender diversity on boards of banking supervision agencies leads to greater financial stability. Yet, as this report shows (page 17), one-sixth of central banks have no women in senior positions. Only 18 central banks globally are headed by a woman and only 16% of central banks reserve seats for women on their board of directors or monetary policy board. There is a long way to go.

I am very fortunate that at no point in my career has gender been a consideration during recruitment processes or career progression. I have worked in institutions that created equal opportunities for women and their appointment to senior management positions.

But equal opportunities also bring many challenges to juggle between personal and professional life. Women are expected to perform not only in professional roles, but also the role of a parent, in my case a parent of three children. Striking the right balance can be difficult. The key to success is to find strong, understanding and appreciative peers.

In my role as governor at the National Bank of the Republic of North Macedonia, I do my best to promote equal opportunities and career progression. At the central bank, the gender structure is in favour of women, who make up 57.7% of the workforce. The presence of women in management positions is also apparent with a share of 68.4%, including two vice governors. This is thanks to the recruitment and promotion policy based on performance and skills.

‘Empowering women means providing equal and undisrupted access to education, finance and relief from cultural and social barriers’

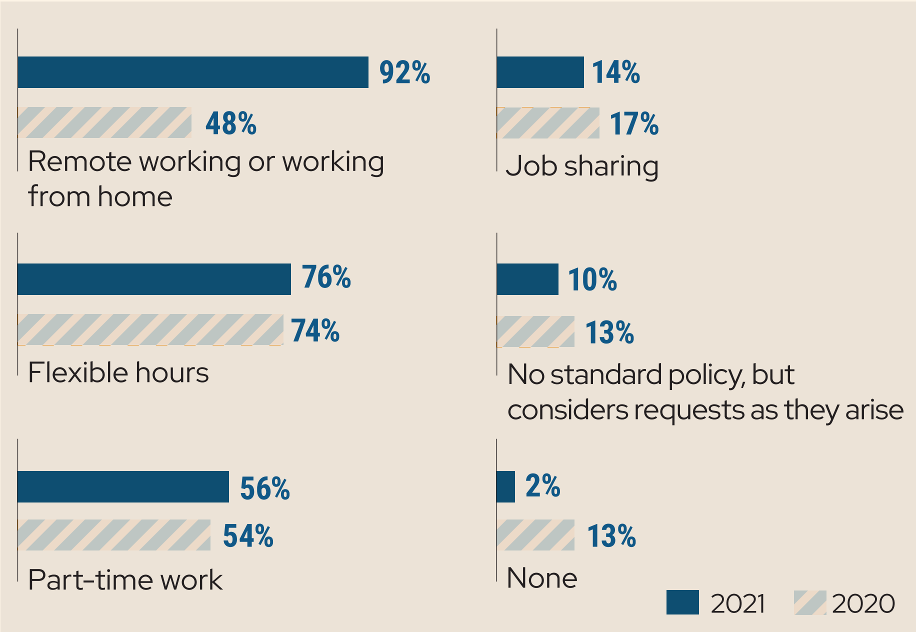
I believe that the world should empower women more, but I also deeply believe that opportunities should be given to those who have the right knowledge and skills. Therefore, empowering women means providing equal and undisrupted access to education, finance and relief from cultural and social barriers.

As Ursula von der Leyen points out in the European Commission’s ‘Gender Equality Strategy 2020-2025’: ‘In business, politics and society as a whole, we can only reach our full potential if we use all of our talent and diversity. Using only half of the population, half of the ideas or half of the energy is not good enough.’

I am confident that with support and access, women will lift up the potential of the economy and increase the wellbeing of our society. •

9 Pandemic doubles flexibility in working

Do you offer any of the following flexible working arrangements?

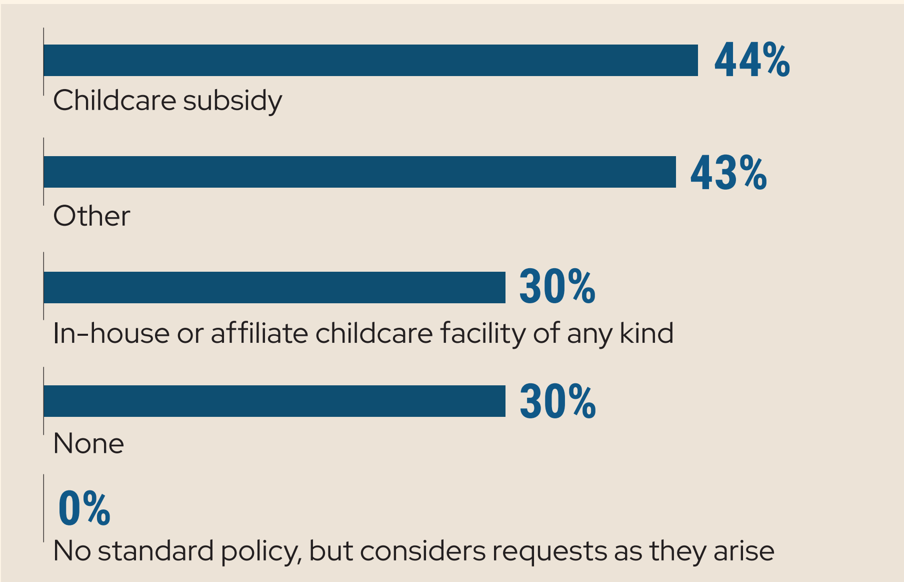


Nearly all central banks offer remote working, doubling from last year. Only four institutions, all from Asia Pacific, do not allow this arrangement. One respondent has no form of flexible working at all. When asked if any of these new working norms were established due to Covid-19, 68% of respondents replied yes.

10 Supporting parents in childcare

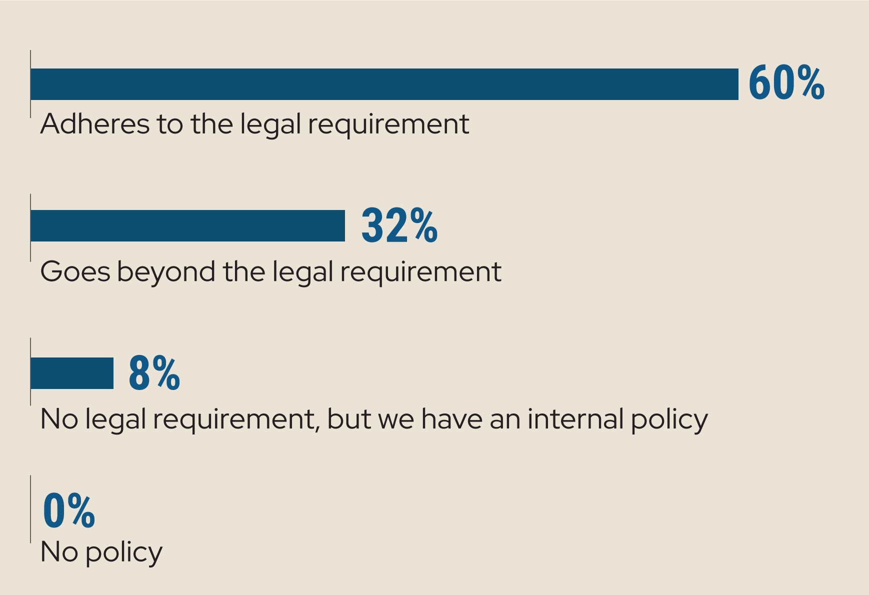
Do you offer any of the following forms of childcare benefits?

Subsidising childcare is the most common form of support, with 44% of respondents offering this. A third of respondents have a childcare facility onsite or with an affiliate organisation. The central banks of Uganda and Mexico also have breastfeeding rooms. When asked if the provision of childcare assistance was a result of the pandemic, 18% of respondents answered affirmatively.



11 Room to improve benefits for new mothers

Which of the following describes your maternity leave policy?

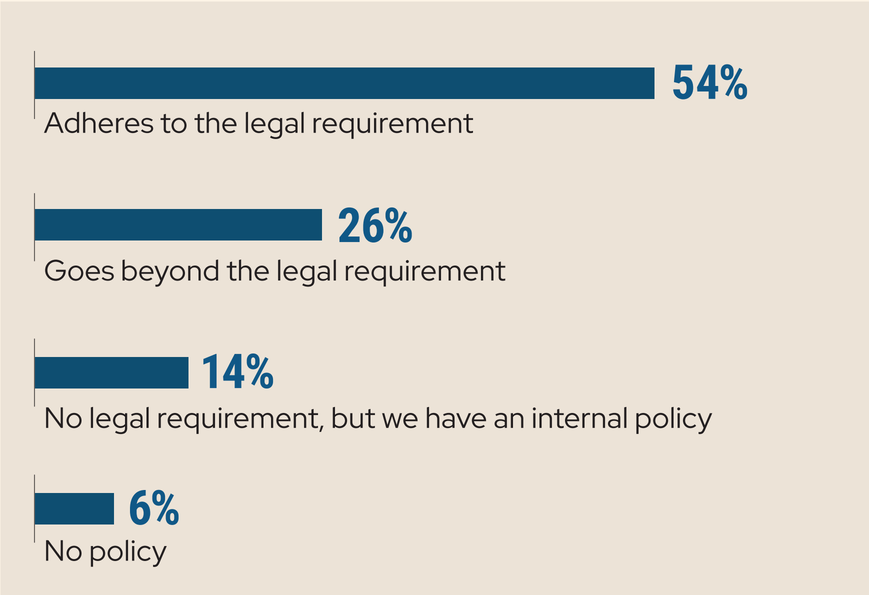


Supportive maternity leave packages can help attract and retain more women, especially as they progress to senior roles. While all respondents grant maternity leave, only 32% go beyond the statutory minimum. In these cases, institutions offer higher pay, more days of leave or both. Three respondents are not legally mandated to grant maternity leave but offer it nonetheless.

12 Paternity leave not a priority

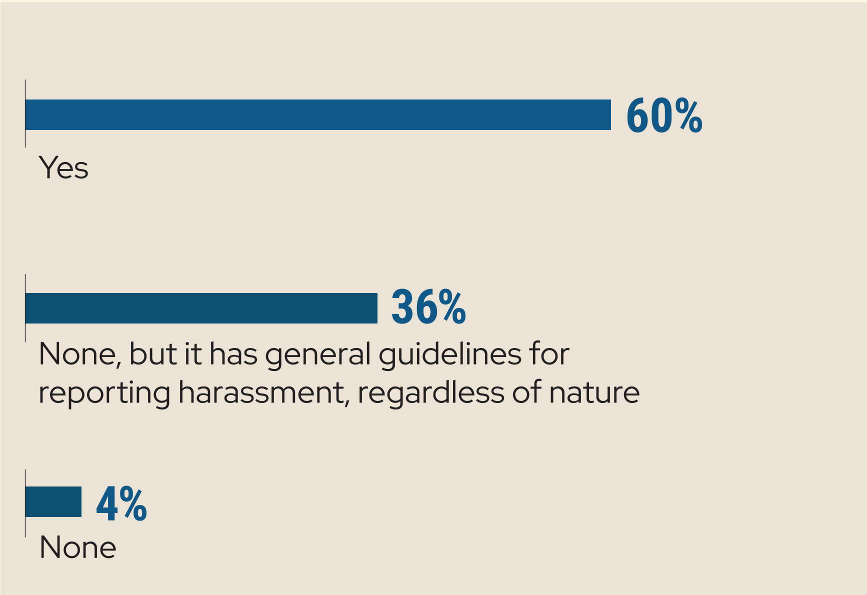
Which of the following describes your paternity leave policy?

Paternity leave can help remove the stigma on women taking time off for childbirth and childrearing. Nearly all respondents offer some form of paternity leave, but 6% do not. Around a third of respondents have packages that go beyond what is legally prescribed and 14% offer it despite not being required to.



13 Cracking down on sexual harassment

Does your staff handbook or any similar document contain guidelines on reporting sexual harassment and handling such complaints?

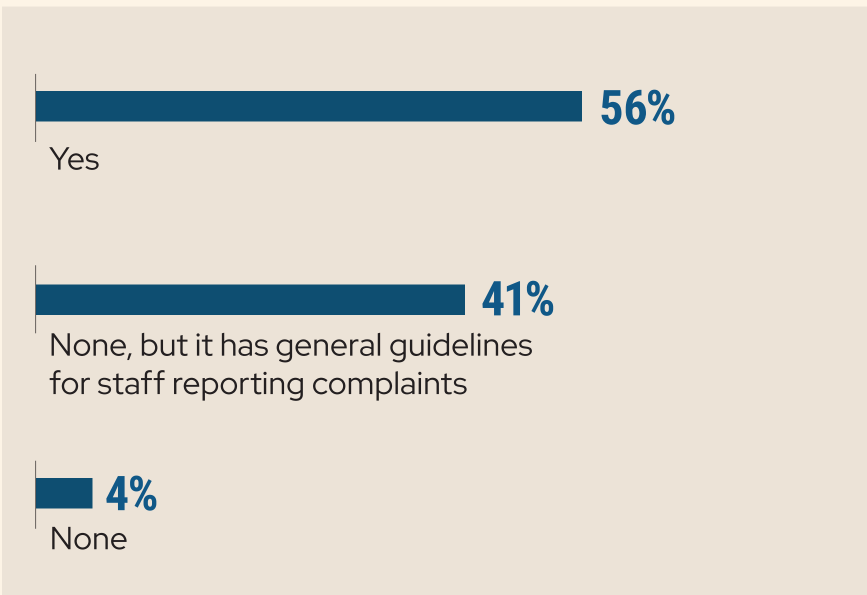


Safe work environments can help female retention and progression, especially if women know that there are safeguards against sexual harassment. Overall, 96% of respondents have guidelines for reporting harassment and 60% have guidelines specifically for dealing with sexual misconduct.

14 No place for discrimination

Does your staff handbook or any similar document contain guidelines on reporting discrimination and handling such complaints?

Policies against discrimination can make a workplace more inclusive. To handle complaints of discrimination, 56% of respondents have a set policy for staff. Another 41% say they have guidelines for handling complaints in general, whether or not these are related to discrimination.



Act now to close the gap

We must take action and measure impact in the workplace

Aniela Unguresan
Co-founder of EDGE Certified Foundation

OVER the last decade, equitable workplaces have become a shared aspiration for organisations and their employees. There has been a deepening understanding that ambition, competence, determination and resourcefulness do not come with gender labels. Increasingly organisations want to give equal value to the contributions their employees bring to the table, irrespective of their background or gender.

As a result, many chief executive officers and leaders pledged to focus on closing the workplace gender gap. There was great promise in the air. Perhaps we had finally reached a tipping point.

But now, a full year into the Covid-19 pandemic that has disrupted every single aspect of our lives, we could not help but wonder if we have moved beyond debating gender equality in the workplace. Are we actually implementing solutions and measuring their impact?

The answer might not be the one we would like to hear. One in four women considered downshifting their careers or leaving the workforce entirely due to Covid-19 challenges. Less than half of organisations that believe improving diversity and inclusion is important have a documented strategy for achieving gender equality.

We must be more ambitious. The pursuit of workplace gender equality is not an optional item for strategic agendas. It is a requirement. Organisations need to show sustained commitment and action on gender parity, especially in deeply disruptive times such as these. It can be done. It needs to be done.

EDGE Certification has worked with organisations in 44 countries and 29 different industries, in both the private and the public sectors, to transform their workforce by measuring, accelerating and certifying gender equality. Each of these organisations faced challenges, including the availability of female talent, regulatory requirements, reporting obligations and gender norms and expectations in their countries of operation. Yet each of them is using their work with EDGE Certification to tackle the challenges in an intentional, prioritised and measured way.

The first step in this journey is a rigorous assessment of processes and outcomes as well as quantitative and qualitative indicators. This assessment looks at gender representation along the talent pipeline, pay equity, the effectiveness of policies and practices that ensure equitable career flows and the inclusiveness of the culture.

The second step involves action. The assessment forms the basis of a focused plan to boost strengths and seize opportunities for improvement.

Once the plan is defined, the next step involves transparency in implementing it and accountability for results. All this will help improve gender representation and shift the culture to be more inclusive.

The final step involves external validation and recognition of progress and results through independent third-party verification. Such external validation is key, as it makes change not only visible but also credible to internal and external stakeholders.

‘The pursuit of workplace gender equality is not an optional item for strategic agendas. It is a requirement’

Rigorous assessment. Focused action plans. Transparency and accountability. Third-party verification. This is a straightforward yet highly effective path to make the workplace gender gap a thing of the past. Following it requires long-term commitment, focus and resilience but the pay-off makes it all worthwhile.

Today’s circumstances allow us the extraordinary opportunity to rethink organisations as never before. We can place innovation, creativity, flexibility, gender equality and human dignity at the heart of how we measure success. This opportunity is rare. Let us not waste it. •

No more gender-specific careers

Whether you're a man or a woman, the work is the same

Caroline Abel
Governor,
Central Bank
of Seychelles

CENTRAL banking has traditionally been a male-dominated industry. A quick glance at the four-decade history of the Central Bank of Seychelles reflects this reality. Of the six governors the institution has had, five were men. The Board of Directors has also been typically composed of men, with the first female deputy governor appointed in 2005.

Women were traditionally and culturally ascribed to nurturing roles like teachers and nurses, or in supporting roles like clerks and personal assistants. Things have since evolved, and today, women are successfully employed in roles previously attributed to men. Gender should no longer be a barrier for women in central banking.

The key to ensuring that both men and women can aspire to join any line of work is for every organisation to value diversity and inclusion. For this reason, CBS does not impose a quota system or preference for one gender in its recruitment process. Instead, we have always believed in hiring the best candidates who meet the requirements of the post.

Women account for 65% of our workforce. At the management level, the split is about 50/50 and 37% of the Board of Directors are women.

Our institution creates a work environment that encourages high performance from our staff. We allow for flexibility in working hours and provide all the necessary technical support for staff to work from home, which caters for individual circumstances, especially during the Covid-19 pandemic. We provide cross-departmental training, enabling staff to move across the institution. And we have a clearly defined competency framework which informs staff of what is expected of their performance.

