

Gender Pay Gap Report 2020



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Representation and inclusion of our diverse talent is key to the long-term success of Standard Chartered, helping us to understand and serve our customers better across our footprint. Over our 160+ year history, we have learned that a diverse workforce is innovative and creative in ways that homogenous teams can rarely be. With a workforce close to 90,000 collaborating across 59 markets, our unique diversity is a powerful asset and we remain focused on unlocking its fullest potential.

One measure of progress is our gender pay gap report, which this year shows that while we have made progress, we have more work to do in getting our gender balance right, particularly at senior levels and business areas where rates of pay are the highest.

At the end of 2020, females represented 31 per cent of our Board, increasing to 36 per cent in January 2021. Fourteen of our biggest markets have female CEOs at the helm, including in China, Hong Kong, India and UAE. Since signing the UK HM Treasury Women in Finance Charter in 2016, female representation in senior leadership roles has increased from 25 per cent to 29.5 per cent, slightly below our 30 per cent target. We are committed to improving further and aspire to 35 per cent female representation at a senior level by 2025. This aspiration is supported by programmes that develop our diverse talent in preparation for future roles, alongside other actions listed on page four of this report.

Our customers and communities deeply care about gender equality and we are committed to working with them to achieve these common goals. We have developed a framework which helps clients think through the impact they want to make on UN SDGs aligned to their interests, including for SDG no. 5 - Gender Equality. We have also partnered with Impact Investment Exchange to issue Asia Pacific's first multi-country listed gender bond, which is creating sustainable livelihoods for 180,000 underserved women across Asia. In 2020, I co-chaired the B20 Women in Business Action Council, which presented a set of actionable policy recommendations to the G20 with the overarching objective of achieving gender parity in some of the world's largest economies by addressing structural challenges for Women in Business.

Our targeted programmes to promote women entrepreneurs and professionals are bearing fruit. Our Futuremakers initiative has reached more than 199,630 girls and young women in 2019 and 2020 through community programmes focused on education, employability and entrepreneurship. Our Women in Technology incubators in Kenya, Nigeria, Pakistan, the UAE and the United States helped develop 75 women-led ventures in 2020. We are also ensuring that women-owned micro and small businesses do not get left behind, by enhancing our focus on the diversity of our own supply chain.

It is encouraging to see our efforts being recognised in many of our markets. We are proud to be the first financial institution in Singapore to be awarded the EDGE (Economic Dividends for Gender Equality) certification and have been recognised by the UAE Gender Balance Council for supporting gender balance in the Banking and Finance Sector. We have been recognised by the Financial Times as a Diversity Leader in Europe and seven of our colleagues featured in the 2020 Yahoo Finance HERoes awards for driving equality and inclusion within and outside of the organisation. For the sixth year running, we are one of 380 companies and 126 financial sector companies included in the 2021 Bloomberg Gender Equality Index.

The Management team and I are encouraged by the progress that we have made to date and are acutely aware that we have a lot more to do. I welcome your feedback on our report and on our overall approach to promoting gender equality.



Bill Winters,
Group Chief Executive

What is a 'gender pay gap' and how does it differ to equal pay?

The gender pay gap compares the average pay of our female and male employees. This is different to 'equal pay', which compares the pay of female and male employees who are doing the same roles, or work of the same value. We carry out checks at hiring and during our pay and performance review to correct any significant pay differences that arise over time for people doing the same work. For all colleagues, we continue to focus on making inclusive pay decisions in line with the principles of our Fair Pay Charter.

We recognise that a spectrum of gender identities and expressions exist, however we calculate our gender pay gap using the approach required by UK legislation, which compares the pay of females and males. To reflect our global commitment to gender equality, we have gone beyond legislative requirements by publishing our gender pay gap for some of our other major markets in addition to the UK.



Our 2020 gender pay gap statistics

We calculate the gender pay gap for UK employees in line with UK legislative requirements. We calculate the gender pay gap for Hong Kong, Singapore, UAE and the US based on annualised salary, with bonus reporting using the same method as the UK.

