

Women in Finance Charter Guidelines

The Luxembourg Women in Finance Charter (“WiF Charter”) is a commitment by signatory firms and representative bodies to achieve greater gender balance and inclusivity across Luxembourg’s financial services sector.

Supported by the Luxembourg Ministry of Finance, this Charter underpins the industry’s ambition to see increased participation of women at all levels within financial services organisations and representative bodies in Luxembourg.

Encouraging gender balance in the financial services sector is crucial in building a solid talent pool. This will lead to a greater diversity of thinking, experience, and leadership styles in decision-making processes, for the economic benefit of businesses, clients, and the wider community.

Recognising the sector’s diversity and firms’ different levels of maturity on gender balance, this Charter encourages each signatory to set its own measurable objectives to promote gender balance.

Who is in the scope of the WiF Charter?

The WiF Charter applies to its Founders and is open to all regulated financial services firms operating in Luxembourg, including but not limited to credit institutions, investment funds, insurance companies, management companies, investment firms, and Professionals of the Financial or the Insurance Sector (PSF or PSA).

What are organisations committing to under the WiF Charter?

As a signatory, an organisation will be committing to:

1. Promote the progression of women within their organisation.
 - Signatory organisations commit to the advancement of women at all levels, including at senior and board levels in order to achieve a greater gender balanced and inclusive working environment.
2. Appoint an Accountable Executive (AE) responsible for gender diversity and inclusion.
 - Signatory organisations must appoint an AE who is responsible for gender diversity and inclusion.
 - While there is no obligation to publicly disclose the name of this AE, contact details must be provided to the Luxembourg Sustainable Finance Initiative

(LSFI), as the coordinating entity in charge of producing an annual report on signatories' progress towards their targets.

3. Set internal targets and action plans.

- Signatory organisations are expected to set internal targets (mandatory) and action plans (optional) which will be integrated into the organisation's goals.
- Signatories should set at a headline numerical target for female representation at board level, at executive committee/c-suite and at senior management level, including a timeframe (1-5 years) to reach the target that has been set.
- Headline targets for middle/junior management and interim targets at all levels are optional. Interim targets serve shorter-term objectives to be able to track progress in a shorter period (6-12 months).
- Signatory organisations that are not able to set headline targets for the different seniority levels (Board, ExCo, Senior Management, etc) should follow a "comply or explain" procedure: they will need to explain why no targets can be set by the organisation and what other measures they are taking instead.
- To facilitate a sharing of best practices, organisations are encouraged, with the option to opt out, to provide information on internal actions taken to achieve the Charter or headline targets. These will be communicated in an anonymised way in the annual report.

4. Support transparency.

- Signatory organisations must support transparency by publicly and annually reporting their progress towards these targets on their website.
- Signatory organisations that do not have access to a company website will be able to publish their metrics and targets in a variety of ways, including on the parent website or social media. The "comply or explain" rule applies in such cases: the explanation as well as the location of published targets and progress are to be included in the signatory's questionnaire.
- It will be considered good practice for signatories to include a Women in Finance section in their Annual Report.
- LSFI will publish an aggregated annual report on its website covering signatories' progress towards the voluntary set targets.

WiF Charter Reporting Guidelines

Reporting Dates

- Yearly data collection timeframe for Signatories: 15 Sep - 15 Nov
- Deadline for new signatories to be included in the annual WiF Charter Report and setting targets¹: 15 Sept
- WiF annual Charter report: Q1 of the following year
- If the data is not provided on time, the signatory gets delisted and thus is no longer part of the Women in Finance Charter.

Charter Reporting Process

- To accompany the industry through the reporting process, the Charter founders have mandated LSFI as external coordinating entity and data partner.
- LSFI will also be responsible for the coordination with the Steering Committee composed of the Charter's founding members - The Luxembourg Bankers' Association (ABBL), Association of the Luxembourg Fund Industry (ALFI), the Association of Insurance and Reinsurance Companies (ACA), the Luxembourg Capital Markets Association (LuxCMA), Luxembourg Finance Labelling Agency (LuxFLAG) and the Luxembourg Stock Exchange (LuxSE) - as well as support and lead the reporting process, to ensure a centralised procedure for all signatory organisations.
- Data collection will be initiated by 15 September each year. Charter signatories will receive a request to fill the WiF signatory questionnaire, which they will have to complete and return by 15 November.
- Signatory organisations have the option to choose the baseline metrics date between 1 January and 30 September of the same year.
- New Charter signatories that join by 15 September will be included in the reporting cycle of that year. They will therefore be required to provide the baseline metrics reflecting the situation in their organisations for the current year and share their targets and action plans as per the previous bullet point.
- Signatories joining between 1 October and 31 December will be included in the new signatories list of the Charter annual report, however, they will start reporting in the following year.

¹ For signatories joining by September 15 of every year. Signatories joining between 1 October and 31 December are included in the WiF Charter annual report as new signatories, but start reporting in the following year.

WiF Charter Annual Progress Report

- In March of each year, LSFI will issue the annual progress report where it will re-publish the list of signatories and take stock of the targets.
- LSFI will disclose an annual progress report by Q1 of each year with the data referring to the previous year.
- The review will assess how signatory organisations have performed against their headline targets.
- The review will consist of an aggregated report based on consolidated results that assesses whether signatories are making progress on their targets under the Charter, identifying potential areas for improvement and best-in-class case studies.
- In the report, progress will be disclosed as "on target" (where progress was made towards a headline desired in the future), "achieved target" (where the headline was reached on time), "surpassed target" (where the headline target was reached before the desired date) and "missed target" (where the headline was not reached by the desired date).

WiF Charter Signatory Status

Endorsement of the WiF Charter doesn't have an expiration date and signatories set their own target and timeframe by which they intend to achieve the target(s) in question.

However, as described in the previous paragraph, signatories are asked to report annually on the metrics and progress made towards achieving objectives and targets.

Therefore, if a signatory organisation fails to fulfil the reporting requirements, it will lose its signatory status and will be removed from the WiF Charter's list.