Last year, we launched an Executive Development Programme, providing a group of employees identified as having the potential to be future leaders with relevant training and mentoring. The group comprises a good proportion of women, although gender was not a criterion for selection. This is yet another step forward in bolstering CBS' succession plan and ensuring gender diversity in the institution's senior management.

These initiatives ensure that all team members are given the encouragement and opportunity to reach their full potential and advance in their careers, regardless of their gender. I believe that ensuring men and women receive the same opportunities help women stay in the field longer.

From a broader perspective, I would say that women in Seychelles have plenty of encouragement and opportunity to pursue careers in finance and economics. The education system is fully inclusive, giving equal opportunity to girls and boys alike.

CBS is helping to increase the local pool of qualified professionals in the field. In 2018, we launched the Guy Morel High Achievement Scholarship programme, offering two scholarships in financial fields each year. The programme aims to attract the best talents based on academic performance. The first two awardees were both female.

> **'Gender should no longer be a barrier for women in central banking'**

We have also taken financial education to primary schools in several sessions throughout 2020. These efforts are targeted at introducing children to financial matters from an early age. Nurturing interest in this, coupled with equal opportunities to study and develop potential in a chosen career, are crucial for encouraging both men and women to pursue jobs in these fields.

In my role as governor, being a man or woman is not important: what matters most is the support and dedication of your team, along with the ability to approach your duties with zeal and confidence. Economic and financial circumstances do not change depending on whether the governor is male or female, and the same decisions need to be made.

Careers should not be gender-specific. As long as an individual is willing to work hard, he or she should be able to work in any chosen field. •

Banks fail to live up to their promises

Many European firms score terribly in OMFIF's first gender balance index for commercial banks. The industry as a whole needs to do a lot better.

By Clive Horwood

FOR many years, and in some cases decades, the world's leading banks have done far more than pay lip-service to gender diversity within their organisations. They have appointed entire divisions within human resources or built dedicated diversity and inclusion departments to improve policies.

This was badly needed in an industry that was, for far too long, not just dominated by men, but downright unfriendly to women. Banks have brought in company-wide training programmes, paths to progress, mentoring and leadership schemes. They have changed their hiring policies and narrowed the pay gaps. In the financial terms that a bank would understand, they have invested heavily – well into the billions of dollars globally over the past 10 years – in improving their gender balance.

And what do they have to show for it? Sadly, according to OMFIF's Gender Balance Index, nowhere near as much as these banks' leaders, the women who work for them and the people leading their diversity efforts, would have liked or expected.

This year OMFIF extended its proprietary methodology – used to measure the gender balance of central banks for eight years now – to a curated group of 50 banks globally. They are in themselves a diverse group: 20 from Europe, 10 from North America, 10 from Asia Pacific and 10 from the emerging markets. These are big banks, most of them with a substantial international business, and many could be considered among the more enlightened firms in the industry.

'European banks have the worst representation of women on their executive committees of any region'

There is other research relating to the banking industry which measures gender balance, but these alternatives tend to look at an entire institution rather than at the very top levels. Often banks claim a good record on diversity overall. Typically women are over-represented at the lower end of the corporate ladder, for example, in branches or administrative roles. But the real proof of a level playing field is whether a firm is balanced at its most senior levels.

OMFIF's model focuses purely on the upper management of an institution. It assigns points based on seniority of role – the CEO scores the most, a board member the least, the executive committee in the middle – and then allocates them based on whether the role is held by a man or a woman. OMFIF tracked more than 1,300 executives and board members at the 50 institutions we selected.

An institution with a perfect gender balance would score 100. The average score of the 50 banks in this survey was 29.9.

A deeper dive into the data reveals further disappointment. If a bank scores 50 in the index, it means that female representation at senior management levels is half that of men, or one-third of the total. Just six banks out of 50 in the sample (or 12%) scored 50 or more. Among the central banks covered in this report, more than a quarter scored 50 or more.

Let's adopt a threshold used in gender and diversity analysis – the 30% club – but turn this on its head. How many banks score less than 30 in the index? More than half: 26 out of 50.

Perhaps most surprising of all, 13 of the 20 European banks covered in the survey score less than 30. Just one – NatWest, which has a female CEO and female CFO and which ranks third overall – scores more than 50. The gender balance scores of banks such as Deutsche, Barclays, UniCredit, Intesa Sanpaolo and HSBC have more in common with banks in the Middle East and North Asia than they do with most in the US and many in the emerging markets.

In many cases, scores for European banks are boosted by the relatively high female representation on their boards – 35% in total (see Figure 1). While welcome, these positions do not indicate a real balance of opportunity in a bank as they are made by appointment. When it comes to women rising to the top of the business, European banks underperform.

The European banks have the worst representation of women on their executive committees of any region: just 20% of the 250-plus Exco roles at European banks were held by women. And 48% of these women were in administrative roles, which means they are less likely to rise to the C-suite (page 53). Put another way, right now there are only 27 women across 20 top European banks running profit and loss-based operating divisions. The pipeline of future women CEOs in Europe looks disturbingly empty, which is ironic given that all three of the female CEOs in OMFIF's study lead European banks.

The further up the corporate ladder you look, the worse the performance of the entire banking industry. When we concluded our research at the end of January, only 15% of C-suite roles in our global sample were held by women (see page 53).

1. Women under-represented across the banking industry

Number and percentage of women on executive committees and boards of directors by region

Source: OMFIF Gender Balance Index 2021

All

Region	Total individuals in executive committees and boards	Total women in executive committees and boards	% of total individuals
NA	305	99	32%
EU	555	158	28%
AP	247	56	23%
EM	207	40	19%
Global	1,314	353	27%

Executive committee members

Region	Total executive committee members	Female executive committee members	% of total executive committee members
NA	171	50	29%
EU	256	52	20%
AP	143	31	22%
EM	105	22	21%
Global	675	155	23%

Board members

Region	Total board members	Female board members	% of total board members
NA	134	49	37%
EU	299	106	35%
AP	104	25	24%
EM	102	18	18%
Global	639	198	31%

1,314
Total executives and board members tracked by GBI

353
Total female executive and board members

961
Total male executive and board members

The banks getting it (somewhat) right

No commercial bank analysed by OMFIF came close to achieving the perfect balance score of 100 (although three institutions in the public sector covered elsewhere in this report did so).

The best performer by a margin was ANZ. The Australian bank scores highly in the GBI – 83.3 to be precise – for practising what it preaches. 'Gender balancing our organisation is a business imperative,' the bank says. 'Ensuring the equal representation of women and men in our leadership teams is more than just an issue of gender equality – it's about accessing the talent, markets and economic opportunities that gender equality brings.'

ANZ has several policies to promote this. It ensures that a female candidate is interviewed for every role, and that all interview panels contain at least one woman. All roles can be worked flexibly. And it has a 'notable women' programme which focuses on building the confidence and capability of senior female leaders so that they can be promoted as experts; this has now been expanded to include leaders deeper in the organisation.

It's clearly working (and there is something to learn from Australia, with Commonwealth Bank coming fourth in the overall rankings). While Shayne Elliott has been CEO of ANZ for five years, the executive ranks below him are full of women. Alexis George is deputy CEO, while Antonia Watson runs its business in New Zealand. However since the conclusion of our research, CFO Michelle Jablko has left the bank and her acting replacement is a man.

JPMorgan Chase isn't just the world's most valuable bank, it's a global leader in diversity as well. The US firm comes second in the inaugural GBI rankings for commercial banks. Its three most senior executives – CEO Jamie Dimon and presidents Daniel Pinto and Gordon Smith – are all men. But of the remaining 15 members of the firm's executive committee, the majority – eight – are women. They include CFO Jennifer Piepszak and until recently Thasunda Brown Duckett, the former CEO of consumer banking who has just been appointed CEO of TIAA, one of the US's biggest funds.

That level of diversity doesn't run quite as deep at the next level down – 30% of the top 200 executives at JPMorgan Chase are women. But the culture is clearly embedded across the firm.

'A company cannot be at its best if its talented people cannot see themselves in its senior leaders'

Sam Saperstein, JPMorgan

JPMorgan has an internal initiative called 'Women on the Move'. Headed by Sam Saperstein, a former financial journalist and investment banking analyst, the programme is designed to provide women with the opportunities to succeed in their personal and professional lives. It is aimed both at JPMorgan's employees and its clients.

Saperstein appears to take genuine pride in running such a programme at an institution that embraces diversity at all levels. But that top level is very important. 'A company cannot be at its best if its talented people cannot see themselves in its senior leaders,' she tells OMFIF.

Citi comes joint fifth in the rankings, but since the research period concluded it has created history by appointing Jane Fraser as its CEO – the first female CEO of a major Wall Street bank. Other banks will perhaps be jealous that Citi hit that milestone first, but its rivals would also do well to take notice of the forensic approach the US bank takes to diversity.

In 2017 Citi became the first major bank to disclose its adjusted pay results (adjusting for factors such as job function, level and geography), and the following year it became one of the first companies to disclose the unadjusted or 'raw' pay gaps for both women and US minorities. The raw pay gap shows the need to improve female representation in senior roles. In 2020 on an adjusted basis, women globally were paid on average more than 99% of what men were paid at Citi: in other words, equally. The latest raw gap analysis showed that the median pay for women globally is better than 74% of the median for men.

Citi's global head of human resources, Sara Wechter, says that, 'These disclosures hold us accountable for the progress we want to make in being a diverse and inclusive company. They also send an important signal to our colleagues, clients and partners about how we are continuously working to get this right.' To narrow the raw pay gap, Citi is aiming to increase representation at the assistant vice president through to managing director levels to at least 40% for women globally.

Several emerging-markets banks performed well. For example Akbank, from Turkey, comes fifth in the overall rankings with a score of 50. Two African banks are also in the top 10: South Africa's Standard Bank and Nigeria's GTBank. Thailand's SCB sits just outside the top 10, in 13th place.

The banks getting it badly wrong

Banks in some regions have a lot of work to do, if they have the appetite to do it. Both of the Latin American banks in the sample – Bradesco and Banco do Brasil – score less than 10 in the index. The same applies to Emirates NBD and FAB Group in the Middle East.

Chinese and Japanese banks also perform poorly. Japan's banks have been notably slow in promoting women, so it's no real surprise that Mizuho Bank, the country's sole representative

29.6
Average score for all banks

40.1
Average score for US banks

28.4
Average score for European banks

27.6
Average score for emerging markets banks

23%
Women on executive committees globally

29%
Women on executive committees in North America

20%
Women on executive committees in Europe

31%
Women on boards of directors globally

in the rankings, is one of the lowest rated banks. It has no senior female executives and just one female board member. At least she is the chairman of the board, Izumi Kobayashi.. Mizuho has no senior female executives and only one woman on its board.

ICBC and Bank of China both appear in the bottom 10 of the GBI rankings. Neither bank has a female member of its executive committee, but both have several women on the board of directors.

Can we put the poor performance of banks from these countries down to the fact that they remain male-dominated societies? Should we cut them some slack as the generational shift that has clearly happened in the US, and is starting to happen elsewhere, takes root?

It would be easy to do so. But evidence from OMFIF's research suggests that is too convenient an excuse. Institutions from these regions can do better today.

In Latin America, Peru's Fondo de Estabilizacion Fiscal comes 17th among global sovereign funds with a score of 47. The Central Bank of Belize comes 10th in that ranking of 185 institutions, with a score of 87, and the Colombian central bank ranks 39th.

Good examples are harder to find in North Asia. But the Fiscal Stability Fund of Mongolia ranks 32nd among sovereign funds, while the Hong Kong Monetary Authority comes 79th in the central bank ranking.

In the Middle East, Mumtalakat Holdings of Bahrain comes 10th overall in the GBI sovereign fund rankings with a score of 54. The Bahraini central bank scores 48 and Egypt's central bank 41.

Earlier this year FAB – the UAE's biggest lender – made history when it appointed Hana al Rostamani as its new group CEO. She was previously deputy CEO and head of personal banking. It's a landmark moment for banking in the Middle East, but al Rostamani needs to be more than just a figurehead: before her promotion, she was the only woman on either FAB's executive committee or its board of directors.

North America leads the way

Three of the top 10 banks in our ranking are from North America – JPMorgan, Citi and Bank of America (10th). That is fewer than you might expect given the long-term commitment of banks in the region to a diversity agenda. But the strength of North America lies in the fact that there are no bad actors in this group. The lowest ranked firm from the region, Morgan Stanley, is 27th out of 50.

The average score of North American banks, at 40, is more than 10 percentage points higher than the average for Europe and Asia. Some 29% of its banks' executive committee members are women, compared to an average in the other three regions of 21%. Higher up the governance tree, 37% of these banks' board members are women. In total, North American banks are essentially meeting or surpassing the goals set by the 30% Club.

13.5
Average size of executive committees

3.1
Average number of women on executive committees

12.8
Average size of bank boards

3.9
Average number of women on bank boards

There's a strong chance that US banks will continue to outperform. The next tier down from the senior management team is, in some cases, very well- balanced. They are also transparent. For example, Bank of America has, since 2019, published a Human Capital Management Report which details all of the bank's initiatives, achievements and shortcomings in diversity and inclusion. It also provides direction from the top – chairman and CEO Brian Moynihan chairs the bank's Global Diversity & Inclusion Council.

The 2020 report brought positive news: among BofA's top three levels of management, more than 40% of the senior executives are women. Vice Chair Anne Finucane, Chief Operations and Technology Officer Cathy Bessant and President of the private bank Katy Knox are among Moynihan's chief lieutenants.

What's holding back Europe's banks from matching the performance of their US peers? That's the question most of the region's CEOs who care about diversity – and most of them do – need to consider.

It seems unfair to pick out one European bank in comparison, but let's choose one in the middle of the pack. Credit Suisse ranks 32nd overall out of 50 banks (and 11th out of 20 from the region) in the GBI rankings with a score of 25. This is a bank that takes its commitments to sustainability and diversity seriously. Its Head of HR, Antoinette Poschung, Head of Sustainability, Research and Investment Solutions, Lydie Hudson, and Chief Risk Officer, Lara Warner, all sit on the executive committee. Credit Suisse scores poorly in part because its CEO, CFO and all four executives running its main business divisions are men.

It has a strong culture of promoting diversity and inclusion policies and is transparent in its performance. And yet the pace of progress is painfully slow. At the end of 2019, women accounted for 22% of senior management positions (defined as director and managing director). The figure for 2015 was 18%. The ratio has risen by one percentage point each year.

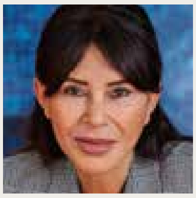
The journey to balance is a long one, and it requires commitment. Life at the top of one of the world's biggest banks can suddenly be cut short. Diversity and inclusion experts say it can take 10 to 15 years to really see the fruits of transformation, and not many CEOs last that long. But they can inspire an institution-wide culture and promote programmes that make a real change. The result of OMFIF's research is clear: all banks need to do more; some banks need to do much, much better. •

Top 50 commercial banks Source: OMFIF Gender Balance Index 2021

Rank	Commercial bank	Country	Region	Score	Female CEO	Other female C-suite executive	Female presence in top management and/or boards
1	Australia and New Zealand Bank (ANZ)	Australia	AP	83	No	2	Yes
2	JPMorgan	US	NA	70	No	1	Yes
3	NatWest Group	UK	EU	55	Yes	1	Yes
4	Commonwealth Bank of Australia	Australia	AP	51	No		Yes
5	AKBANK	Turkey	EM	50	No		Yes
6	Citi	US	NA	50	No	1	Yes
7	Standard Bank	South Africa	EM	47	No		Yes
8	Commerzbank	Germany	EU	44	No	1	Yes
9	Guaranty Trust Bank (GT Bank)	Nigeria	EM	43	No		Yes
10	Bank of America	US	NA	41	No	1	Yes
11	Handelsbanken	Sweden	EU	41	Yes		Yes
12	Nordea	Denmark	EU	40	No		Yes
13	Siam Commercial Bank (SCB)	Thailand	AP	40	No	1	Yes
14	Goldman Sachs	US	NA	39	No		Yes
15	Scotiabank	Canada	NA	37	No	1	Yes
16	BNY Mellon	US	NA	37	No	1	Yes
17	Santander	Spain	EU	36	Yes		Yes
18	DBS Bank	Singapore	AP	33	No	1	Yes
19	Royal Bank of Canada	Canada	NA	33	No		Yes
20	Societe Generale	France	EU	32	No	1	Yes
21	Credit Agricole Group	France	EU	32	No		Yes
22	Wells Fargo	US	NA	32	No	1	Yes
23	SberBank	Russia	EM	31	No	1	Yes
24	State Street	US	NA	31	No		Yes
25	Standard Chartered	UK	EU	29	No		Yes
26	OCBC Bank	China	AP	29	No	1	Yes
27	Morgan Stanley	US	NA	29	No		Yes
28	ING	Netherlands	EU	28	No		Yes
29	Absa	South Africa	EM	27	No		Yes
30	BBVA	Spain	EU	27	No		Yes
30	Lloyds Banking Group	UK	EU	27	No		Yes
32	Credit Suisse	Switzerland	EU	25	No		Yes
33	UBS	Switzerland	EU	23	No	1	Yes
34	BNP Paribas	France	EU	22	No		Yes
35	CaixaBank	Spain	EU	21	No		Yes
36	Bancolombia	Colombia	EM	20	No		Yes
37	HSBC	UK	EU	18	No		Yes
38	UniCredit	Italy	EU	18	No		Yes
39	Intesa Sanpaolo Group	Italy	EU	17	No	1	Yes
40	Barclays	UK	EU	16	No		Yes
41	Deutsche Bank	Germany	EU	16	No		Yes
42	Bank of China	China	AP	11	No		Yes
43	CIMB	Malaysia	AP	10	No		Yes
44	First Abu Dhabi Bank	UAE	EM	10	No	1	Yes
45	HDFC Bank	India	AP	10	No		Yes
46	Bradesco	Brazil	EM	9	No		Yes
47	Mizuho	Japan	AP	8	No		Yes
48	ICBC	China	AP	8	No		Yes
49	Emirates NBD	UAE	EM	5	No		Yes
50	Banco Do Brasil	Brazil	EM	2	No		Yes

People and community come first

Companies who value diversity perform better



Suzan Sabanci Dinçer
Chairman,
Akbank

AKBANK was founded 73 years ago to support the financial needs of local cotton producers in Adana, Turkey. Therefore our founding mission was to support the needs of our community. This sense of responsibility has been a core motivation in our way of doing business throughout the years, which has led to Akbank's success as a pioneering institution in Turkey in terms of sustainability. We have always been working on a broad range of sustainability issues in line with our vision, to be the leading bank that drives Turkey into the future.