The hourly pay gap is the difference between average female and male hourly salary payments at the snapshot date of 5 April 2020. We analyse the movement in our hourly pay gaps by looking at six factors: Leavers and joiners (including international transfers, hires and terminations), going on or returning from leave for which pay is reduced (e.g. reduced pay portions of parental leave, and sabbatical leave), changes in role level and other pay changes.

The bonus pay gap is the difference between average female and male bonus payments received in the year to 5 April 2020. In line with the reporting requirements, our figures do not consider factors such as eligibility due to start date, nor employees who were eligible to be considered for a bonus but did not receive one due to their performance not meeting the required standard.

Hourly and bonus pay gaps. Percentages are expressed as a percentage of the male average.	UK		Hong Kong		Singapore		United Arab Emirates		United States	
	2020	% Dif. to 2019	2020	% Dif. to 2019	2020	% Dif. to 2019	2020	% Dif. to 2019	2020	% Dif. to 2019
Mean hourly pay gap	30%	▼ -2%	20%	= 0%	34%	▼ -1%	29%	▲ +3%	25%	= 0%
Median hourly pay gap	29%	▲ +1%	15%	= 0%	37%	= 0%	27%	▲ +5%	21%	= 0%
Mean bonus pay gap	51%	▲ +5%	35%	▼ -3%	44%	▼ -2%	52%	▼ -1%	43%	▼ -5%
Median bonus pay gap	48%	▲ +2%	38%	= 0%	38%	▲ +1%	44%	▲ +7%	33%	▲ +2%

Proportion of employees receiving bonus pay



Pay quartiles by gender show the representation of females and males in higher and lower earning brackets. We calculate the quartiles by ranking hourly pay from highest to lowest and then splitting our employee population into four equally sized groups.

Pay quartiles	UK			
	2020		% Dif. to 2019	
	F	M	F	M
Top quartile (highest paid)	21%	79%	▼ -1%	▲ +1%
Upper middle quartile	31%	69%	▼ -5%	▲ +5%
Lower middle quartile	40%	60%	= 0%	= 0%
Bottom quartile (lowest paid)	60%	40%	▼ -3%	▲ +3%

Pay quartiles	Hong Kong			
	2020		% Dif. to 2019	
	F	M	F	M
Top quartile (highest paid)	47%	53%	▼ -1%	▲ +1%
Upper middle quartile	55%	45%	▼ -2%	▲ +2%
Lower middle quartile	59%	41%	▲ +2%	▼ -2%
Bottom quartile (lowest paid)	63%	37%	▼ -1%	▲ +1%

Pay quartiles	United Arab Emirates			
	2020		% Dif. to 2019	
	F	M	F	M
Top quartile (highest paid)	20%	80%	▼ -1%	▲ +1%
Upper middle quartile	36%	64%	▼ -1%	▲ +1%
Lower middle quartile	54%	46%	▼ -1%	▲ +1%
Bottom quartile (lowest paid)	47%	53%	▲ +10%	▼ -10%

Pay quartiles	Singapore			
	2020		% Dif. to 2019	
	F	M	F	M
Top quartile (highest paid)	27%	73%	▲ +1%	▼ -1%
Upper middle quartile	36%	64%	= 0%	= 0%
Lower middle quartile	53%	47%	= 0%	= 0%
Bottom quartile (lowest paid)	65%	35%	▲ +1%	▼ -1%

Pay quartiles	United States			
	2020		% Dif. to 2019	
	F	M	F	M
Top quartile (highest paid)	26%	74%	▼ -3%	▲ +3%
Upper middle quartile	45%	55%	▲ +1%	▼ -1%
Lower middle quartile	49%	51%	▼ -1%	▲ +1%
Bottom quartile (lowest paid)	57%	43%	▲ +1%	▲ +1%

What is our adjusted gender pay gap?

In addition to calculating our gender pay gap, which compares the average pay of females and males without taking into account factors such as seniority and role, we also calculate an adjusted gender pay gap, by comparing the pay of females and males at the same hierarchy level and in the same business area. The adjusted gaps reflect differences in the market pay levels for different types of roles at the same band and in the same business area and are unchanged from 2019 (with the exception of Hong Kong where the adjusted gap has narrowed from 2 per cent to 1 per cent).

