



Contents

Driving positive change	1
Our role as an investment manager	2
Understanding the gender pay gap	3
The gender pay gap at Schroders	4
Key initiatives in 2020	6
Schroders' role models	10
2021 and beyond	14

1

Let go of outdated ideas about who should fill roles. Embrace the future and the diversity needed to move our business forward

2

Take a more radical approach to rolefilling. Reject the tick-box approach of the past

3

Focus on someone's capability and talent. Don't limit yourself to hiring one particular type of person

#rethinktheroles
#rewritetherules

1

Be truly open-minded

2

Champion diversity of thought, education, background, experiences and circumstances

3

Look for ways to actively support these changes in our approach

DRIVING POSITIVE CHANGE IS CENTRAL TO OUR SUCCESS



Much has already been written about the impact of the Covid-19 pandemic on gender equality and the true cost will only become known in years to come. The economic impact of the crisis has been significantly different for men and women due to the over-representation of women in certain roles and parts of the UK economy such as hospitality; how the burden of caring responsibilities has fallen disproportionately on women; and also because of existing inequalities. The disproportionate impact on women is not just a UK problem but a global issue. As countries begin to recover, we have to work hard to ensure we address longstanding inequalities and build a fairer, more resilient world.

As a leading investment manager, Schroders has a pivotal role to play in holding companies to account in terms of how they are contributing to that rebuild. We believe that not all profits are created equally, and we need to be more aggressive in tracking the impact of societal and environmental events on corporate earnings and their investments. This includes the impact companies have on addressing inequalities for diverse groups, not only by gender but also ethnicity, sexual orientation, disability and social mobility.

In holding companies to account, we must hold the mirror up to ourselves. I am fortunate to be in a position where I can drive change at Schroders to deliver the benefits that I believe diversity of thought brings to both our business and wider society. We remain committed to publish pay gap reports for other lenses of diversity once we have diversity profile data completed for over 80% of our people. This reflects my belief that data transparency is key to driving real change.

Our gender pay gap at Schroders

As a result of this belief, we took the decision – several years ago now – to communicate our global gender pay gap before the UK's statutory gender pay gap disclosure requirements came into force. We continue to show year-on-year progress again in 2020, at both the global and UK employing entity level, but I am still far from proud of the figures we report.

Schroders, like the rest of the investment management industry, continues to have a role gap driven by a lack of women in senior management and other higher-paid roles, particularly in the investment side of our business. We have achieved our latest Women in Finance Charter target of 33% female representation in senior management, up from 25% at the end of 2015. We continue to push for progress and have now set a new target of 35% by the end of 2023, but there remains much more to do. We are also aware that as we address the pipeline issues and bring more female talent into the industry at entry level, we increase the challenge in the short term. We have linked achievement of this metric to pay outcomes for senior management for several years and continue to do so, and we will be extending this to new targets for ethnicity in 2021.

Flexibility at the heart of an inclusive culture

While the pandemic has exacerbated gender inequality in many ways, on a positive note it has accelerated changes in the world of work, delivering perhaps 20 years of change in a matter of months in terms of the how, where and when work is done. We continue to demonstrate how important it is to #rethinktheroles #rewritetherules, a campaign we set up two years ago, and in 2020 we introduced a new Flexible Working Charter at Schroders, which has been well received by our people and is opening up exciting opportunities for us to access more diverse talent. Real flexibility is at the centre of a more inclusive and diverse organisation, allowing us to tap into pools of talent we may not have identified previously, and I believe it will provide greater opportunities for women to build rewarding careers at Schroders and thrive within the firm.

Peter Harrison
Group Chief Executive

Actively calling for change



“At Schroders, we know how important diversity is to our business, but as an active asset manager, we also have a key role to play in those companies that we invest in. Through engaging with senior leadership and boards on key topics such as diversity, we are able to drive even greater change beyond our own business.”

Carolina Minio Paluello

Global Head of Product, Solutions, Marketing & Quant and an Executive Sponsor of the Gender Equality Network (GEN)

Sustainable Investment team driving change through active engagement

We believe diversity is important for a company's long-term strategy and success, allowing for more constructive debate of competing views and opinions, and better representation of wider stakeholders.

We expect companies and boards to be able to demonstrate that they comprise a diverse selection of individuals across gender, ethnicity and sexuality. We regularly take voting action and engage when performance does not meet our expectations.