In order to attain this vision, we have recently reinforced our efforts in sustainability, and defined four key focus areas, one being 'people & community'. We strongly believe that empowering and creating value for our employees and communities is crucial for our future. For this reason, diversity and inclusion are among the main pillars of our people and community strategy.

We are fully aware of the fact that promoting diversity and creating an inclusive workplace is imperative for driving meaningful positive change in society. It is also an advantage and a great asset for business performance, enabling companies to tap into a larger talent pool and benefit from a more diverse set of talents, skills, unique perspectives and ideas.

It has been proven that companies who value diversity and shape their strategy accordingly perform better than those who don't. All this requires a systematic and well-adopted approach throughout the company. At Akbank, we aim to implement a robust diversity and inclusion plan that focuses on gender equality, empowering younger generations and embedding ESG considerations both at organisational and individual level. We are also members of initiatives that promote the advancement of women in the workplace, Women's Empowerment Principles and the 30% Club.

At Akbank, 53% of our workforce are women, with an even higher ratio (56%) in revenue-producing roles. I am also very happy and proud that a notable part of our senior executive positions are held by women. We are currently working on a D&I strategy to increase the diversity range and a policy document to publish both to employees and to our stakeholders that show our commitment to create diverse and inclusive teams throughout the bank.

Our strategy is not a set of ad-hoc activities; it is composed of continuous plans for improvement. As a part of this strategy, we are closely tracking not only gender diversity in senior roles, but also across the workforce. Gender-based turnover ratios and career path movements, as well as inclusion of women in structured training programmes, are being monitored to support gender diversity.

Disclosure of data and practices on gender equality is also crucial to driving meaningful change in our sector of society. We inform our stakeholders in the most transparent way possible. We are proud to have been included in the Bloomberg Gender Equality Index, which measures the performance of companies committed to gender equality, scoring higher than global and sector averages.

'Promoting diversity and creating an inclusive workplace is imperative for driving meaningful positive change in society'

Creating and sustaining a working environment with equal opportunities for everyone regardless of their gender, age, disability, race or belief is an integral part of our business. Building on this vision, Akbank has designed its post-pandemic working model. While taking a bold step into the future of work by making flexibility a permanent part of our working model, we ensured to make inclusion and diversity our top priorities.

This new model, which allows Akbank to bring in the most skilled people regardless of their gender, disability, or geographical restrictions, really excites me on the future of the Akbank family. I am very happy to see that Akbank's motivation to create lasting value for all stakeholders is well-reflected in our approach to promoting diversity across the bank. •

DZ BANK
Bank on Germany

Increasing access to finance

Commercial banks have an important role to play in gender diversity

Marcus Pratsch, Head of Sustainable Bonds & Finance, DZ BANK AG

GENDER equality is necessary for a peaceful, prosperous and sustainable world. Women and girls represent half of the global population and therefore half of its potential. In the labour market, gender equality is important for economic growth and the success of commercial banks.

The United Nations sustainable development goal 5 and its subgoals impact gender equality in commercial banks in two ways:

• Career and leadership opportunities: ensuring women's full participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.

• Access to products and services: undertaking reforms to give women equal access to economic resources, ownership and control over land and other forms of property, financial services, inheritance and natural resources, in accordance with national laws.

Opportunities in commercial banks have opened up for women in recent decades as a result of legislative, societal and cultural changes.

Many commercial banks have started to look at the workplace differently by creating and implementing a gender diversity policy. The banking industry has reached parity in employee representation: women represent on average more than 50% of employees. Nevertheless, there are still strong regional and cultural differences that impact progress around the world.

Despite these advances, the glass ceiling remains in many commercial banks. This applies to both middle and executive management. Women are underrepresented in leadership positions, as they generally remain in lower-paying entry- or mid-level positions.

In some parts of the world, women are still excluded from the economy. Especially in low-income countries, women do not enjoy the same access to financial services as men. More than 50% of all those without a bank account are women. Equal access to the full range of financial services and financial education creates the environment for social and economic empowerment for women.

However, commercial banks often focus on men and formal businesses, neglecting the women who make up a large and growing segment of the informal economy. Closing the financial inclusion gap remains one of the most important and urgent priorities on the commercial banking agenda.

Gender diversity creates many opportunities for commercial banks internally and externally. Greater female representation in decision-making can lead to better tailored products and better investment decisions. Gender diversity in boards increases diversity of ideas by introducing different perspectives and problem-solving approaches. It can also improve the reputation of a bank in the sector.

'It is the responsibility of commercial banks to tailor financial services to support women'

Gender diversity is found to increase the competitiveness of the commercial banking labour market, boost productivity gains, generate higher returns and expand the talent pool from which commercial banks can draw. When jobs become more gender-inclusive, it redefines women's roles in society, creating more opportunities and a sense of social cohesion.

Closing the financial inclusion gap benefits households, communities and society. Commercial banks can play a crucial role in creating the environment for this financial access. It is their responsibility to tailor financial services to support women.

By doing so, commercial banks also play a major role in the economic development of countries. They can shape new and innovative products for financial inclusion and thus gain in reputation and expertise. •

C-suite still leaves sour taste

The recent appointment of women to high-profile bank CEO roles is encouraging. But OMFIF's research suggests progress will remain slow.

By Clive Horwood

THE first few weeks of 2021 brought a firm reminder that sexism is alive and well, even at the very top of the most prestigious institutions. Clearly, the gradual enlightenment in working environments that we've seen over the past couple of decades has not shone on every corner of corporate life.

Yoshiro Mori, the 83-year-old head of the Tokyo Olympic organising committee (and a former prime minister), told the Japanese Olympic Committee that women talk too much in meetings. His sexist remarks sparked uproar, both in Japan and abroad, and after two weeks of intense criticism Mori finally quit. His departure was heralded in some quarters as a symbolic moment in Japan – a position that was somewhat undermined by the organising committee's initial attempt to replace Mori with another octogenarian male. Eventually the role was given to a woman, politician and former Olympian, Seiko Hashimoto.

KPMG UK chairman Bill Michael also fell on his sword after an employee backlash against his comments in a town hall meeting. He said staff should 'stop moaning' (a remark often used to denigrate women) about work during the pandemic and he rubbished the notion of unconscious bias as 'complete and utter crap'. Copious apologies could not save him. His temporary replacements, Mary O'Connor (as senior partner) and Bina Mehta (as chair), are the first two women to hold those top positions at the advisory firm.

Yet women are rising to the top in financial services by more conventional routes, offering encouraging signs that a generational shift is about to take place in the CEO suite. For example, Amundi, Europe's biggest asset manager, has appointed Valérie Baudson as its new chief executive.

In banking, Jane Fraser made history in February when she became CEO of Citi, the first woman to run a major US bank. As Citi is active in more countries than any other bank, the symbolism of her appointment was powerful. Around the same time, Hana al Rostamani became the first female CEO of a leading bank in the Middle East.

In April, Helen Wong will become CEO of Singapore-based bank OCBC. Wong joined OCBC as deputy CEO two years ago following a stellar career at HSBC, where she had run the Greater China business. Fraser also took a classic route to the top: she ran Citi's Latin America franchise before taking on the important consumer banking business line, as well as becoming the firm's president.

These are not token or headline-hungry appointments. Wong, Fraser and al Rostamani have earned their positions of power and trust, and in OCBC, Citi and FAB have found corporations willing to recognise their talents free from the lens of gender bias. They follow in the footsteps of trailblazers such as Gail Kelly, the CEO of Australia's Westpac from 2008-15, and Arundhati Bhattacharya, who was chair of State Bank of India from 2013-17.

And they join an exclusive club of women running big banks today, including: Ana Botín, executive chair of one of the world's top 20 banks by

Carina Åkerström
President and Group Chief Executive of Handelsbanken

assets, Santander Group, since 2014; Carina Åkerström, CEO of Svenska Handelsbanken since 2019; and Alison Rose, who took over the UK's NatWest Group (previously RBS) in November 2019.

That's the positive news. It's less encouraging when you put these appointments in perspective.

As part of its research for the Gender Balance Index, OMFIF selected a group of 50 big banks around the world as a representative sample of the industry. When the research was completed at the end of January this year, three of the 50 banks had a woman as their top executive. From April, there will be six.

That means the proportion of women running banks in this representative sample will rise to a paltry 12% from an embarrassing 6%. It's simply not good enough from an industry that makes big claims about its positive attitudes towards diversity and inclusion.

Perhaps it could be argued that the appointments of several new female bank CEOs over the past two years represents a tipping point. And there is no doubt that more women will move into the top role in the coming years.

But the evidence from OMFIF's research suggests that progress will continue to be slow. Fraser, Wong, Rose, Akerstrom and al Rostamani were already either president or deputy CEO when they were promoted to the very top job through an internal promotion.

If this is the path to the top, don't expect to see many more female CEOs soon.

OMFIF's research shows that the representation of women in the C-suite at the 50 banks in our review is little better than at the top level. Just 15% of C-suite roles are occupied by women. Representation at CFO level is higher than at CEO level – seven of the chief financial officers in our survey are women. Just four were deputy CEO or president when the research was concluded at the end of January. Two of these have since been promoted to CEO, and their replacements had not been announced at the time of writing.

Banks in North America and Asia Pacific (19%) have better gender balance in the C-suite than Europe (14%), even though all three of the CEOs in our survey sample when conducted were heads of European banks.

In the emerging markets, where there were no female CEOs in our sample, the pipeline looks bare: just 6% of C-suite roles are held by women. However three of the 10 emerging-market banks covered by OMFIF's research have women chairing the board: Wendy Lucas-Bull at South Africa's Absa; Osaretin Demuren at Nigeria's GTBank; and Suzan Sabanci Dincer at Turkey's Akbank. In total there are six banks globally with a female non-executive chair: these three are joined by Catherine Livingstone at Commonwealth Bank of Australia, Kathleen Taylor at Royal Bank of Canada, and Izumi Kobayashi at Mizuho.

Having a female CEO certainly helps a bank's gender balance score, but it's not a golden ticket to the top. Of the 10 leading banks in our overall rankings, only one – NatWest, ranked third globally – had a female CEO. Santander ranked a relatively lowly 17th. •

Making time to talk

Remote working brings new challenges

Susan Revell
Deputy Chair and General Counsel, Europe, the Middle East and Africa, BNY Mellon

COMPANIES that actively increase the diversity of their management teams come up with better ideas, create superior services and outperform their peers financially. Harnessing differences is a business imperative. Covid-19, however, introduced new challenges to attracting, retaining and advancing a diverse pool of talent. The McKinsey 2020 Women in the Workplace survey found that the pandemic has disrupted corporate America in ways that have had a distinct impact on women, with one in four women considering 'downshifting' their careers or leaving the workforce entirely due to the pandemic.

Recent findings indicate that employees in this position feel unable to bring their whole selves to work during the pandemic and worry that their performance has been judged negatively. Caregiving responsibilities play an important role in this, with mothers bearing more of the burden than fathers. We need to address these issues before they reverse the progress towards diverse workforces made so far.

Communication is at the heart of the solution. Companies must create a culture where contact is encouraged and where there won't be negative repercussions when asking for help. Conversation and regular chats have become more important in the remote workplace.

At BNY Mellon, we have increased how often we talk to one another over the past year, led by our executives and managers. Our 'ask me anything' sessions with senior leaders give everyone the opportunity to share what is on their minds. Our employee resource groups have been invaluable, creating opportunities for conversation with 'tea and talk' and 'coffee and connect' sessions. Colleagues have spoken openly about difficulties with loneliness, general fatigue with the situation and, as highlighted in the McKinsey study, challenges with caregiving.

We've also launched campaigns like 'supporting you now' to help managers and colleagues find the tools and resources that they need, shared through monthly newsletters and manager emails.

The 'notes to self' initiative was part of our 2020 global mental wellbeing awareness campaign, which recognised the challenges of working from home. A simple message from senior executives encouraged colleagues to prioritise self-care, in whatever form works best for them. Having global leaders share their personal 'permissions' on our intranet, such as 'It's OK to feel overwhelmed by what life is throwing at me or mine', normalised this topic and opened up dialogue. The blog generated over 7,000 views and more than 100 contributions from colleagues posting their own notes in response.

Over the past 12 months, our programmes have been shaped by these ongoing conversations. Our mental health first aid network was expanded and changes to leave policy were introduced. Back-up care days were increased to 15 per employee per dependent and a virtual babysitting service was launched along with a personal resilience app. A new care leave policy lets employees take up to 10 working days of paid leave to help manage planned and unplanned life moments. These might include difficult home circumstances, unexpected emergencies, short-term medical issues affecting the health of immediate family members or short-term childcare challenges.

'A simple message from senior executives encouraged colleagues to prioritise self-care, in whatever form works best for them'

C-suites and boards recognise that empathetic leadership and a focus on wellbeing are important as we work our way through the pandemic. Covid-19 brought many challenges, increasing the risk of our workplaces losing talented women. To fight against this, we must keep lines of communication open, listen and lead with compassion, and understand how we can intervene to support those whose experience may be difficult.

We can all be proud of the resilience our colleagues have shown working from home during the pandemic. Companies need to continue to focus on the challenges and opportunities it has delivered, and to value strength in diversity in order to be employers of choice. •

Diversity and inclusion create wider talent pools

Fitch Group is providing platforms for women to succeed

Jamie Krulewitz, Global Head of Talent Programmes, Fitch Group

INCREASING diversity and improving inclusiveness is critical to Fitch Group's success.

In 2017, we created a diversity, equity and inclusion steering group, chaired by Paul Taylor, our chief executive officer, to drive accountability and establish a consistent approach to increasing diversity and improving inclusiveness. The group focuses on initiatives that offer the greatest impact.

After analysing the number of women in senior roles, we found fewer women at senior director and managing director levels than at the director level. The result is a less diverse talent pool to draw from for senior management positions.

It was essential to actively support development for women if we were to improve this.

Getting back into work after a career break can be daunting, so in 2017 we launched Fitch CreditPath. This is a full-time internship programme that welcomes women who are ready to re-enter the workforce in credit analysis and research. We provide the path. Making the most of the opportunity is up to each participant.

During the 10-week programme, we offer a combination of training, on-the-job learning, mentoring and special projects to enhance participants' knowledge and skills. Upon completion of the programme, participants are up-to-date on analytical, technical and market developments, and positioned to apply for an analytical role within Fitch.

Since the programme's launch, we have had 25 participants, of whom 19 received offers and 14 are currently employed. Allison Clark, associate director at Fitch Ratings, took part in the programme and said:

'CreditPath was something I really wanted to do because I hadn't worked in 18 years and thought it would be the perfect way to transition into working again. I was hungry to learn and the training was excellent. I learned how to present at a committee, how to command my space and feel confident. There were also more technical aspects, such as Excel training, general skills and training about financial statements that I needed to relearn and brush up on.

'I became really close with the rest of my cohort. Everyone is so supportive of each other. We were all excited to be back in the workforce. All of us, while we were at home, have been highly effective doing other things. Everyone is highly motivated and we can bring that energy and passion now to Fitch.'

Building on the success of CreditPath, we launched ForwardPath, which provides a platform for high-performing women at director level. The programme is for promising future leaders and actively supports their professional development. It offers various developmental opportunities including classroom instruction, individual development planning and coaching. A key part of ForwardPath is a special project assignment that is focused on strengthening and broadening leadership capabilities, expanding knowledge and developing business acumen. Its aim is to create a broader and more diverse leadership pool.

Denitza Ouzounova, senior director at Fitch Solutions, said: 'I think we do really have that inclusive culture here. When my ForwardPath cohort came together, it became a true celebration of diversity. We had a mix of people from different ethnic and cultural backgrounds all growing and learning together. You get this community and sense of camaraderie, which ensures that you have connected talent within the organisation who are there for each other. They become your staunchest supporters. You can teach skills and you can put people in a room to learn but you can't beat making that connection.'

'Having more diverse teams makes us stronger, more collaborative and effective. It also increases employees' sense of fulfilment'

Having more diverse teams makes us stronger, more collaborative and effective. It also increases employees' sense of fulfilment. By leveraging the backgrounds and experiences of our global workforce, we can succeed in our objective to become the first-choice provider of credit ratings, analysis, solutions and training to the global financial markets. •

Banks need to redefine their senior role models

A lack of women running banks' biggest revenue-generating divisions shows they need to pay as much attention to the types of role their senior female bankers have as they do to the overall numbers.

By Clive Horwood

IT'S 2030 and the global banking industry is celebrating. Decades of commitment to diversity and inclusion policies and a focus on gender balance have paid off. In a symbolic moment that matches the year, 30% of the CEOs of the world's 50 leading banks now have female chief executives. The 30% Club is now, in banking at least, a reality rather than a goal.

Let's pause our vision of the future, and wind back to the present. In 2021, the prospect of the number of female CEOs reaching that level by the start of the next decade seems unlikely, but not impossible. They will all be women who have worked their way up to the top by running some of the most important business lines in the banks where they work. A future CEO must gain experience of running a profit and loss division. They are likely to have been heads of consumer, commercial or investment banking, CFOs or COOs.

The banking industry faces two major hurdles in this respect, as OMFIF's research for the Gender Balance Index reveals. First, those P&L roles are still dominated by men. Second, a disproportionate number of senior women are in administrative or operational roles.

This matters. While gender balance is important throughout a company, who sits at the top – and, equally, who is in the running to sit there in the future – sends an important signal to all employees.

Executive committees have expanded in recent years to include more administrative roles. But these important functions typically had limited influence in the past.