Mean hourly pay gap for:	UK	Hong Kong	Singapore	United Arab Emirates	United States
All jobs	30%	20%	34%	29%	25%
Jobs at the same level and business area	4%	1%	2%	0%	1%

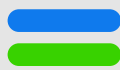


What are we doing to reduce our gender pay gap?

The actions we are taking to reduce our gender pay gap are focussed on addressing the historical imbalance in gender representation in the financial services industry and persistent gender biases in workplace and care-giving roles. We believe that over time, these actions will result in more equal representation at senior levels and across all areas of our business.



We continue to have targets in place, globally and by business area, for gender representation, and our performance against targets is included in the metrics for our annual and long-term bonus plans. We are committed to having 35 per cent of senior leadership positions held by women by 31 December 2025.



Our hiring processes include consideration of gender balance in candidate lists and we carry out analysis during our senior promotions process and challenge where anomalies in gender balance are found. Analysis on the gender balance of total promotions during our annual performance and pay review are presented to and discussed by senior management.



We consider representation for our leadership development programmes, and in 2020 the global cohort for our flagship talent accelerator programme to increase readiness for senior leadership roles was comprised of 54 per cent female colleagues and 44 nationalities.



To accelerate the development of mid-senior level female colleagues, we launched during 2020 our experimental coaching programme, "IGNITE", providing 141 female colleagues across 18 markets access to an internally certified coach to support their career development.



Our Global Standards for parental leave provide fully paid maternity leave for a minimum of 20 calendar weeks, and fully paid parental leave for partners for a minimum of two calendar weeks. Our Parental Leave toolkit supports new parents and their People Leaders.



Our returners programmes in markets including Hong Kong, Malaysia and India provide development and job opportunities to encourage women to re-enter the workforce following an extended career break.



Our 20+ gender-focused employee resource groups (ERGs) spearhead initiatives including engagement and continued development programmes for women on parental leave, mentoring opportunities, seminars from senior leaders and hosting events with clients to support industry-wide advancement.



We support a number of employee-led support groups which are aligned with the global HeforShe movement and actively encourage men to be part of the solution by creating platforms for discussion to raise awareness and advocate for gender equality progress. Our LeanIn initiatives across seven markets continue to provide peer to peer support for women to meet regularly to learn and grow together.



Further, 94 per cent of People Leaders have completed our Inclusive Leadership Programme which aims to equip colleagues with capabilities to drive an inclusive work environment and mitigate bias. We recognise health and resilience has a huge impact on our collective success and are equipping colleagues with the skills required to realise their potential and drive prosperity, by taking a proactive approach to their wellbeing. We provide a variety of wellbeing support and toolkits, including a Global Standard on tackling domestic violence and abuse and a toolkit to share best practice with other organisations.

Ethnicity pay gap reporting

We have been reporting our gender pay gaps for a number of years and are supportive of initiatives that seek to enable a truly diverse workforce. We responded to the UK Government consultation on ethnicity pay gap reporting and are considering potential ways to draw information from available data to inform our inclusion strategy.

Having a workforce whose nationality and ethnicity is broadly representative of our client base and footprint is a key focus area of our inclusion strategy and we continue to champion activities to nurture and develop talent across our footprint. In order to progress nationality and ethnicity inclusion, our global approach includes the collection of data, setting targets, talent attraction and development and community engagement.

Our current ethnicity data disclosure rates remain relatively low to draw meaningful statistical conclusions and we are taking steps to encourage disclosure in markets where we are able to, so that we can develop our approach. As one measure, we have put in place ethnicity targets for senior leadership representation in the UK and the US, to be achieved by 2025. In the UK, we aim to have 5 per cent of senior leadership roles held by Black colleagues and 20 per cent held by Black, Asian and Minority Ethnic colleagues. In the US, we aim to have 8 per cent of senior leadership roles held by Black or African American colleagues, and 14 per cent by Hispanic or Latino colleagues. You can read more about our targets and the interventions we are making to better support UK and US ethnic minority talent as we work towards our goals, on [our website](#).