Since 2015, we have engaged over 180 companies on diversity-related issues. Although there is still substantial ground to be made up, bright spots of progress suggest that shifts are underway, and 21% of companies have fully implemented changes sought. Here are a couple of examples of how we have been holding organisations to account.

US board gender diversity

While the issue of gender balance on boards is a global concern and one that we are addressing worldwide, slow progress in the US has been a focus for our Corporate Governance team since 2018. The percentage of female directors added to boards has risen by just 3.2% since 2012.

In 2018, as several quotas were being rolled out or planned at the state level in the US, we wrote to 40 of our US holdings with all-male boards to accelerate progress on director change and renewal. We communicated our intentions to vote against the chair of the Nominations Committee if there was insufficient improvement.

Over 75% of these companies have since added women to their boards. Furthermore we have amended our group policy to expect a minimum of 25% representation.

Gender diversity in technology

Our commitment to promote a more diverse and inclusive spectrum of gender representation transcends the board level; it should also be a priority at employee and manager levels.

Since 2019, we have engaged with more than 60 companies in the technology sector across Europe, the US and Asia that exhibit a poor ratio of women across their employee base and management layers. We have benchmarked companies against the following five “best in class” characteristics:

1. Talent acquisition strategies based on collaboration with technology universities and colleges
2. Robust employee engagement
3. A strong culture espousing inclusivity
4. Specific initiatives targeting equal opportunities
5. Formal policies and commitments to facilitate career development

Our interactions have highlighted noticeable geographical nuances. For example, Asian companies appear strong on partnerships with universities, but are weak on senior management focus; whereas US companies are very strong on partnerships with universities, but weak on diversity survey analysis.

We plan to follow up with poor performers to encourage alignment with best practice. Already we have made traction with a Japan-based technology company, which has introduced diversity targets as a result of our engagement with them.

What is the gender pay gap?

The gender pay gap measures the difference in the average pay of men and women, regardless of the job they do.

It is not an equal pay comparison, which would compare the pay of men and women who do the same or similar work. So it does not show that men are paid more than women for doing the same work – which would be against the law in most countries.

The gender pay gap is designed to highlight the difference in the number of men and women across a business in higher and lower paid roles.

What makes the numbers move?

While longer-term gender pay gap trends can provide helpful context through which to evaluate the progress we are making on female representation and gender pay relativities, care needs to be taken when focusing on single-year comparisons. Changes in the short term can reflect wider factors, rather than changes in female representation in senior management and more highly paid roles, or changes in how we pay female employees relative to male employees. For example, a movement in the gender pay gap may in fact reflect one or more of the following:

- Increasing female representation in entry-level roles
- Completion of inorganic growth initiatives, such as acquiring a new business
- Operational changes, such as the recent move of a number of operational roles from our teams in London and Luxembourg to our operations hub in Horsham

The UK gender pay gap is calculated in line with prescriptive legislative requirements, under which there are other potential distortions. For example, deferred bonus awards or other deferred compensation count towards the bonus pay value when each employee chooses to exercise their awards and receive the money, rather than when the award is granted. If an employee chose to save up awards across a number of years and then exercise them all at the same time they would all count as bonus pay for that employee at the point of exercise. Similarly, when employees choose benefits under our flexible benefits platform and receive non-cash benefits in place of part of their salary, this changes their UK hourly fixed pay.

How is it calculated?

the “mean”

this is the “average” where all the values are added up and divided by the number of values

the “median”

this is the middle value in a list of numbers, when they are ranked in order of size

We compare hourly fixed pay, including base salary and other cash allowances. We also calculate the total variable pay gap, comparing cash annual bonuses plus other variable remuneration such as deferred bonus awards. For each of these, we compare the mean and median for both women and men.

Our UK figures are calculated according to the UK gender pay gap reporting regulations. The mean and median hourly fixed pay here are based on what was paid in the April 2020 payroll. Mean and median total variable pay is based on what was paid through payroll in the 12 months ending on 30 April 2020.

For our global figures, we've simplified the calculations, as our workforce is spread across different payrolls in many countries. The mean and median hourly fixed pay rates are based on annual rates of pay and working hours at the end of 2020. The mean and median bonus pay are based on the annual bonuses awarded for 2020 plus the expected value from other deferred remuneration awarded in 2020.