Take the role of head of human resources, or diversity and inclusion. These executives are driving policies that don't just make their bank fairer and more representative. Research shows that these policies also improve business performance and returns for their shareholders. Companies benefit from the presence and contributions of other internally-facing executives such as chief administrative officers, heads of audit, communications directors and general counsels.

But these executives are not future heads of P&L divisions, let alone budding CEOs.

OMFIF undertook detailed research of the types of role held by executive committee members for the 50 global commercial banks we selected for the GBI. The findings reveal for the first time the scale of the problem the banking industry needs to address.

In our survey sample, there were 520 men on bank executive boards around the world: 85% of these men were running business divisions with a P&L, whereas only 15% of the male executives were in administrative roles. Contrast that with the 155 female executives in the study: nearly 40% of them were in administrative roles.

Put it another way: of the 536 executive committee members who are currently running P&L divisions at the 50 leading banks and who form the potential pool of future CEO candidates, just 18% are women. This puts a 30% target for female CEOs into stark perspective.

Many banks in our sample had either one or no female executives in P&L roles. Some only had female Exco members in administrative functions.

For example, of the 14 members of Barclays' executive committee, only two are women and they run human resources and public policy. Credit Agricole has four female Exco members, and three of them are in non-P&L roles. The fourth is chief risk officer.

Even if a woman is CEO, it does not follow that the bench of female talent running business divisions beneath them is full. At NatWest, CEO Alison Rose is joined in the C-suite by CFO Kate Murray. As such, they are a rare female duo in global banking. But the four other female members of the executive committee – the heads of HR, transformation, marketing and governance – all have administrative or internal-facing roles.

Jane Fraser has just taken over as Citi's CEO, having run a number of business lines on her path to the top. But when she looks around her executive committee table or Zoom screen, she won't see many people on a similar trajectory. The four other female members run compliance, administration, audit and human resources.

Only a handful of the banks in OMFIF's sample had at least four women in executive committee roles where the majority were running P&Ls. No European bank met these criteria. Top among those banks that did was JPMorgan, where five of the eight women run some of the bank's most important business lines, such as Mary Callahan Erdoes in asset and wealth management and Marianne Lake in consumer lending. Morgan Stanley has four female Exco members, and three of them run business divisions, including Susan Huang – a rarity as head of investment banking.

Alison Rose
CEO, NatWest

And it's not just US banks doing well in this regard. Thailand's SCB has a female president of the bank, as well as women running the small and medium-sized enterprise, insurance and retail banking divisions.

The banking industry needs to address the paucity of women running their most important divisions. Our sample of 50 banks shows that barely any of them have a woman in charge of wholesale or investment banking. The latter business, long characterised as a testosterone-fuelled, eat-or-be-eaten world, remains dominated by men. Will that culture change, allowing more women to rise to the top?

And on the flip side, look at the heads of human resources: women dominate this field. Is this because the role requires so-called 'softer' skills? Does that stereotype the women who hold these positions today, or exclude men who might also bring the required skills to the job? Does there need to be a culture change here too?

Does real gender balance mean that all roles should have, or at least potentially have, equal representation? Time will tell. But it is clear from OMFIF's research that banks need to pay as much attention to the types of roles their senior female bankers have as they do to the overall numbers, if more women are to rise to the very top of the industry. •

1a. Type of role held by women on executive committees

39% - Administrative roles
61% - Revenue-generating roles

1b. Type of role held by men on executive committees

15% - Administrative roles
85% - Revenue-generating roles

2a. Administrative roles: HR, administration, corporate services, compliance, audit, legal, group counsel or public affairs

Region	Female executives in administrative roles	% of women in executive committees	Male executives in administrative roles	% of men in executive committees
NA	18	36%	14	12%
EU	25	48%	43	21%
AP	10	32%	13	12%
EM	7	32%	9	11%
Global	60	39%	79	15%

2b. Business roles: Executive committee members who are in P&L or revenue-generating (non-administrative) roles

Region	Female executives in business roles	% of women in executive committees	Male executives in business roles	% of men in executive committees
NA	32	64%	107	88%
EU	27	52%	161	79%
AP	21	68%	99	88%
EM	15	68%	74	89%
Global	95	61%	441	85%

Source: OMFIF Gender Balance Index 2021

Funds struggle to make progress

Women remain badly under-represented in the higher reaches of sovereign funds. They need to adopt new policies for recruitment and promotion, as some higher-performing funds show.

By Kat Usita

FEW women make it to the most senior investment jobs in sovereign funds. So it is little surprise that these institutions score so poorly in the GBI.

Sovereign funds have a collective score of just 18.6 this year, down from 2020's score of 19.5, which puts them firmly at the bottom of the rankings for the four groups covered by the index.

The GBI tracks 1,069 individuals working for sovereign funds, but only 242 (23%) of these are women in senior management or board positions. Those sovereign funds that do fare well in the index can shed some light on how to improve gender balance.

Setting targets can work. Australia's Victorian Funds Management Corporation tops the index for the second year running, this time with a perfect score of 100. VFMC's consistently strong performance shows the effectiveness of gender balance targets, which it uses for both its board and its executive team. It is the only sovereign fund where both the chief executive and the chief operating officer – Lisa Gray and Sally Collins, respectively – are women. Both have spent much of their careers in the Australian financial services industry, including at the National Australia Bank, investment and superannuation group MLC and insurer Axa.

Funds SA took second place, and three other Australian funds reached the top 20. While there are no strict quotas for Australian funds, the government does encourage the use of voluntary targets 'to set realistic goals, taking into account their specific circumstances and environments'. To set an example, the government has committed to a gender diversity target of women holding 50% of government board positions overall, and of women and men each holding at least 40% of positions at the individual board level. As of the end of June 2020, women held 48.5% of government board positions.

Ghana Petroleum Funds, which ranks fourth with a score of 66, is managed by the Ministry of Finance. All government boards and decision-making bodies in Ghana are required to comply with a 40% female quota that has been in place since 1998.

Norges Bank Investment Management, which manages the $1.2tn Government Pension Fund Global, ranks 15th with a score of 48. Women account for a third of NBIM's executive team and half of its board members. Overall, at the end of 2019, 28% of the staff were women. Norges Bank, NBIM's parent organisation, has a long-term target of 40% women for its total workforce. By law, Norway requires listed companies to reserve 40% of the board seats for women. NBIM recently announced that it will be encouraging boards of companies to set targets for greater gender diversity.

New Zealand's Superannuation Fund recognises it can still improve gender diversity in senior roles. It ranks 8th in the sovereign fund rankings with a score of 57. NZ Super publishes its gender pay gap, which

-5% Global score dips to 18.6 from 19.5

12 Number of sovereign funds with no women in executive teams and/or boards

Rank	Institution	Country	Assets $bn (2019)	Score and change from last year	
1	Victorian Funds Management Corporation	Australia	71.2	100	↑
2	Funds SA	Australia	23.8	74	↑
3	Alaska Permanent Fund Corporation	US	65.1	72	▪
4	Ghana Petroleum Funds	Ghana	1.0	66	▪
5	Caisse des Dépôts et Consignations	France	2.8	61	↑
6	Alabama Trust Fund	US	3.2	59	↑
7	Permanent Wyoming Mineral Trust Fund	US	8.0	58	↓
8	New Zealand Superannuation Fund	New Zealand	29.0	57	↑
9	Heritage and Stabilisation Fund	Trinidad and Tobago	6.5	55	↓
10	Mumtalakat Holding Company	Bahrain	18.8	54	↓

1. Australian funds lead the way

Top 10 sovereign wealth funds

Source: OMFIF Gender Balance Index 2021

stood at 25% in favour of men in 2020. It established a flexible work policy and updated its leave and benefits programme to encourage female retention, acknowledging that the pay gap stems from having fewer women in more senior positions.

In regions with weak GBI scores, funds that perform well in terms of gender diversity stand out. Bahrain's sovereign fund Mumtalakat consistently scores far better than its peers in the Middle East, reflecting the government's drive towards greater gender equality across all sectors of society. With a score of 54, Mumtalakat is one of only five funds boasting a female chief financial officer: Suha Karzoon has a background in accountancy and worked at KPMG International in Bahrain, Qatar and the US. She moved to Tamkeen (Labour Fund) and then joined Mumtalakat in 2014 as its chief operating officer.

'The upper echelons of investment institutions will remain overwhelmingly male unless corrective action is taken. While it is important to recruit and retain female staff, setting clear goals to improve the gender balance in executive teams and boards helps to accelerate progress. If sovereign funds find more women to lead them, the chances are that more women will want to stay.'

Visibility matters

Although few women make it to the top of sovereign funds, drawing attention to such successful role models can encourage younger women to aim for the most senior positions.

But out of 72 sovereign funds, only eight are led by women. Three of these are in the US: Angela Rodell of the Alaska Permanent Fund Corporation, Ruth Horowitz of IFC Asset Management Company and Alabama Governor Kay Ivey, who also chairs the Alabama Trust Fund. Another three are in Australia: Lisa Gray of the VFMC, Kaylene Gulich of the Western Australian Treasury Corporation and Jo Townsend of Funds SA.

The remaining two are Ho Ching from Singapore's Temasek Holdings and Boutheina Ben Yaghlane from Tunisia's Caisse des Dépôts et Consignations.

But the sovereign eight will dwindle to just seven later this year. Temasek, whose portfolio net value fell to S$306bn ($229.8bn) from S$316bn in the year to March 31, 2020, said its CEO and executive director Ho Ching will retire in

8  Number of female CEOs

84%  Latin America's regional score increased to 25 from 14

Gender lens drives return

More must be done to promote smarter investment

Henriette Kolb
Head, Gender and Economic Inclusion Group, International Finance Corporation

AT the International Finance Corporation, we are playing a leading role in gender-lens investing and directing our capital towards solutions that drive gender equality. This is more important now than ever. The Covid-19 pandemic has exacerbated economic gaps between the sexes and threatens decades of progress, for example on women's employment.

IFC's vision is to create a thriving private sector in emerging markets that enables women and men to participate equally. IFC's 2019 research found that private equity and venture capital funds in these markets with gender-balanced senior investment teams generated 10% to 20% higher returns compared to funds that have imbalanced decision-making teams. The business case is clear. Investors are now interested in strengthening gender diversity within their own firms and including a gender focus into their investment operations.

In fact, the field of gender-lens investing is growing and here to stay. Research by Wharton shows that capital raised with a gender-lens across PE, VC and private debt quadrupled in two years, growing to $4.8bn in 2019 from $1.1bn in 2017.

While the opportunities are promising, more must be done. Investors need the right tools and frameworks to put gender-lens investing into practice. To address this knowledge gap, IFC partnered with the CDC Group to give investors a step-by-step guide on gender-lens investing.

'Private Equity and Value Creation: A Fund Manager's Guide to Gender-Smart Investing' directs fund managers to choose a gender-lens investment strategy and put policies in place that help close gender gaps within their own firm and in their portfolios. For investment operations, this covers origination, due diligence, investment analysis, decision-making, deal structuring, negotiations, portfolio management, reporting and exit. Deal structures that close gender gaps and gender-sensitive exits are two areas that had not been addressed in much detail before. Two case studies highlighted in the guide are RockCreek and Development Partners International.

RockCreek, founded in 2001, is a leading global investment firm that applies cutting-edge technology and innovation to investments, managing around $15bn in assets. The firm is female-founded and majority-owned by women. RockCreek is deliberate in recruitment, ensuring candidates represent a diverse mix of backgrounds. Today, about 90% of its senior management team – and over 60% of the full team – come from diverse backgrounds.

The different lenses through which RockCreek's team sees the world flows through to investment decisions. As of January 2019, more than 55% of its underlying portfolio companies are female-led businesses and more than 60% of its private investments have at least one minority partner.

DPI is a leading pan-African PE/VC firm that focuses on buy-out and growth equity investing. Today, DPI manages over $1.6bn of assets across three PE funds. DPI applies a gender lens investing strategy at both the firm and portfolio level. At the firm level, over 45% of the team are women. DPI demonstrates a commitment to gender-balanced teams through the promotion of good corporate governance across recruitment, promotion and progression.

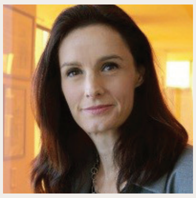
'Investors need the right tools and frameworks to put gender-lens investing into practice'

At the portfolio level, DPI has analysed its investments to determine a baseline and has committed to integrate, monitor and report on the progress of its gender-lens investing activities to key stakeholders. It has set targets for its latest fund to meet gender-lens investing criteria, as aligned with the 2X Challenge. The 2X Challenge was launched in June 2018 as a major new commitment of development finance institutions to unlock resources that will help achieve gender equality. DPI has also become the first PE firm to be qualified as a 2X flagship fund, based on its long-standing commitment to advancing women's economic empowerment.

There has never been a more opportune time to invest with a gender focus. Managers that apply a gender lens to their operations will uncover new opportunities for value creation that ultimately result in higher returns. •

Making gender equality a global priority

Boosting prosperity through diversity



Heike Reichelt, Head, Investor Relations and Sustainable Finance, World Bank Treasury

THE World Bank is an international organisation owned by governments from almost 200 countries. We work towards the twin goals of eradicating extreme poverty and boosting shared prosperity.

Equal opportunity is crucial to achieving these goals. No country, community or economy can achieve its potential or overcome challenges without the full and equal participation of women and men.

Evidence shows the benefits of diversity: ensuring inclusion without regard to gender, race, nationality and culture. Building human capital calls for a holistic approach across sectors, including health, education, transportation, finance, technology, housing and jobs. Discriminatory laws and policies as well as gender and social norms often limit women's opportunities.

The World Bank is working to close gender gaps through hundreds of projects and programmes globally, focusing on four key areas:

1. Reducing gaps in health, education and social protection
2. Removing constraints for more and better jobs
3. Removing barriers to women's ownership and control of assets
4. Enhancing women's voice and agency, including addressing gender-based violence.

We track progress in many ways, including by analysing laws. Our recent report, 'Women, Business and the Law 2020', tracks how laws affect women at various stages in their lives and finds promising results.

However, the Covid-19 pandemic has put at risk progress made on gender equality in education, health and other key areas. Recovering from this crisis will mean finding solutions to further include women and girls.

At the World Bank Treasury, when raising funds in capital markets for development programmes, we engage with investors across the globe who include environmental, social and governance criteria in their investment decisions. We offer sustainable development bonds and green bonds for investors interested in achieving a positive impact, in addition to financial return. We recently issued bonds while raising awareness of gender and health and how the pandemic is affecting women.

Achieving gender equality is a priority in our organisation as well. We have a diversity index with a gender parity goal at all levels and are implementing policies to achieve it. This includes gender-neutral parental leave for childbirth or adoption for both the primary and secondary caregivers. We also have a transparent remuneration structure that makes it easier to prevent gender discrimination. Eligibility for pay grades is based on education and experience and salary increases are based on performance and applied equally.

'Many international finance institutions already have women leading their funding or treasury teams'

By introducing more policies and measures, the World Bank has made progress, including achieving gender parity in senior management. There remain imbalances at some levels of management and staff, but more granular targets that were recently introduced are beginning to show results. Like the World Bank, many international finance institutions already have women leading their funding or treasury teams. And more women are at the head of international organisations.

Things are changing for the better on gender – though faster in some regions and cultures than in others. There's greater awareness about the issue, as well as recognition that women's full participation is key to economic growth and resilience , but there is still a long way to go. We need to keep building on progress and momentum, because gender equality benefits everyone. •

The women leading the funds

CEO
1. **Lisa Gray,** Victorian Funds Management Corporation
2. **Kaylene Gulich,** Western Australian Treasury Corporation
3. **Jo Townsend,** Funds SA
4. **Ho Ching,** Temasek
5. **Ruth Horowitz,** IFC Asset Management Company
6. **Kay Ivey,** Chair, Alabama Trust Fund
7. **Angela Rodell,** Alaska Permanent Fund Corporation
8. **Boutheina Ben Yaghlane,** Caisse des Dépôts et Consignations (Tunisia)

CIO
1. **Sue Brake,** Future Fund
2. **Tzu Mi Liew,** GIC
3. **Hanizan Hood,** Permodalan Nasional Berhad

CFO
1. **Faridah Ali,** Khazanah
2. **Suha Karzoon,** Mumtalakat
3. **Ekaterina Kuznetsova,** Russia Direct Investment Fund
4. **Wai Leng Leong,** Temasek
5. **Valerie Mertz,** Alaska Permanent Fund Corporation

COO
1. **Birgitte Bryne,** Norges Bank Investment Management
2. **Sally Collins,** Victorian Funds Management Corporation
3. **Joan Moeller,** Texas Permanent University Fund
4. **Stella Ojekwe-Onyejeli,** Nigeria Sovereign Investment Authority
5. **Maryam Sharaf,** Dubai World

October after 17 years in the top job, handing over to a male successor, Dilhan Pillay Sandrasegara. Ho began her career as an engineer and was chief executive of Singapore Technologies, part of the Temasek stable, before moving to Temasek in 2002 as executive director. As CEO, she drove Temasek's international investment strategy, acquiring stakes in Standard Chartered as well as in several Chinese financial institutions including China Construction Bank, Industrial and Commercial Bank of China and Ping An Insurance.

Among the chief investment officers – arguably the most important position in an investment institution next to chief executive – three are women: Sue Brake of Australia's Future Fund, Hanizan Hood of Malaysia's Permodalan Nasional Berhad and Tzu Mi Liew, who is CIO for fixed income at Singapore's GIC. Overall, ten women hold the title of either chief operating officer or CFO.

Widening the net

Given the resources that sovereign funds put into recruiting the best investment professionals, the under-representation of women at the most senior levels suggests the net needs to be cast much wider.

Out of 12 funds with no women at all in either the executive teams or the boards, seven are in the Middle East. They include the Abu Dhabi Investment Authority, the third largest sovereign fund in the world with an estimated $828bn in assets. ADIA has a culturally diverse workforce with employees from 65 different countries and it has offices dedicated to recruiting expatriates, but so far this has not led to female representation at the leadership level.

