

2019 Gender Pay report



Our corporate purpose is to drive commerce and prosperity through our unique diversity. We bring this to life through our workforce of 95,000, representing 129 nationalities, working across 59 markets and 6 continents. The different perspectives of our workforce help fuel innovation and growth. Our long-term success depends on our people offering diverse views informed by their backgrounds and the communities in which we operate. This is our guiding ambition.

Our Pay Gap report this year shows that we have ground to cover in getting our gender balance right. Our UK hourly pay gap is flat at 32% and our bonus pay gap has reduced three percentage points to 46%. Across the five markets that we report, the mean gap for hourly pay and the mean gap for bonus pay have remained flat or reduced (US hourly pay gap being the exception). However, when we adjust for business areas and seniority, the pay gap comes down significantly, which underscores the need to get more women into senior leadership roles across our bank.

We have made progress. Since signing the UK HM Treasury Women in Finance Charter in 2016, female representation in our senior leadership roles has increased from 25% to 28.5%. Our board has 31% female representation, in line with our commitments as a member of the 30% club. Several of our key markets are being led by female CEOs today, including China, Hong Kong, India, UK and UAE. And we are looking to have 30% females in our senior leadership roles globally by the end of 2020.

To accelerate our progress on gender balance, our Global Diversity and Inclusion (D&I) Council is supporting the roll out of tailored plans specific to each of our business areas. We are focusing intently on supporting female talent at the cusp of elevation to senior management and require all our People Leaders to ensure gender balance in candidate slates and interview panels. We have taken over 80% of our People Leaders through an Inclusive Leadership Programme designed to help mitigate unconscious biases and promote an inclusive culture. We have also piloted our ‘Men Advocating Real Change programme’ in three markets to encourage our male colleagues to role model and promote gender equality.

We recognise our responsibility to effect broader change in our communities. Our Futuremakers programme, launched in 2019, aims to raise USD 50 million by 2023 to create economic opportunities for vulnerable youth, especially females. As part of Futuremakers, we have expanded ‘Goal’, our girls’ empowerment programme, which has now reached more than 108,400 girls and young women. In 2019, we introduced Women in Tech (WiT) incubators in three new markets – Pakistan, Dubai and Nigeria – to support women-led ventures enabled by technology. In 2020, we will be co-chairing the ‘Women in Business Action Council’ at the B20 and plan to leverage our institutional voice to make robust policy recommendations to make mainstream the female workforce.

The Management Team and I are fully committed to promote equality and inclusion in all its forms at Standard Chartered, to enable us to maximise the potential of our inherent diversity. We know we are heading in the right direction but remain acutely aware of the need to take bolder actions to more rapidly level the playing field for all our colleagues. You can read more about the actions we intend to take to help realise our ambition, later in this report.

I welcome your feedback on our report and on our overall approach to promoting gender equality.




Bill Winters,
Group Chief Executive

Reducing our gender pay gap

We have a gender pay gap because we have fewer females than males in senior roles and in business areas where the market rates of pay are highest. We believe that we have fewer females than males in these roles because of a combination of the historical imbalance in gender representation in the financial services industry, and persistent gender biases in workplace and care-giving roles. The actions we are taking to reduce our gender pay gap are focussed on addressing these areas.

Our Fair Pay Charter, launched in 2018, is a public declaration of the principles which guide all our reward and performance decision-making, including our commitment to rewarding colleagues in a way that is free from discrimination, as set out in our Group Code of Conduct. Our hiring and promotion processes include consideration of gender balance in candidate lists and we continue to review pay and performance outcomes globally as part of our annual performance, pay and potential process, to ensure we provide equal pay for equal work.

To help ensure equality of opportunity, we have measures in place to support all colleagues in balancing their work and care-giving roles:



Our Parental Leave toolkit supports new parents and their People Leaders. 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 wellbeing offerings include childcare support and creche facilities, maternity counselling for parents and their People Leaders, and rooms for nursing mothers.



Our flexible working practices provide all of our colleagues, globally, the opportunity to choose how they work.

To accelerate the pace of change, we also have a number of initiatives in place which focus specifically on female development:



Our women in leadership programmes are designed to support women in mapping their pathway to leadership by exploring and maximising strengths, identifying key challenges and tools to negotiate potential obstacles, and providing peer coaching and support networks.



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



Our 20+ all-gender employee resource groups 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.



A number of employee-led support groups have developed, which align with the global movement HeforShe, which actively encourages men to be part of the solution by creating platforms for discussion around the benefits of gender equality, and LeanIn circles, which encourages small groups of women who meet regularly to learn and grow together.

We recognise that gender equality is a global issue that requires collective action and are a signatory to the UN Women Empowerment Principles, aligning our own goals with seven principles offering guidance on how to empower females in the workplace, market place and community. During 2019, we engaged with more than 600 clients to drive the pace of change and inclusion across our industry and are pleased to have participated in external events to promote inclusion such as the Bloomberg Equality Summit in both the UK and India, the Women in Tech panel in Singapore, the Grace Hopper Celebration in India and the World Economic Forum in South Africa.

We continue to be recognised for our achievements and efforts in D&I across our markets. We are one of 325 companies and 117 financial sector companies included in the 2020 Bloomberg Gender Equality Index; for Standard Chartered, this is for the fifth consecutive year. We have had five colleagues featured in the 2019 HERoes Women Role Model Lists for driving equality and inclusion both within and outside of the organisation. We are proud of the progress that we have made to date but recognise there is more work to do.

What is the 'gender pay gap'?