'VFMC's consistently strong performance shows the effectiveness of gender balance targets, which it uses for both its board and its executive team'

Singapore's GIC and Temasek have global workforces, with over 30 nationalities represented in their staff. Both also have women holding important positions – outgoing CEO Ho Ching and CFO Wai Leng Leong at Temasek, and Tzu Mi Liew, the CIO for fixed income at GIC. These women, however, still work in male-dominated teams, with GIC and Temasek only scoring 19 and 23 in the index, respectively. Given Singapore's reputation as a cosmopolitan financial centre, it could do more to increase the number of women in leadership positions at its sovereign funds.

Latin America is the region which has made the most progress in the index this year, as its score was boosted by Argentina's Fondo de Garantía de Sustentabilidad. The fund's new chair, Maria Fernanda Raverta, assumed her ex-officio post in April 2020 after being appointed executive director of the country's state pension system. Raverta, who trained as a social worker, is a politician who has held several executive posts in the Argentine government. Her appointment shows that it is possible to look further afield, for example among the ranks of experienced public servants, when recruiting for leadership positions at financial institutions.

One of Africa's outliers also illustrates this point. Boutheina Ben Yaghlane is the general manager of Tunisia's Caisse des Dépôts et Consignations, but previously she was a member of parliament and state secretary to the finance minister.

The upper echelons of investment institutions will remain overwhelmingly male unless corrective action is taken. While it is important to recruit and retain female staff, setting clear goals to improve the gender balance in executive teams and boards helps to accelerate progress. If sovereign funds find more women to lead them, the chances are that more women will want to stay. •

Diversity supports crisis recovery

Lack of data is holding back progress

Sherry Madera
Chief Industry and Government Affairs Officer, London Stock Exchange Group

DIVERSITY has become a priority for management, even though awareness that a balanced and inclusive workforce delivers increased productivity, creativity and impact isn't new. However, the global pandemic has added business recovery and resilience to the benefits it can bring. As companies look to adapt to new ways of doing business, inclusion factors are on the agenda alongside financial resilience, environmental risks and workforce health.

In public companies, stakeholders pressure senior management to adopt best practices. These stakeholders, such as employees and investors, are influencing inclusion considerations in the boardroom. As challenges mount during the world's recovery from Covid-19, businesses are addressing these concerns so that they remain robust and relevant for the future.

To do so, some basic truths need stating. Diversity isn't only about gender. Diversity in the workplace encompasses culture, race, religion, age and education to name only a few. Achieving a balanced workforce is more complex than adjusting the number of male and female employees. As in most things, what you can measure, you can manage. Using indexes can help organisations recognise what progress looks like and where they need to improve.

Since 2016, Refinitiv's inclusion index has looked at the top 100 publicly traded companies globally with the most diverse workplaces. The 2020 report highlighted significant progress in boards' cultural and gender balance, with the Europe, Middle East and Africa region leading the way. Data show that the US has 20 firms in the top 100 list, with Asia Pacific seeing a 53% increase in board gender balance over the last five years.

A strong focus on a balanced workforce can help an organisation deliver. It can help companies raise capital, attract investors and retain shareholder value. Diversity in the workforce is a core environmental, social and governance theme. Financial professionals are incorporating these factors into their investment strategies and capital allocation decisions. According to Refinitiv, the total net flows into ESG-specific funds rose to $22.3bn in 2020, an investment trend that cannot be ignored.

While the 2020 report showed marked improvements in representation, global cultural diversity of board members remains only at 30%. Even though regions like Asia Pacific have increased female representation over the last five years, the region is far behind the global average at 19%.

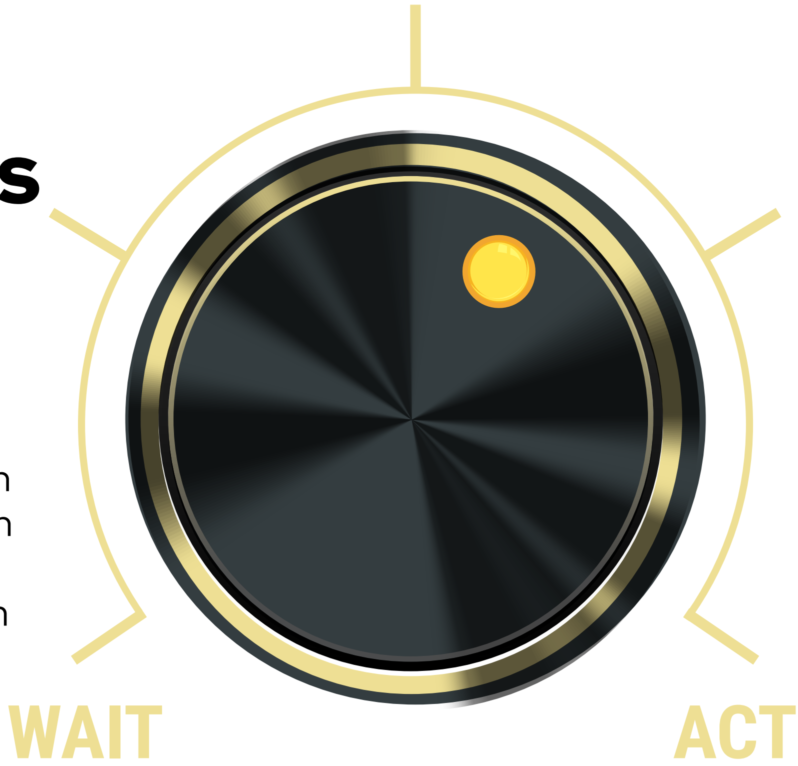
Data on diversity remain elusive. With only 3,319 companies within Refinitiv's ESG database reporting on such metrics in the fourth quarter of 2020, out of 10,000, there is more work to do not only in achieving more balance but in tracking it. Disclosures remain voluntary and vary widely. This results in difficulties comparing datasets.

'Diversity isn't only about gender. Diversity in the workplace encompasses culture, race, religion, age and education to name only a few'

While inclusivity rises up the boardroom agenda, it is not yet seen by all investors and regulators as material for financial valuation purposes. This requires attention to ensure the influence of such factors on valuations, risks and growth potential is fully considered by investors. As ESG disclosures start to become mandatory and more investor criteria include the social element in their processes, data transparency should rise.

A global pandemic could have risked deprioritising diversity. This has not been the case. If investment flows are anything to go by, the crisis has reinforced support of ESG metrics in allocating capital. However, there remains a real risk that inclusion may recede as a strategic priority for organisations. They may change focus to basic needs, such as adapting to new ways of working or maintaining productivity. As stakeholder activism increases focus on the topic, deprioritising balancing the workforce may place these organiations at a disadvantage. Diversity and inclusion can help a firm survive a crisis – in many different ways. •

Pension funds should apply pressure



Public pension funds have 17 trillion ways to promote gender balance in the companies they invest in. But they need to do more to transform their own institutions as well.

By Kat Usita

PENSION funds can wield considerable influence when it comes to responsible investment, thanks to the power of their $17tn in assets worldwide. But while they have the financial clout to push for gender diversity and female empowerment in the companies where they invest, they must make sure to set a good example themselves.

That example starts at the top. And the top of this year's rankings set a good example to the pension fund industry. Five of the 10 highest-scoring funds have female CEOs and 13 of the top 20. But the picture at the top paints a misleading picture: only 42 of more than 230 funds covered in this analysis are led by women. And at the bottom of the scale, 14 of the funds tracked have no women at all at their executive or board levels.

European funds are improving slowly in terms of the GBI – the overall score increased to 46.9 from 46.3. Out of 190 funds, 41% improved. The UK's Lambeth Pension Fund's score rose the most, to 88 from 42. Both chairs of the pensions committee and board are now women, leading to a significant increase.

Changes in larger funds have a more pronounced effect on the index because scores are weighted by assets under management. With the appointment of Kate Barker (who was chief economic adviser to the Confederation of British Industry and who worked on the Bank of England's Monetary Policy Committee) as chair of the UK's Universities Superannuation Scheme, the fund's score doubled to 26 from 13. The USS is the largest private pension scheme in the UK with £68bn under management, providing retirement and health benefits for academic staff. Two years ago, it established a policy of voting against board nomination committees of any company without at least one female director.

In some cases, men replacing women improved funds' scores. Previously, Swedish fund AP1 had more women than men in both its executive team and board. Following some changes in management and the appointment of Erik Sjöström to Annika Sundén's seat on the board, it is now closer to gender balance with a score of 89 from 45. Its new CEO, Kristin Magnusson Bernard, joins a total of 37 female pension chiefs in Europe. She joined Nordea in 2016 and had several leading positions within the markets and investment banking divisions of the bank. Previously, she held senior positions at the European Central Bank in Frankfurt as well as at the International Monetary Fund in Washington.

Denmark's pension fund for nurses and medical secretaries, Pensionskassen For Sygeplejersker og Lægesekretærer, earned a score of 100 for the second year in the row. This makes it one of just three institutions covered by the GBI globally to achieve a perfect score. The management team of PKA, which invests the fund, and the members' board that approves decisions are unchanged.

'Many Australian funds have adopted a strategy of using voting power to encourage diversity'

Big improvements in some funds were offset by declines in others, with 36% of European funds scoring lower this year. Norway's pension fund for health trusts PKH had one of the highest scores in previous years. This dropped to 48 from 94 after Jo Gullhaugen joined as head of real

1. Top 10 pension funds in Europe

Source: OMFIF Gender Balance Index 2021

Rank	Institution	Country	Assets $bn (2019)	Score and change from last year	
1	Pensionskassen For Sygeplejersker	Denmark	19.2	100	▪
2	London Borough of Enfield Pension Fund	United Kingdom	1.5	96	↑
3	Pensionskasse der Stadt Winterthur	Switzerland	2.1	95	↑
4	AP6	Sweden	4.0	89	↓
5	AP1	Sweden	38.7	89	↑
6	Turks and Caicos Islands National Insurance Board	United Kingdom*	0.3	88	▪
7	Lambeth Pension Fund	United Kingdom	1.8	88	↑
8	Caisse de Prévoyance des Fonctionnaires de Police et de la Prison	Switzerland	1.7	88	↓
9	London Borough of Tower Hamlets Pension Fund	United Kingdom	2.0	87	↑
10	Pension Fund for Nurses and State Employees	Iceland	8.3	86	↓

2. Top 10 pension funds in Asia

Source: OMFIF Gender Balance Index 2021

Rank	Institution	Country	Assets $bn (2019)	Score
1	Aware Super	Australia	93	79.7
2	Super SA	Australia	73	20.4
3	Social Security System	Philippines	73	9.7
4	Fundo de Segurança Social de Macau	Macau	70	9.9
5	Uniform Pension Savings Fund	Kazakhstan	61	27.9
6	Health Employees Superannuation Trust Australia	Australia	59	37.2
7	National Superannuation Fund	Cook Islands	57	0.2
8	Commonwealth Superannuation Corporation	Australia	52	151.0
9	Government Employees Superannuation Board	Australia	50	24.2
9	UniSuper	Australia	48	57.6

estate and Geir Ottesen replaced Ingunn Meringdal as customer and communication lead.

Another example is AP3. Its score suffers from having a gender imbalance in favour of women. Headed by CEO Kerstin Hessius, its management team has only one man. Five out of the nine members of its board, including chair Christina Lindenius, are women.

Seven European funds scored zero, the largest of which is Germany's Bayerische Versorgungskammer. The Bavarian pension fund employs over 1,400 people but has an all-male management board. It is aware of its gender imbalance problem: its recruitment webpage prominently advertises flexible hours and child-friendly offices.

Luxembourg's Fonds de Compensation has no women on its board of directors. Its latest responsible investor report lists 100 Women in Finance and the 30% Club among the initiatives and organisations that FDC's portfolio managers support. Both are organisations that advocate greater female representation in financial institutions.

Regional contrast

Funds from Asia Pacific are included in the GBI for the first time this year. Australia's Aware Super fund ranks

Investment for sustainable value creation

Corporate leaders know that people are their greatest asset

Tamara Sells, Associate Investment Manager, Human Capital Management, and **Anne Simpson**, Managing Investment Director, Board Governance & Sustainability, CalPERS

FINANCIAL markets are beginning to focus on human capital management as a source of both risk and return in long-term value creation. Investors are calling on companies and regulators to require reporting on their policies, practices and progress around diversity, equity and inclusion.

The creation of long-term value is at the heart of investment strategy for a pension fund. This requires more than simply management of finance. As outlined in CalPERS' Investment Beliefs, 'Long-term value creation requires effective management of three forms of capital: financial, physical and human.'

The convergence of economic, climate and public health crises, and the increasing calls for gender and racial diversity have accelerated investor focus on effectively managing these forms of capital.

The global pandemic has clarified the urgency of these considerations. Concern with the wellbeing of frontline essential workers has broadened our understanding of the workforce as a source of value creation. If mismanaged, it not only brings avoidable human suffering, but could harm long-term performance.

CalPERS has long taken the view that companies need to adopt 'progressive human capital management practices... accompanied by fair, accurate, timely, and integrated reporting on how they mitigate human capital risks and generate sustainable returns.'

We have developed a three-part strategy for investment based on research into the positive correlation of human capital to value creation. This involves: advocating for public policies and reporting sustainability disclosures in a consistent, comparable and reliable way; engaging companies and our external managers; and integrating human capital management across the portfolio to better identify, measure and assess long-term risk and opportunity.

The strategy ensures that we are capturing diverse talent and countering unconscious bias in our investment decisions. It is founded on partnerships with initiatives such as the Human Capital Management Coalition, which we co-founded to provide a platform for research, knowledge sharing and co-operation in company engagement and regulatory advocacy. The results are notable. We have seen a significant increase in companies appointing diverse candidates to their boards, although progress is still too slow and diversity too often viewed in only one dimension – typically gender.

Initiatives such as California's state requirement for underrepresented groups to be appointed to boards has been echoed by Nasdaq's proposal for listed companies to do the same or explain why they do not. The US Securities and Exchange Commission's Investor Advisory Committee has made recommendations for a new framework for reporting on human capital management which focuses on racial and gender diversity, workforce status, health and safety, training and remuneration.

CalPERS has a demanding target rate of return which is driven by our fiduciary duty to both manage risk and provide benefits for our 2m members. By increasing our understanding of sustainability factors that drive risk and return we can better capitalise on opportunities and mitigate risk in our portfolio.

'Long-term value creation requires effective management of three forms of capital: financial, physical and human'

We believe, and research increasingly demonstrates, that 'Companies with a diverse board, inclusive of gender and race/ethnicity, are better positioned to execute good governance, effective risk management, and optimal decision-making, as well as enhanced customer alignment, employee engagement, and transparency.'

The compelling moral imperative for diversity, equity and inclusion is being given powerful force by financial institutions and fiduciaries seeking long-term sustainable value creation. These drives are at the forefront of the call for change. •

highest in the region and comes in fourth place in the overall rankings with a score of 93, and is the only Asia Pacific fund to reach the top 10 overall. Aware Super is one of only five funds in the region led by a woman: three of those five funds (Aware Super, Super SA and Hesta Superfund) are Australian.

Malaysia's Kumpulan Wang Persaraan appointed its first female CEO in November: Nik Amlizan Mohamed returned to KWAP after two years leading another pension fund, Lembaga Tabung Angkatan Tentera. The only other Asian fund led by a woman is the Philippines' Social Security System, whose president and CEO Aurora Ignacio is the second woman to hold the post.

With a weighted average score of 19.4, Asia Pacific ranks significantly behind Europe (score 46.9). Taken together, Asia Pacific and Europe have a combined score of 25.4 for pension funds overall; the larger funds in the Asia Pacific region – in particular from Japan – pull down the average weighted by assets under management. Countries in the Pacific tend to perform better than those from the rest of Asia, with pension funds from Australia and the Cook Islands dominating the top 10 rankings in the region.

42
Number of female CEOs in Europe and Asia

14
Number of pension funds with no women in executive teams and/or boards

Despite notable examples from the region, Asia Pacific's score is weighed down by Japan's $1.6tn Government Pension Investment Fund. The world's largest pension fund has no women among its top executives, nor on its board of governors. However, GPIF shows how it is possible for a pension fund to promote gender diversity through its portfolio while improving this within its own workforce. To guide its domestic and foreign equity investments, it uses external indices that measure gender balance in companies.

Magnifying impact

Greater gender balance in a fund's leadership does not guarantee better returns or more sustainable choices. Instead, it has the same risk-mitigating function as a diversified portfolio that reduces a fund's exposure to any one single threat. A diverse group of decision-makers will be informed by a variety of views and different risk appetites, instead of being dominated by a single perspective.

In the UK, nearly 100 pension funds established for local councils are governed by pensions committees and boards composed of elected councillors working with council finance or investment officers. Eight of these funds have a GBI score of 75 or more, all landing within the top 20, while 15 of them are led by female councillors. The gender balance within these funds is influenced less by policy and more by electoral results and committee assignments. But some of these funds have taken steps as shareholders to promote diversity.

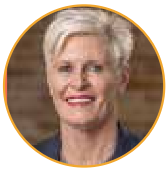
LGPS Central Limited, Local Authority Pension Fund Forum, Local Pensions Partnership and Northern Local Government Pension Scheme are managers of pooled UK funds that are members of the 30% Investor Group (a subgroup of the 30% Club), a global initiative encouraging active ownership to promote gender balance on company boards and senior management teams.

Many Australian funds have adopted a strategy of using voting power to encourage diversity. Since 2015, the Australian Council of Superannuation Investors has encouraged its members to vote against boards without women. AustralianSuper adopted the policy in 2016; three years later, it took a more aggressive stance by increasing the requirement to at least two female board members.

Sweden's AP7 – which ranks in 22nd place this year – has successfully used other forms of investor activism and shareholder engagement. In 2019, it led other shareholders in suing Google's parent company Alphabet for mishandling cases of sexual harassment involving several top executives. The class action suit ended in settlement, with Alphabet committing $310m for diversity and inclusion initiatives. The settlement also prohibits Alphabet from granting severance or accelerating benefits for employees who are being investigated for misconduct.

Improving the gender balance can have a powerful impact on diversity. To drive meaningful and lasting change, they need to make the most of opportunities for more active and responsible ownership, while embracing greater diversity themselves. •

Female CEOs in Asia Pacific



Dascia Bennett
Super SA

Debby Blakey
Hesta Superfund

Aurora Ignacio
Social Security System

Nik Amlizan Mohamed
Kumpulan Wang Persaraan

Deanne Stewart
Aware Super

IN CONVERSATION

It pays to have women on board

Rose Kerlin, Group Executive, Membership at AustralianSuper speaks to OMFIF's Levine Thio about how the pension fund is promoting the financial wellbeing of women and implementing gender inclusive policies.

Levine Thio: In recent years, greater female representation at senior management level and on boards has been urged throughout the industry. Why has this been a priority and what have you observed in terms of how gender inequality affects the performance and management of the pension fund?

Rose Kerlin: The gender diversity policy of AustralianSuper's board is designed to optimise investment returns for members. We believe we have a role to play in equal representation of women on boards and in executive positions because research shows that skilled and suitably diverse boards make for better governed companies and higher value investments over the long term.

Research by Credit Suisse found that the share price performance of companies with one or more female directors on a board produced more impressive results than where there were none. Profitability and shareholder returns improved in companies where there was a gender-diverse management team as well as one or two female directors on the board.

The Australian Workplace Gender Equality Agency found that, based on six years of Australian companies' gender reporting, those who appoint a female CEO increased their market value by 5% – worth nearly AUD80m ($62m) to an average ASX200 company. Increasing the number of women in other key leadership positions by 10% or more leads to increases in a company's market value by 6.6%, or an average of AUD105m ($81m).

LT: In AustralianSuper's report, 'The Future Face of Poverty is Female', it was highlighted that women retire with 42% less superannuation than men. Could you tell us more about the importance of a holistic approach towards managing personal finances, especially for women? What are some of the strategies AustralianSuper uses to promote financial wellbeing among women?

RK: The starting point for AustralianSuper is to look at women's overall financial wellness rather than just their super. There are so many contributing factors, including budgeting, credit cards, bank account fees, home loans, bills and general spend. If somebody is not experiencing financial distress, we then look at various contribution strategies to boost their retirement savings. The situation can change from year to year, so women need to continue to review their situation. It's not a set and forget.

In relation to retirement savings, the report highlighted that with traditionally more time out of the workforce than men, women have a harder time building their superannuation and the impact needs to be recognised and addressed. Time out of the workforce can also slow career progression and future earning potential. It's known as the superannuation 'double penalty effect'.

'Those who appoint a female CEO increased their market value by 5% – worth nearly AUD80m ($62m)'

AustralianSuper has undertaken a programme to better educate female members about the steps they can take to review their overall financial wellbeing. We have produced webinars and a range of educational material to support our female members to take action. There are no quick fixes but being aware of the disadvantage and taking steps such as reviewing overall financial wellbeing, choosing a top-performing super fund, making extra contributions where possible and consolidating accounts can make a big difference.

LT: How can pension funds create an environment that results in the financial empowerment of women?

RK: AustralianSuper's annual Retirement Confidence Index in July 2020 found that women exhibit more ability to save and budget than men. We need to build on this ability and create an environment that provides information, advice and support. And we need to make it easier for women to take action to

'There is no doubt that Australia has a talented and experienced pool of women executives from which to recruit directors'

improve their financial wellbeing.

As a first step, pension funds need to raise awareness among their membership, male and female, of the structural disadvantage women face when saving for their retirement. This task cannot be underestimated given that people are usually disconnected from long-term financial issues such as retirement income.

Financial awareness and literacy levels have traditionally been low for women, which has been a major barrier to improving their financial circumstances. To address this, we need to provide information, education and tools for women in an accessible way across all communication and engagement platforms.

AustralianSuper has produced numerous webinars during the pandemic to overcome the issue of members not being able to interact with the fund at events like annual member meetings. We also switched almost overnight to 100% online or phone consultations with financial planners delivering comprehensive financial advice to ensure members would not be disadvantaged.

LT: With the limits of exclusionary and integration strategies, active ownership practices have become more important. What can pension funds do to promote governance and gender diversity in their ESG policies?

RK: Engagement with the companies we invest in is key. We find that most companies view gender diversity as a priority and are working to improve their search processes to identify a suitably diverse pool of candidates for future appointments. We understand this process will take time, and we are seeking positive commitments within a suitable timeframe from companies to ensure we see real progress.

Concerning governance, there is no doubt that Australia has a talented and experienced pool of women executives from which to recruit directors. Companies need to ensure their recruitment processes are robust enough to identify suitably experienced and diverse candidates.

'We require that recruitment shortlists comprise at least 40% male and 40% female candidates and have gender-diverse interview panels. Our CEO, Ian Silk, is also a male champion of change'

It is also important that we, as an employer, set an example. To that end, AustralianSuper undertakes a range of activities to support female employees. The fund provides 14 weeks of paid parental leave and we continue to make superannuation payments at the full-time rate to the primary caregiver during parental leave and for up to two years when they return to work part time.

The fund also has uncapped paid family violence leave and flexible work practices, including pay averaging, and programmes to identify and foster future female leaders. We require that recruitment shortlists comprise at least 40% male and 40% female candidates and have gender-diverse interview panels. Our CEO, Ian Silk, is also a male champion of change. •

Equality is good for business

Advancing diversity is part of being a prudent investor

Chad Cecere
Director of Investment Strategy, Stewardship and ESG, GPIF

AS a cross-generational investor, Japan's Government Pension Investment Fund builds environmental, social and governance considerations into all investments. These factors drive material risk-adjusted returns over the long run. Within ESG, gender diversity is key to social considerations. GPIF actively promotes diversity both in investments and within the organisation.

For us, advancing gender diversity is part of being a prudent investor. Several studies indicate that diverse companies are more innovative, profitable and have better performing stock prices than less diverse companies.

The potential economic growth from women participating more in the labour market is beneficial to everyone. Promoting gender diversity is an effective way for us to enhance long-term risk-adjusted portfolio returns to the advantage of all of our pension beneficiaries.

GPIF works to promote gender diversity in our portfolio from two different angles: through effective stewardship and by directly investing in more diverse companies.

Although legal regulations restrict us from engaging with companies one-on-one, we encourage our external asset managers to select which ESG themes they want to focus on in their corporate engagements. We then evaluate how effective they are in conducting these engagements.

In 2019, 86% of passive domestic equity managers and 100% of passive foreign equity managers cited diversity as a critical ESG consideration. GPIF is a member of the Thirty Percent Coalition in the US and the 30% Club in Japan and the UK. Both of these initiatives seek to increase the proportion of female board members at listed companies to at least 30% through effective engagement.

Our investment decisions support gender diversity by prioritising companies that actively promote the advancement of women. We do this by investing in gender diverse indexes in both our foreign and domestic equity portfolios.

In 2017 we adopted the MSCI Empowering Women Index (WIN). This is a domestic equity index that selects around 300 Japanese listed companies that score highly across gender-focused criteria. These include the proportion of female employees and the percentage of women in management.

Last year we adopted the Morningstar Gender Diversity Index (GenDi) for foreign equities. This index evaluates non-Japanese companies according to a gender diversity scorecard developed by Equileap. The scorecard looks at gender balance in leadership and the workforce, equal compensation, work-life balance, gender equality promotion and corporate accountability.

The GenDi index increases the weight of companies that score highly across these metrics. This means that the portfolio is tilted towards firms that better promote the success of women in the workplace.

As of March 2020, we had invested ¥798bn ($7.7bn) in the WIN, and we launched the GenDi index in December with an initial investment of ¥300bn ($2.9bn). Over the last three years, the WIN has returned around 2.1% over the market on an annualised basis since inception, bolstering the argument for financial materiality.

'The potential economic growth from women participating more in the labour market is beneficial to everyone.'

In addition to investments, GPIF is working to enhance diversity internally. In January 2020, we launched the GPIF Diversity and Inclusion Group. This is comprised of employees across the fund. It aims to develop initiatives that create a work environment where everyone can work with a sense of purpose regardless of gender, nationality, sexual orientation and life circumstances.

Through this group, we hope to take advantage of the enhanced performance that gender diversity brings to investee companies. Combined with our gender-conscious investment activities, we aim to increase the value that we bring to our pension beneficiaries over the long run. •

OMFIF GENDER BALANCE INDEX 2021

Ranking and score of central banks, commercial banks, sovereign funds and public pension funds

Central banks score: 27

Rank	Central bank	Country	Region	Score and change from last year		Female governor	Female deputy governor	Female presence in top management and/or boards
1	Federal Reserve Bank of Richmond	US	NA	100		No	1	Yes
2	Central Bank of Eswatini	Eswatini	AF	96	↑	No	1	Yes
3	Central Bank of Lesotho	Lesotho	AF	93	↑	Yes	1	Yes
4	Banco de España	Spain	EU	92	▪	No	1	Yes
5	Centrale Bank van Aruba	Aruba	LA	91	▪	Yes		Yes
6	Banque Centrale de Tunisie	Tunisia	AF	90	↑	No	1	Yes
6	Federal Reserve Bank of Chicago	US	NA	90		No	1	Yes
8	Norges Bank	Norway	EU	89	↑	No	1	Yes
9	Faletupe Tutotonu o Samoa	Samoa	AP	88	↑	Yes		Yes
10	Central Bank of Belize	Belize	LA	87	↑	Yes	1	Yes
11	Cayman Islands Monetary Authority	Cayman Islands	LA	85	↑	Yes	1	Yes
12	National Bank of Serbia	Serbia	EU	82	▪	Yes	2	Yes
13	Federal Reserve Bank of Cleveland	US	NA	82		Yes		Yes
13	Federal Reserve Bank of Kansas City	US	NA	82		Yes		Yes
15	Federal Reserve Bank of Minneapolis	US	NA	80		No		Yes
16	Federal Reserve Bank of New York	US	NA	77		No	1	Yes
17	Federal Reserve Bank of San Francisco	US	NA	74		Yes		Yes
18	Bank of Namibia	Namibia	AF	73	↓	No		Yes
19	National Bank of the Kyrgyz Republic	Kyrgyzstan	AP	72	↑	No	2	Yes
20	Maldives Monetary Authority	Maldives	AP	70	↑	No		Yes
21	De Nederlandsche Bank	Netherlands	EU	70	↑	No		Yes
22	Bank of Jamaica	Jamaica	LA	69	↑	No	3	Yes
22	Central Bank of Seychelles	Seychelles	AF	69	▪	Yes	1	Yes
24	National Bank of Rwanda	Rwanda	AF	69	↓	No	1	Yes
25	Central Bank of the Russian Federation	Russia	EU	68	↑	Yes	3	Yes
26	Seðlabanki Íslands	Iceland	EU	67	↓	No	2	Yes
27	Federal Reserve Bank of St. Louis	US	NA	66		No		Yes
28	Federal Reserve Bank of Philadelphia	US	NA	65		No		Yes
29	Banca Centrale della Repubblica di San Marino	San Marino	EU	65	↓	Yes		Yes
30	Central Bank of Cuba	Cuba	LA	65	↓	Yes	2	Yes
30	Bangko Sentral ng Pilipinas	Philippines	AP	65	↑	No	2	Yes
32	Central Bank of Trinidad and Tobago	Trinidad and Tobago	LA	63	↓	No		Yes
33	Bankës së Shqipërisë	Albania	EU	63	↓	No	2	Yes
33	Central Bank of Bosnia and Herzegovina	Bosnia and Herze-govina	EU	63	↑	No	3	Yes
35	Sveriges Riksbank	Sweden	EU	62	▪	No	2	Yes
36	Reserve Bank of Australia	Australia	AP	62	↑	No		Yes
36	Reserve Bank of Fiji	Fiji	AP	62	↑	No		Yes
38	Banka Slovenije	Slovenia	EU	62	↑	No	1	Yes
39	Banco de la Republica Colombia	Colombia	LA	61	↑	No	1	Yes
40	Central Bank of Timor-Leste	Timor-Leste	AP	59	↑	No	1	Yes
41	Bank of Zambia	Zambia	AF	58	↑	No	1	Yes
42	Hrvatske narodne banke	Croatia	EU	58	↑	No	1	Yes
43	Bank of Thailand	Thailand	AP	56	▪	No		Yes

44	Bulgarian National Bank	Bulgaria	EU	55	↓	No	1	Yes
45	Danmarks Nationalbank	Denmark	EU	53	↑	No	1	Yes
46	Central Bank of The Bahamas	Bahamas	LA	53	↑	No		Yes
47	Reserve Bank of Zimbabwe	Zimbabwe	AF	52	↑	No	1	Yes
48	Central Bank of Ireland	Ireland	EU	52	↑	No	1	Yes
49	Royal Monetary Authority of Bhutan	Bhutan	AP	50	↑	No	1	Yes
49	Deutsche Bundesbank	Germany	EU	50	▪	No	1	Yes
49	Bank of Mozambique	Mozambique	AF	50	▪	No		Yes
49	National Reserve Bank of Tonga	Tonga	AF	50	↑	No	1	Yes
49	Federal Reserve Bank of Dallas	US	NA	50		No	1	Yes
54	Central Bank of Bahrain	Bahrain	ME	48	↑	No		Yes
55	State Bank of Vietnam	Vietnam	AP	47	↑	Yes		Yes
56	Bank of Cape Verde	Cape Verde	AF	46	↑	No		Yes
57	Bank of Guyana	Guyana	LA	46	▪	No		Yes
58	Bank Indonesia	Indonesia	AP	45	↓	No	2	Yes
59	Bank Negara Malaysia	Malaysia	AP	44	↓	Yes	1	Yes
60	National Bank of Kazakhstan	Kazakhstan	AP	44	↓	No	2	Yes
61	Central Bank of Comoros	Comoros	AF	42	↑	No		Yes
61	Bank of Ghana	Ghana	AF	42	↑	No	1	Yes
63	Bank of Sierra Leone	Sierra Leone	AF	42	↑	No		Yes
63	National Bank of the Republic of Tajikistan	Tajikistan	AP	42	↑	No	1	Yes
63	Federal Reserve Bank of Atlanta	US	NA	42		No		Yes
66	Central Bank of Egypt	Egypt	AF	41	↑	No		Yes
67	Central Bank of Ecuador	Ecuador	LA	40	↓	Yes	1	Yes
68	Banque de France	France	EU	39	↓	No	1	Yes
69	Autoridade Monetária de Macau	Macau	AP	39	▪	No		Yes
70	Bermuda Monetary Authority	Bermuda	LA	38	↓	No		Yes
70	Autoriti Monetari Brunei Darussalam	Brunei	AP	38	↑	No		Yes
70	Bank Al-Maghrib	Morocco	AF	38	↑	No		Yes
73	Bank of the Republic of Haiti	Haiti	LA	37	↑	No		Yes
74	Reserve Bank of New Zealand	New Zealand	AP	37	↑	No		Yes
75	Bank of Botswana	Botswana	AF	36	↑	No		Yes
76	Monetary Authority of Singapore	Singapore	AP	35	↑	No	1	Yes
77	Banco Central de la República Dominicana	Dominican Republic	LA	35	↑	No	1	Yes
78	Bank of Mauritius	Mauritius	AF	35	↑	No	1	Yes
79	Hong Kong Monetary Authority	Hong Kong	AP	34	↑	No		Yes
80	South African Reserve Bank	South Africa	AF	34	↑	No	1	Yes
81	Reserve Bank of Malawi	Malawi	AF	34	↑	No		Yes
82	Bank of the Republic of Burundi	Burundi	AF	33	▪	No	1	Yes
82	Lietuvos Bankas	Lithuania	EU	33	↑	No	1	Yes
84	Swiss National Bank	Switzerland	EU	32	▪	No		Yes
85	Bank of the Lao PDR	Laos	AP	32	↑	No	1	Yes
86	Central Bank of Venezuela	Venezuela	LA	32	↑	No		Yes
87	Federal Reserve System	US	NA	31	↓	No		Yes
88	Central Bank of Liberia	Liberia	AF	31	↓	No	1	Yes
89	Suomen Pankki	Finland	EU	30	↓	No	1	Yes
89	Narodna Banka na Republika Makedonija	North Macedonia	EU	30	↓	Yes	2	Yes
91	European Central Bank	Euro System	EU	30	↑	Yes		Yes
92	Banco Central de Reserva de El Salvador	El Salvador	LA	30	▪	No		Yes
92	Central Bank of Nicaragua	Nicaragua	LA	30	↑	No		Yes
94	Bank of England	UK	EU	30	↓	No		Yes
95	Banco Central de la República Argentina	Argentina	LA	29	↑	No		Yes