The 'gender pay gap' compares the average pay of male and female employees, without taking into account some of the key factors which influence pay. This definition comes from UK legislation that came into effect from April 2017. The legislative reporting is based on an annual snapshot of active UK employees on 5 April and there will be changes in the population each year in relation to joiners, leavers and transfers to other locations. To reflect our commitment to gender equality globally, we have gone beyond the legislative requirements by publishing our gender pay gap for some of our major markets.

We recognise that a spectrum of gender identities and expressions exist, however our gender pay gap has been calculated using the approach required by legislation, which compares the pay of males and females.

The gender pay gap is different to 'equal pay', which is a more detailed measure of pay equality. Equal pay compares the pay of males and females who are doing the same roles, or work of the same value, and takes into account key factors which influence pay, including different roles, skills, seniority and market pay rates.

Our UK gender pay gap

We have calculated the gender pay gap for UK employees in line with UK legislative requirements.

The hourly pay gap is the difference between average female and male hourly salary payments at the snapshot date of 5 April 2019. We have analysed the movement in our hourly pay gap 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), grade changes, and other pay changes.

In 2019, the reason that our mean hourly pay gap remains flat is that small changes from leavers and grade changes are balanced by small changes from joiners, reduced pay leave 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 2019. In line with the reporting requirements, bonus figures do not include employees who were eligible to be considered for a bonus but did not receive one due to performance not meeting the expected standard.

Figure 1: 2019 hourly and bonus pay gaps. Percentages are expressed as a percentage of the male average.

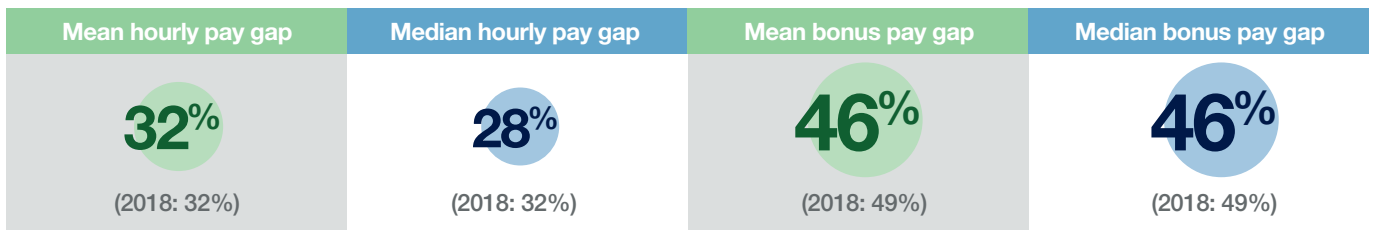


Figure 2: Proportion of employees receiving a bonus

In line with the regulations, these figures are not adjusted for employees who were not eligible to receive a bonus due to, for example, their start date.



Figure 3: Pay quartiles

Hourly pay for each UK employee has been ranked from highest to lowest and then split into four equally sized groups (quartiles). The illustration below shows the distribution of male and female employees across each of the quartiles.

	2019	2018	Male	Female	2019	2018
Top quartile (highest paid)	78%	77%	8 icons	2 icons	22%	23%
Upper middle quartile	64%	63%	7 icons	4 icons	36%	37%
Lower middle quartile	60%	57%	6 icons	4 icons	40%	43%
Bottom quartile (lowest paid)	37%	39%	3 icons	8 icons	63%	61%

What is our gender pay gap in other major markets?

We have disclosed gender pay gaps in four of our other major markets on a voluntary basis, with calculations based on annualised salary and performance year bonus, as shown in Figure 4.

Figure 4: 2019 Hourly and bonus pay gap

	Hong Kong	Singapore	UAE	US
Mean hourly pay gap	20%	35%	26%	25%
Median hourly pay gap	15%	37%	22%	21%
Mean bonus pay gap	38%	46%	53%	48%
Median bonus pay gap	38%	37%	37%	31%

What is the gender pay gap for roles at the same level and business area?

The gender pay gaps shown in Figures 1 to 4 compare the pay of males and females without taking into account the factors which determine the equality of pay, including seniority and business area. When we compare the pay of males and females at the same level and in the same business area the gender gaps are significantly smaller, as shown in Figure 5. 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.

Figure 5: Adjusted gender pay gap by level and business area

Mean hourly pay gap for:	UK	Hong Kong	Singapore	UAE	US
All jobs	32%	20%	35%	26%	25%
Jobs at the same level and business area	4%	2%	2%	0%	1%

How do we check for equal pay?

We use externally sourced market data to help guide pay decisions, along with other factors such as skills and experience, performance, affordability and availability of talent. Our group-wide diversity checks during our annual performance and pay review process consider pay by gender, which provides assurance against equal pay risks for all markets, including the five in this report.

We expect our adjusted pay gaps to fluctuate depending on the mix of roles at each band and in each business area. To provide additional assurance that any material changes in the adjusted pay gaps are because of the mix of roles and do not indicate an equal pay issue, we do additional checks. In 2019, we carried out some additional equal pay checks for the UK, where the adjusted pay gap has increased by two percentage points to four per cent. The additional checks were carried out during our 2019 performance and pay review, and we found potentially significant differences in pay for approximately one per cent of our UK employee population. For these cases, fixed pay adjustments have been made through the 2019 pay review, or through out-of-cycle changes, depending on individual circumstances.

We continue to focus on making pay decisions in line with the principles of our Fair Pay Charter, which includes not discriminating based on personal characteristics, and on carrying out checks at hiring and during our pay and performance review, to both prevent any differences by gender and, if needed, to correct any significant differences that arise over time.