96	Central Bank of Myanmar	Myanmar	AP	29	↓	No		Yes
97	Bank of Uganda	Uganda	AF	29	▪	No		Yes
97	Federal Reserve Bank of Boston	US	NA	29		No		Yes
99	Bank of Israel	Israel	ME	28	↓	No		Yes
100	Banco Central do Brasil	Brazil	LA	27	↑	No	2	Yes
101	Central Bank of Barbados	Barbados	LA	27	↑	No		Yes
101	Nationale Banque de Belgique	Belgium	EU	27	↑	No		Yes
103	Bank of Mongolia	Mongolia	AP	27	↓	No		Yes
104	Aizkraukles Banka Latvija	Latvia	EU	26	↓	No		Yes
105	National Bank of the Republic of Belarus	Belarus	EU	26	↓	No	1	Yes
105	Banca d'Italia	Italy	EU	26	↑	No	1	Yes
107	Central Bank of Sri Lanka	Sri Lanka	AP	26	↑	No	1	Yes
108	Central Bank of Kenya	Kenya	AF	26	↓	No	1	Yes
109	Banco Central de Chile	Chile	LA	25	↓	No		Yes
110	Central Bank of Somalia	Somalia	AF	23	↓	No	1	Yes
111	Oesterreichische Nationalbank	Austria	EU	23	↑	No		Yes
112	Banco Central de Costa Rica	Costa Rica	LA	22	↓	No		Yes
113	Central Bank of Nigeria	Nigeria	AF	22	↓	No	1	Yes
114	Central Bank of Jordan	Jordan	ME	21	↑	No		Yes
115	Centrale Bank van Curaçao en Sint Maarten	Curaçao	LA	20	↓	No		Yes
115	Central Bank of Cyprus	Cyprus	EU	20	▪	No		Yes
115	Banco de México	Mexico	LA	20	↑	No	1	Yes
115	Reserve Bank of Vanuatu	Vanuatu	AP	20	↑	No		Yes
119	Bank of Canada	Canada	NA	19	↓	No		Yes
120	National Bank of Cambodia	Cambodia	AP	19	↓	No	1	Yes
121	State Bank of Pakistan	Pakistan	AP	19	↑	No	1	Yes
122	Da Afghanistan Bank	Afghanistan	ME	19	↑	No		Yes
122	Narodowy Bank Polski	Poland	EU	19	↓	No	1	Yes
124	Central Bank of Iraq	Iraq	ME	18	↑	No		Yes
124	Central Bank of the Republic of China	Taiwan	AP	18	↑	No		Yes
126	Banco Central del Paraguay	Paraguay	LA	18	▪	No		Yes
127	National Bank of Ukraine	Ukraine	EU	18	↓	No	1	Yes
128	Central Bank of Solomon Islands	Solomon Islands	AP	17	↑	No		Yes
129	Central Bank of Honduras	Honduras	LA	16	▪	No		Yes
130	Banco Nacional de São Tomé e Príncipe	Sao Tome and Principe	AF	15	▪	No		Yes
131	Banco de Portugal	Portugal	EU	14	▪	No		Yes
132	Banque Centrale des États de l'Afrique de l'Ouest	West African System	AF	12	↓	No		Yes
133	Central Bank of Djibouti	Djibouti	AF	12	▪	No		Yes
134	Banque Centrale du Luxembourg	Luxembourg	EU	12	▪	No		Yes
135	Banco Nacional de Angola	Angola	AF	12	▪	No		Yes
135	Banco Central de Reserva del Perú	Peru	LA	12	▪	No		Yes
137	Bank of Japan	Japan	AP	11	↑	No		Yes
138	Eastern Caribbean Central Bank	Eastern Caribbean System	LA	11	▪	No		Yes
139	Central Bank of The Gambia	Gambia	AF	10	↓	No		Yes
140	Banque Centrale du Congo	Dem. Rep. Congo	AF	9	▪	No		Yes
141	Central Bank of the Republic of Turkey	Turkey	EU	8	↑	No		Yes
142	Reserve Bank of India	India	AP	8	↓	No		Yes
143	Bank of Greece	Greece	EU	7	↓	No		Yes
144	Bank of Central African States	Central African System	AF	6	↑	No		Yes

145	Central Bank of Malta	Malta	EU	5	↑	No		Yes
146	Bank of Korea	South Korea	AP	5	↑	No		Yes
147	Central Bank of the Republic of Guinea	Guinea	AF	5	▪	No		Yes
148	Banque Centrale de Madagascar	Madagascar	AF	5	↑	No		Yes
149	Nepal Rastra Bank	Nepal	AP	4	▪	No		Yes
150	Eesti Pank	Estonia	EU	4	↓	No		Yes
151	Bank of Tanzania	Tanzania	AF	4	↑	No		Yes
152	Banque Centrale de Mauritanie	Mauritania	AF	3	▪	No		Yes
153	Central Bank of Armenia	Armenia	EU	3	↓	No		Yes
154	People's Bank of China	China	AP	2	↑	No		Yes
155	Magyar Nemzeti Bank	Hungary	EU	2	↑	No		Yes
156	Bank of Algeria	Algeria	AF	0	▪	No		No
156	The Central Bank of the Republic of Azerbaijan	Azerbaijan	AP	0	▪	No		No
156	Bangladesh Bank	Bangladesh	AP	0	▪	No		No
156	Banco Central de Bolivia	Bolivia	LA	0	▪	No		No
156	Česká národní banka	Czech Republic	EU	0	▪	No		No
156	National Bank of Ethiopia	Ethiopia	AF	0	▪	No		No
156	National Bank of Georgia	Georgia	EU	0	▪	No		No
156	Banco de Guatemala	Guatemala	LA	0	▪	No		No
156	The Central Bank of the Islamic Republic of Iran	Iran	ME	0	▪	No		No
156	Central Bank of the Democratic People's Republic of Korea	North Korea	AP	0	▪	No		No
156	Banka Qendrore e Republikës së Kosovës	Kosovo	EU	0	▪	No		No
156	Central Bank of Kuwait	Kuwait	ME	0	▪	No		No
156	Banque du Liban	Lebanon	ME	0	↓	No		No
156	Central Bank of Libya	Libya	AF	0	▪	No		No
156	Banca Naţională a Moldovei	Moldova	EU	0	↓	No		No
156	Centralna Banka Crne Gore	Montenegro	EU	0	▪	No		No
156	Central Bank of Oman	Oman	ME	0	▪	No		No
156	Bank of Papua New Guinea	Papua New Guinea	AP	0	▪	No		No
156	Qatar Central Bank	Qatar	ME	0	▪	No		No
156	Banca Naţională a României	Romania	EU	0	▪	No		No
156	Saudi Arabian Monetary Agency	Saudi Arabia	ME	0	▪	No		No
156	Národná banka Slovenska	Slovakia	EU	0	▪	No		No
156	Bank of Sudan	Sudan	AF	0	↓	No		No
156	Centrale Bank van Suriname	Suriname	LA	0	▪	No		No
156	Central Bank of Syria	Syrian Arab Republic	ME	0	↓	No		No
156	Central Bank of Turkmenistan	Turkmenistan	AP	0	▪	No		No
156	Central Bank of the United Arab Emirates	UAE	ME	0	▪	No		No
156	Banco Central del Uruguay	Uruguay	LA	0	▪	No		No
156	Central Bank of the Republic of Uzbekistan	Uzbekistan	AP	0	▪	No		No
156	Central Bank of Yemen	Yemen	ME	0	▪	No		No

Commercial banks score: 30

Region rank	Overall rank	Commercial bank	Country	Score	Female CEO	Other female C-suite executive	Female presence in top management and/or boards
Asia Pacific							
1	1	Australia and New Zealand Bank	Australia	83	No	2	Yes
2	4	Commonwealth Bank of Australia	Australia	51	No		Yes
3	13	Siam Commercial Bank	Thailand	40	No	1	Yes
4	18	DBS Bank	Singapore	33	No	1	Yes
5	26	OCBC Bank	China	29	No	1	Yes
6	42	Bank of China	China	11	No		Yes
7	43	CIMB	Malaysia	10	No		Yes
8	45	HDFC Bank	India	10	No		Yes
9	47	Mizuho	Japan	8	No		Yes
10	48	ICBC	China	8	No		Yes
Emerging markets							
1	5	AKBANK	Turkey	50	No		Yes
2	7	Standard Bank	South Africa	47	No		Yes
3	9	Guaranty Trust Bank	Nigeria	43	No		Yes
4	23	SberBank	Russia	31	No	1	Yes
5	29	Absa	South Africa	27	No		Yes
6	36	Bancolombia	Colombia	20	No		Yes
7	44	First Abu Dhabi Bank	UAE	10	No	1	Yes
8	46	Bradesco	Brazil	9	No		Yes
9	49	Emirates NBD	UAE	5	No		Yes
10	50	Banco Do Brasil	Brazil	2	No		Yes
Europe							
1	3	NatWest Group	UK	55	Yes		Yes
2	8	Commerzbank	Germany	44	No		Yes
3	11	Handelsbanken	Sweden	41	Yes		Yes
4	12	Nordea	Denmark	40	No		Yes
5	17	Santander	Spain	36	Yes		Yes
6	20	Societe Generale	France	32	No		Yes
7	21	Credit Agricole Group	France	32	No	1	Yes
8	25	Standard Chartered	UK	29	No		Yes
9	28	ING	Netherlands	28	No		Yes
10	30	BBVA	Spain	27	No		Yes
11	30	Lloyds Banking Group	UK	27	No		Yes
12	32	Credit Suisse	Switzerland	25	No	1	Yes
13	33	UBS	Switzerland	23	No		Yes
14	34	BNP Paribas	France	22	No		Yes
15	35	CaixaBank	Spain	21	No		Yes
16	37	HSBC	UK	18	No		Yes
17	38	UniCredit	Italy	18	No	1	Yes
18	39	Intesa Sanpaolo Group	Italy	17	No	1	Yes
19	40	Barclays	UK	16	No	1	Yes
20	41	Deutsche Bank	Germany	16	No		Yes
North America							
1	2	JP Morgan	US	70	No	1	Yes
2	6	Citi	US	50	No	1	Yes
3	10	Bank of America	US	41	No	1	Yes
4	14	Goldman Sachs	US	39	No		Yes
5	15	Scotiabank	Canada	37	No	1	Yes
6	16	BNY Mellon	US	37	No	1	Yes
7	19	Royal Bank of Canada	Canada	33	No		Yes
8	22	Wells Fargo	US	32	No	1	Yes
9	24	State Street	US	31	No		Yes
10	27	Morgan Stanley	US	29	No		Yes

Sovereign funds score: 19

Rank	Sovereign fund	Country	Region	Score and change from last year		Female CEO	Other female C-suite executive	Female presence in top management and/or boards
1	Victorian Funds Management Corporation	Australia	AP	100	↑	Yes	1	Yes
2	Funds SA	Australia	AP	74	↑	Yes		Yes
3	Alaska Permanent Fund Corporation	US	NA	72	▪	Yes	1	Yes
4	Ghana Petroleum Funds	Ghana	AF	66	▪	No		Yes
5	Caisse des Dépôts et Consignations	France	EU	61	↑	No		Yes
6	Alabama Trust Fund	US	NA	59	↑	Yes		Yes
7	Permanent Wyoming Mineral Trust Fund	US	NA	58	↓	No		Yes
8	New Zealand Superannuation Fund	New Zealand	AP	57	↑	No		Yes
9	Heritage and Stabilisation Fund	Trinidad and Tobago	LA	55	↓	No		Yes
10	Mumtalakat Holding Company	Bahrain	ME	54	↓	No	1	Yes
11	Russian Direct Investment Fund	Russia	EU	53	↑	No	2	Yes
12	Western Australian Future Fund	Australia	AP	50	↑	Yes		Yes
12	Permodalan Nasional Berhad	Malaysia	AP	50	↓	No	1	Yes
12	Caisse des Dépôts et Consignations	Tunisia	AF	50	↓	Yes		Yes
15	Norges Bank Investment Management	Norway	EU	48	↑	No	1	Yes
16	Ireland Strategic Investment Fund	Ireland	EU	47	↑	No		Yes
17	Fondo de Estabilización Fiscal	Peru	LA	47	↓	No		Yes
18	IFC Asset Management Company	US	NA	41	↑	Yes		Yes
19	Queensland Investment Corporation	Australia	AP	40	↓	No		Yes
20	Fundo Soberano de Angola	Angola	AF	40	↓	No		Yes
20	Future Fund	Australia	AP	40	↑	No	1	Yes
22	Excess Crude Account	Nigeria	AF	39	▪	No		Yes
23	Khazanah Nasional Berhad	Malaysia	AP	37	↑	No	1	Yes
24	New Mexico State Investment Council	US	NA	37	↓	No		Yes
25	Pula Fund	Botswana	AF	36	↑	No		Yes
26	Fondo de Ahorro de Panamá	Panama	LA	35	↑	No		Yes
27	Banque Publique d'Investissement	France	EU	34	↑	No		Yes
28	Texas Permanent School Fund	US	NA	33	↓	No		Yes
29	Lembaga Pengelola Dana Pendidikan	Indonesia	AP	30	↑	No		Yes
30	Alberta Investment Management Corporation	Canada	NA	30	↑	No		Yes
31	Nigeria Sovereign Investment Authority	Nigeria	AF	28	▪	No	1	Yes
32	Fiscal Stability Fund	Mongolia	AP	27	↓	No		Yes
33	Sustainability Guarantee Fund	Argentina	LA	26	↑	No		Yes
34	Public Investment Corporation	South Africa	AF	26	↑	No		Yes
35	Texas Permanent University Fund	US	NA	26	↑	No		Yes
36	Agaciro Development Fund	Rwanda	AF	25	↑	No		Yes
36	Louisiana Education Quality Trust Fund	US	NA	25	▪	No		Yes
38	CDP Equity	Italy	EU	24	↓	No		Yes
39	Temasek	Singapore	AP	23	↓	Yes	1	Yes
40	National Welfare Fund	Russia	EU	21	↑	No		Yes
41	GIC	Singapore	AP	19	↑	No	1	Yes
42	Cassa Depositi e Prestiti	Italy	EU	17	↓	No		Yes
43	Partnership Fund	Georgia	EU	17	↓	No		Yes
44	Fondo de Estabilización Económica y Social	Chile	LA	14	▪	No		Yes
44	Fondo de Reserva de Pensiones	Chile	LA	14	▪	No		Yes
46	Fonds Gabonais d'Investissements Stratégiques	Gabon	AF	14	↓	No		Yes
47	National Managing Holding Baiterek	Kazakhstan	AP	13	↑	No		Yes
48	State Oil Fund of the Republic of Azerbaijan	Azerbaijan	AP	11	↓	No		Yes
49	Dubai World	UAE	ME	10	▪	No		Yes

50	China Investment Corporation	China	AP	10	↓	No		Yes
51	Palestine Investment Fund	Palestine	ME	9	▪	No		Yes
52	Kuwait Investment Authority	Kuwait	ME	8	↓	No		Yes
53	Samruk-Kazyna JSC	Kazakhstan	AP	8	↑	No		Yes
54	Korea Investment Corporation	South Korea	AP	7	↑	No		Yes
55	NSW Generations Fund	Australia	AP	7	▪	No		Yes
56	Public Investment Fund	Saudi Arabia	ME	5	↓	No		Yes
57	Investment Corporation of Dubai	UAE	ME	5	↑	No		Yes
58	State Capital Investment Corporation	Vietnam	AP	4	↑	No		Yes
59	Turkiye Wealth Fund	Turkey	EU	3	↓	No		Yes
60	Fonds de Réserves pour Générations Futures	Equatorial Guinea	AF	3	↓	No		Yes
61	National Social Security Fund	China	AP	0	▪	No		No
61	National Development Fund of Iran	Iran	ME	0	▪	No		No
61	Libyan Investment Authority	Libya	AF	0	▪	No		No
61	Fondo de Estabilización de los Ingresos Petroleros	Mexico	LA	0	▪	No		No
61	State General Reserve Fund	Oman	ME	0	▪	No		No
61	Qatar Investment Authority	Qatar	ME	0	▪	No		No
61	Sanabil Investments	Saudi Arabia	ME	0	▪	No		No
61	Fonds Souverain d'Investissements Strategiques	Senegal	AF	0	▪	No		No
61	Petroleum Fund of Timor-Leste	Timor-Leste	AP	0	↓	No		No
61	Abu Dhabi Investment Authority	UAE	ME	0	▪	No		No
61	Emirates Investment Authority	UAE	ME	0	▪	No		No
61	Mubadala Investment Company	UAE	ME	0	▪	No		No

Pension funds score: 25

Rank	Pension fund	Country	Region	Score and change from last year		Female CEO	Other female C-suite executive	Female presence in top management and/or boards
1	Pensionskassen For Sygeplejersker	Denmark	EU	100	▪	No		Yes
2	London Borough of Enfield Pension Fund	UK	EU	96	↑	No		Yes
3	Pensionskasse der Stadt Winterthur	Switzerland	EU	95	↑	No		Yes
4	Aware Super	Australia	AP	93	▪	Yes	1	Yes
5	AP6	Sweden	EU	89	↓	Yes	1	Yes
6	AP1	Sweden	EU	89	↑	Yes		Yes
7	Turks and Caicos Islands National Insurance Board	Turks and Caicos	LA	88	▪	Yes		Yes
8	Lambeth Pension Fund	UK	EU	88	↑	Yes		Yes
9	Caisse de Prévoyance des Fonctionnaires de Police et de la Prison	Switzerland	EU	88	↓	No		Yes
10	London Borough of Tower Hamlets Pension Fund	UK	EU	87	↑	Yes		Yes
11	Pension Fund for Nurses and State Employees	Iceland	EU	86	↓	Yes		Yes
12	Pensioenfonds Zorg en Welzijn	Netherlands	EU	85	↑	No		Yes
13	Nilgosc	UK	EU	83	↓	No		Yes
14	Ircantec	France	EU	82	↑	Yes		Yes
15	London Pensions Fund Authority	UK	EU	81	↑	No		Yes
16	Guernsey Superannuation Fund	Guernsey	EU	80	▪	Yes		Yes

17	Greater Manchester Pension Fund	UK	EU	75	↑	Yes		Yes
18	AP2	Sweden	EU	74	↑	Yes		Yes
19	Super SA	Australia	AP	73	▪	Yes		Yes
20	Social Security System	Philippines	AP	73	▪	Yes		Yes
21	Algemeen Pensioenfonds Sint Maarten	Saint Martin	LA	73	↑	Yes		Yes
22	AP7	Sweden	EU	72	↓	No		Yes
23	Personalversicherungskasse Obwalden	Switzerland	EU	71	↑	No		Yes
24	Pensionskasse Appenzell Ausserrhoden	Switzerland	EU	71	↑	Yes		Yes
25	London Borough of Redbridge Pension Fund	UK	EU	71	↓	Yes		Yes
26	Folketrygdfondet	Norway	EU	70	↓	No		Yes
27	Fundo de Segurança Social de Macau	Macau	AP	70	▪	No		Yes
28	London Borough of Ealing Pension Fund	UK	EU	68	↑	Yes		Yes
29	AP4	Sweden	EU	67	↓	No	1	Yes
29	Pensionskasse St. Galler Gemeinden	Switzerland	EU	67	↑	No		Yes
31	Kantonale Pensionskasse Schaffhausen	Switzerland	EU	65	▪	No		Yes
32	The Pension Reserve Fund Of Republic of Srpska (PREF)	Bosnia and Herzegovina	EU	64	↑	No		Yes
33	Essex Pension Fund	UK	EU	64	↓	Yes		Yes
34	Pensionskasse des Bundes PUBLICA	Switzerland	EU	63	↑	Yes		Yes
35	Tyne and Wear Pensions Fund	UK	EU	63	↓	Yes		Yes
36	London Borough of Hackney Pension Fund	UK	EU	62	↓	No		Yes
37	West Midlands Pension Fund	UK	EU	61	↓	No		Yes
37	Social Insurance Fund	Ireland	EU	61	▪	No		Yes
39	Uniform Pension Savings Fund	Kazakhstan	AP	61	▪	No		Yes
40	West Sussex Pension Fund	UK	EU	60	▪	No		Yes
41	Pensionskasse Basel-Stadt	Switzerland	EU	59	↓	Yes		Yes
42	Health Employees Superannuation Trust Australia	Australia	AP	59	▪	Yes	2	Yes
43	Pensionskasse Uri	Switzerland	EU	57	↑	No		Yes
43	National Superannuation Fund	Cook Islands	AP	57	▪	No		Yes
45	Bernische Lehrerversicherungskasse	Switzerland	EU	57	▪	No		Yes
46	Caisse Nationale d'Assurance Pension	Luxembourg	EU	57	↓	No		Yes
47	Newham Pension Fund	UK	EU	56	↓	No		Yes
48	City of Westminster Superannuation Fund	UK	EU	56	↑	No		Yes
48	City of London Corporation Pension Fund	UK	EU	56	↑	No		Yes
50	Cayman Islands Public Service Pensions Board	Cayman Islands	LA	54	↓	Yes	1	Yes
51	British Broadcasting Corporation Pension Trust	UK	EU	54	↓	Yes		Yes
52	Stichting Pensioenfonds ABP	Netherlands	EU	53	↓	No		Yes
52	Pensionskasse für das Personal der Stadt Frauenfeld	Switzerland	EU	53	↑	No		Yes
52	Transport for London Pension Fund	UK	EU	53	↑	Yes		Yes
55	Valtion Eläkerahasto	Finland	EU	52	↑	No	1	Yes
56	Pensionskasse Stadt Zürich	Switzerland	EU	52	↑	Yes		Yes
57	Commonwealth Superannuation Corporation	Australia	AP	52	▪	No	1	Yes
58	Southwark Council Pension Fund	UK	EU	50	↓	Yes		Yes
58	Kåpan Pensioner	Sweden	EU	50	▪	No	1	Yes
60	Government Employees Superannuation Board	Australia	AP	50	▪	No		Yes
61	Cheshire Pension Fund	UK	EU	49	↑	No		Yes
62	PKH	Norway	EU	48	↓	Yes		Yes

62	Keva	Finland	EU	48	↑	No		Yes
64	UniSuper	Australia	AP	48	▪	No		Yes
65	Lancashire County Pension Fund	UK	EU	46	↑	No		Yes
65	Demographic Reserve Fund	Poland	EU	46	↓	No		Yes
65	Fundusz Gwarantowanych Świadczeń Pracowniczych	Poland	EU	46	↓	Yes		Yes
68	Devon County Council Pension Fund	UK	EU	45	↑	No		Yes
68	Norfolk Pension Fund	UK	EU	45	↑	Yes		Yes
70	Strathclyde Pension Fund	UK	EU	45	↓	No	1	Yes
71	Grant Schools Provident Fund	Hong Kong	AP	44	▪	No		Yes
71	Isle of Wight Council Pension Fund	UK	EU	44	↓	No		Yes
73	AkademikerPension	Denmark	EU	44	↓	No		Yes
74	Kumpulan Wang Persaraan	Malaysia	AP	43	▪	Yes		Yes
75	Ordu Yardımlaşma Kurumu	Turkey	EU	43	↑	No		Yes
76	Employees' Provident Fund	Malaysia	AP	43	▪	No		Yes
77	Havering Pension Fund	UK	EU	43	↓	No		Yes
78	London Borough of Sutton Pension Fund	UK	EU	42	↓	Yes		Yes
79	Caisse de Pension de l’Etat de Vaud	Switzerland	EU	42	▪	No		Yes
80	Bureau of Labor Funds	Taiwan	AP	42	▪	No		Yes
80	AustralianSuper	Australia	AP	42	▪	No		Yes
82	ERAFP	France	EU	41	↑	No		Yes
83	Worcestershire Pension Fund	UK	EU	41	↑	No		Yes
83	Hounslow Pension Fund	UK	EU	41	↑	Yes		Yes
85	Brent Pension Fund	UK	EU	39	↑	No		Yes
86	Royal Borough of Kingston upon Thames Pension Fund	UK	EU	39	↑	No		Yes
87	Cumbria Local Government Pension Scheme	UK	EU	38	↓	No		Yes
87	Waltham Forest Pension Fund	UK	EU	38	↓	No		Yes
89	Pensionskasse des Kantons Nidwalden	Switzerland	EU	38	▪	No		Yes
90	Subsidsed Schools Provident Fund	Hong Kong	AP	38	▪	No		Yes
91	Bank of England Pension Scheme	UK	EU	37	↑	Yes		Yes
92	London Borough of Hammersmith and Fulham Pension Fund	UK	EU	37	▪	No		Yes
93	London Borough of Lewisham Pension Fund	UK	EU	37	↑	No		Yes
94	Merseyside Pension Fund	UK	EU	36	↑	No		Yes
95	East Riding Pension Fund	UK	EU	36	↑	Yes		Yes
96	Surrey Pension Fund	UK	EU	35	↓	No		Yes
97	London Borough of Bexley Pension Fund	UK	EU	35	↑	Yes		Yes
98	Pensionskasse Stadt St. Gallen	Switzerland	EU	35	▪	No		Yes
99	Lærernes Pension	Denmark	EU	35	↑	No		Yes
100	CPEG Caisse de prévoyance de l'Etat de Genève	Switzerland	EU	35	↑	No		Yes
101	Rhondda Cynon Taf Pension Fund	UK	EU	34	↑	No		Yes
102	Lembaga Tabung Angkatan Tentera	Malaysia	AP	34	▪	No		Yes
103	British Coal Staff Superannuation Scheme	UK	EU	33	▪	Yes		Yes
104	Central Provident Fund	Singapore	AP	32	▪	No		Yes
105	Qsuper	Australia	AP	32	▪	No	1	Yes
105	Fonds de Réserve pour les Retraites	France	EU	32	↑	No		Yes
107	Environment Agency Pension Funds	UK	EU	32	↑	No		Yes
108	Prévoyance Santé Valais	Switzerland	EU	32	↓	No		Yes
109	Pensionskasse des Kantons Glarus	Switzerland	EU	32	▪	No		Yes
110	BVK Personalvorsorge des Kantons Zürich	Switzerland	EU	31	▪	No		Yes
111	Greater Gwent Pension Fund	UK	EU	31	↓	No		Yes

112	Emergency Services and State Super	Australia	AP	31	▪	No		Yes
113	Kantonale Pensionskasse Graubünden	Switzerland	EU	31	▪	Yes		Yes
114	Oxfordshire Pension Fund	UK	EU	31	↑	No	1	Yes
115	Luzerner Pensionskasse	Switzerland	EU	30	↓	No		Yes
116	Istituto di previdenza del Cantone Ticino	Switzerland	EU	30	↑	No		Yes
117	Versorgungsanstalt des Bundes und der Länder	Germany	EU	30	▪	No		Yes
117	Highland Council Pension Fund	UK	EU	30	↑	No		Yes
117	Pensionskasse der Gemeinde Küsnacht	Switzerland	EU	30	↑	No		Yes
120	Wandsworth Pension Fund	UK	EU	30	↑	No		Yes
121	Avon Pension Fund	UK	EU	30	↓	No		Yes
122	Lincolnshire County Council Local Government Pension Scheme	UK	EU	30	↑	No		Yes
123	West Yorkshire Pension Fund	UK	EU	29	↓	No	2	Yes
123	Luzerner Gemeindepersonalkasse	Switzerland	EU	29	▪	No		Yes
125	Solomon Islands National Provident Fund	Solomon Islands	AP	29	▪	No		Yes
126	Compenswiss - Fonds de compensation AVS	Switzerland	EU	29	▪	No		Yes
127	Arbejdsmarkedets Tillægspension	Denmark	EU	29	↓	No		Yes
128	Fondo de Reserva Seguridad Social	Spain	EU	29	▪	No		Yes
128	Fife Pension Fund	UK	EU	29	▪	No		Yes
128	Cornwall Pension Fund	UK	EU	29	↑	No		Yes
128	London Borough of Merton Pension Fund	UK	EU	29	▪	No		Yes
132	AP3	Sweden	EU	28	↓	Yes	1	Yes
133	Pensionskasse des Personals der Einwohnergemeinde Köniz	Switzerland	EU	28	↑	No		Yes
134	Leicestershire County Council Pension Fund	UK	EU	28	↓	No		Yes
135	London Borough of Camden Pension Fund	UK	EU	27	↑	No		Yes
136	PensionDanmark	Denmark	EU	27	↑	No		Yes
137	Government Service Insurance System	Philippines	AP	27	▪	No		Yes
138	London Borough of Islington Pension Fund	UK	EU	27	↓	No		Yes
139	State Super	Australia	AP	27	▪	No		Yes
140	Universities Superannuation UK	UK	EU	26	↑	No		Yes
141	Kent County Council Superannuation Fund	UK	EU	26	↓	No		Yes
142	Northumberland Pension Fund	UK	EU	26	▪	No		Yes
143	Suffolk Pension Fund	UK	EU	26	▪	Yes		Yes
144	Royal Borough of Kensington and Chelsea Pension Fund	UK	EU	26	↓	No		Yes
145	Shropshire County Pension Fund	UK	EU	25	↓	No		Yes
145	Hampshire Pension Fund	UK	EU	25	▪	No		Yes
147	Croydon Pension Scheme	UK	EU	24	▪	No		Yes
148	Previs Personalvorsorgestiftung Service Public	Switzerland	EU	24	↑	No		Yes
149	Bernische Pensionskasse	Switzerland	EU	24	↓	No		Yes
149	TAP Brunei	Brunei	AP	24	▪	No		Yes
151	Nottinghamshire Local Government Pension Scheme	UK	EU	24	▪	No		Yes
152	Durham County Council Pension Fund	UK	EU	24	↓	No		Yes
153	CAP Prévoyance	Switzerland	EU	24	↓	Yes		Yes
154	Tayside Pension Fund	UK	EU	23	▪	No		Yes
155	Caisse de pensions de la fonction publique du Canton de Neuchâtel – Prevoyance.ne	Switzerland	EU	23	↓	No		Yes
156	South Yorkshire Pension Fund	UK	EU	22	↓	No		Yes

157	Caisse de pensions de la République et du Canton du Jura	Switzerland	EU	22	▪	No		Yes
158	Barking and Dagenham Pension Fund	UK	EU	21	↓	No	1	Yes
159	Barnet Pension Fund	UK	EU	21	↓	No		Yes
160	Scottish Borders Council Pension Fund	UK	EU	21	↓	No		Yes
161	East Sussex Pension Fund	UK	EU	20	↑	No		Yes
162	Northamptonshire Local Government Pension Scheme	UK	EU	20	↓	No		Yes
163	Falkirk Pension Fund	UK	EU	19	↓	Yes		Yes
164	North Yorkshire Pension Fund	UK	EU	19	↑	No		Yes
165	Public Service Pension Fund	Taiwan	AP	19	▪	No		Yes
166	British Transport Police Superannuation Fund	UK	EU	19	▪	No		Yes
167	AHV-IV-FAK	Liechtenstein	EU	18	↓	No		Yes
167	Hertfordshire County Council Pension Fund	UK	EU	18	↑	No		Yes
169	Pensionskasse der Stadt Biel	Switzerland	EU	18	↑	No		Yes
169	Kantonale Pensionskasse Solothurn	Switzerland	EU	18	↑	No		Yes
171	Somerset County Council Pension Fund	UK	EU	17	↓	No		Yes
172	Government Pension Fund	Thailand	AP	17	▪	No		Yes
173	Dorset County Pension Fund	UK	EU	17	↑	No		Yes
174	Lothian Pension Fund	UK	EU	17	↑	No		Yes
175	Caisse de Prévoyance du Personnel de l'Etat de Fribourg	Switzerland	EU	17	↑	No		Yes
175	Royal Borough of Greenwich Pension Fund	UK	EU	17	↑	No		Yes
177	BPJS Ketenagakerjaan	Indonesia	AP	16	▪	No		Yes
178	Bromley Pension Fund	UK	EU	16	↓	No		Yes
179	Pensionskasse Stadt Luzern	Switzerland	EU	16	▪	No		Yes
180	Aargauische Pensionskasse	Switzerland	EU	15	↓	No		Yes
181	National Provident Fund	Fiji	AP	15	▪	No		Yes
182	Teesside Pension Fund	UK	EU	15	▪	No		Yes
182	Caisse de pensions du personnel communal	Switzerland	EU	15	↑	No		Yes
184	Swansea Pension Fund	UK	EU	15	↓	No		Yes
185	Buckinghamshire Pension Fund	UK	EU	15	↑	No		Yes
185	Bedfordshire Pension Fund	UK	EU	15	↓	No		Yes
187	Bundespensionskasse	Austria	EU	14	↑	No		Yes
188	Seamen's Provident Fund Organisation	India	AP	14	▪	No		Yes
189	Employees' Old Age Benefits Institution	Pakistan	AP	14	▪	No		Yes
190	Clwyd Pension Fund	UK	EU	14	↓	No		Yes
190	Local Government Officials	Japan	AP	14	▪	No		Yes
192	Fundo de Estabilização da Segurança Social	Portugal	EU	13	▪	No		Yes
193	Pensionskasse Thurgau	Switzerland	EU	13	↑	No		Yes
194	Staffordshire Pension Fund	UK	EU	13	↓	No		Yes
194	Caisse Intercommunale de Pensions	Switzerland	EU	13	↑	No		Yes
196	Wiltshire Pension Fund	UK	EU	12	↓	No		Yes
197	Basellandschaftliche Pensionskasse	Switzerland	EU	12	↑	No		Yes
198	Japan Pension Service	Japan	AP	11	▪	No		Yes
199	London Borough of Harrow Pension Fund	UK	EU	11	▪	No		Yes
200	Berkshire Pension Fund	UK	EU	11	↑	No		Yes
201	Dumfries and Galloway Council Pension Fund	UK	EU	10	▪	No		Yes
202	St.Galler Pensionskasse	Switzerland	EU	10	↓	No		Yes
202	Personalvorsorgekasse der Stadt Bern	Switzerland	EU	10	↑	No		Yes
204	Cardiff and Vale of Glamorgan Pension Fund	UK	EU	10	▪	No		Yes

205	Cambridgeshire Local Government Pension Scheme	UK	EU	10	↑	No		Yes
205	Gloucestershire Local Government Pension Fund	UK	EU	10	↓	No		Yes
207	Punjab Pension Fund	Pakistan	AP	10	▪	No		Yes
208	Gwynedd Pension Fund	UK	EU	9	↑	No		Yes
209	Zuger Pensionskasse	Switzerland	EU	8	↑	No		Yes
210	Powys Pension Fund	UK	EU	8	▪	No		Yes
211	Derbyshire County Council Pension Fund	UK	EU	8	▪	No		Yes
212	National Pension Service	South Korea	AP	8	▪	No		Yes
213	Public Employees Contributory Retire-ment Scheme	UK	EU	7	↓	No		Yes
214	Haringey Council Pension Fund	UK	EU	6	↓	No		Yes
215	Government Pension Investment Fund	Japan	AP	4	▪	No		Yes
216	Pensionskasse des Kantons Schwyz	Switzerland	EU	3	▪	No		Yes
217	Taspen	Indonesia	AP	3	▪	No		Yes
218	Hillingdon Pension Fund	UK	EU	3	↓	No		Yes
219	North East Scotland Pension Fund	UK	EU	2	↓	No		Yes
220	Bayerische Versorgungskammer	Germany	EU	0	▪	No		No
220	National Public Service Personnel Mutual Aid	Japan	AP	0	▪	No		No
220	National Pension System Trust	India	AP	0	▪	No		No
220	Fonds de Compensation de la Sécurité Sociale	Luxembourg	EU	0	▪	No		No
220	Employees Provident Fund	Nepal	AP	0	▪	No		No
220	Coal Mines Provident Fund	India	AP	0	▪	No		No
220	Government Employees Pension Service	South Korea	AP	0	▪	No		No
220	CPVAL	Switzerland	EU	0	▪	No		No
220	Dyfed Pension Fund	UK	EU	0	↓	No		No
220	Warwickshire Pension Fund	UK	EU	0	▪	No		No
220	Asabri	Indonesia	AP	0	▪	No		No
220	National Social Security Fund	Cambodia	AP	0	▪	No		No
220	Jersey Teachers Superannuation Fund	Jersey	EU	0	▪	No		No
220	Kantonale Versicherungskasse Appenzell Innerrhoden	Switzerland	EU	0	↓	No		No

Methodology

The OMFIF Gender Balance Index scores institutions based on gender balance among senior staff, weighted by seniority. Governors and chief executives are given the highest weights. Members of executive teams receive higher weights than those in non-executive roles, such as members of monetary policy committees. The score for each institution is calculated by taking the ratio of the female and male components. The cut-off for data collection was January 2021.

Global and regional scores for central banks are weighted by corresponding countries' GDP. Calculations exclude the scores of the European Central Bank and the regional banks of the Federal Reserve System. Global and regional scores for sovereign funds and pension funds are weighted by the value of these institutions' assets under management. In calculating these scores for sovereign funds and pension funds, overseas territories are assigned the country and region of their sovereign state. Global and regional scores for commercial banks are not weighted.

Legend:
AF = Africa **AP** = Asia Pacific **EM** = Emerging markets **EU** = Europe
LA = Latin America and the Caribbean **ME** = Middle East **NA** = North America

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