You can find out more about our remuneration policies and practises in our remuneration report on pages 75 to 102 in our Annual Report and Accounts, available at [schroders.com/annualreport](https://www.schroders.com/annualreport).

Our global gender pay gap statistics – explained

Understanding the numbers

Analysis of pay levels for comparable roles across Schroders shows that male and female employees are paid fairly for similar work. But the lower representation of women at senior levels, and other higher-paid roles is reflected in our gender pay gaps. Promoting senior management diversity has improved these gaps, but there is still more to do.

Compared to pay outcomes when the Group first reported its global gender pay gap in 2016, the following improvements have been made:

- The gap for the median hourly fixed pay has narrowed from 33% to 26%, while the gap for the mean narrowed from 31% to 26%.
- The gap for the median bonus has narrowed from 59% to 46% and the gap for the mean bonus has narrowed from 66% to 57%.

As our global gender pay gap data is on an 'awarded' basis, unlike the UK statutory disclosures, we see it as a fairer reflection of the progress we are making to close the gender pay gap.

Global gender pay gap data

The below table shows our global gender pay gap over time, calculated for each financial year since 2016. The calculations reflect hourly fixed pay based on annual rates of pay and working hours at the end of the relevant year and total bonuses awarded in respect of the relevant performance year (i.e. amounts communicated in Q1 following the end of the year).

	Schroders global firm-wide data				
	2016	2017	2018	2019	2020
Females vs males (%):	♀ ♂	♀ ♂	♀ ♂	♀ ♂	♀ ♂
- Top quartile of hourly pay	21 / 79	22 / 78	22 / 78	24 / 76	26 / 74
- 2nd quartile	36 / 64	38 / 62	39 / 61	38 / 62	38 / 62
- 3rd quartile	50 / 50	47 / 53	48 / 52	49 / 51	49 / 51
- Bottom quartile	59 / 41	59 / 41	59 / 41	55 / 45	55 / 45
- Overall	41 / 59	41 / 59	42 / 58	42 / 58	42 / 58
Hourly pay – gap in medians	33%	31%	30%	27%	26%
Hourly pay – gap in means	31%	30%	29%	27%	26%
Bonus pay – gap in medians	59%	53%	56%	50%	46%
Bonus pay – gap in means	66%	62%	60%	58%	57%
% receiving a bonus	F 95% M 96%	F 93% M 95%	F 93% M 94%	F 92% M 91%	F 93% M 94%

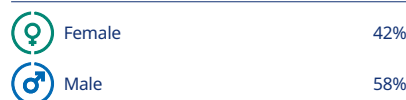
Key

- Gap narrowed from the previous year
- Unchanged year on year
- Gap widened from the previous year

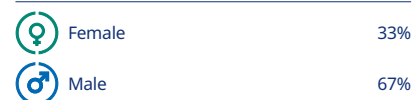
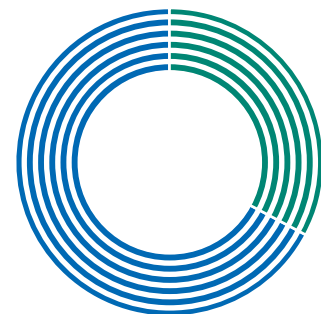
How we are addressing our gender pay gap

Given it is workforce representation – and in particular the lack of women in senior management and other higher-paid roles – that is responsible for our gender pay gap, our focus remains on increasing female representation in the business. In 2020, this included a focus on flexible working, recruitment approach and awareness raising throughout the business. Looking forward, we will continue to drive positive change throughout our business.

Total employees at a glance



Senior management representation



Data as of 31st December 2020

Our UK gender pay gap statistics – explained

Understanding the numbers

In the UK, most of our workforce is employed by one of two main subsidiaries, Schroder Investment Management Limited and Schroder & Co. Limited. Schroder Investment Management Limited is the main UK employing entity for asset management and Group roles, and Schroder & Co. Limited is the main UK employing entity for our wealth management business.

The UK statutory disclosures for the bonus pay gap must be based on amounts paid via payroll in the year to the end of April. Therefore, the bonus pay gap figures below reflect the sum of cash bonus paid in February 2020 and any exercises of vested deferred compensation awards during the year to the end of April 2020 (rather than using the total bonus awarded in respect of 2020 performance).

UK gender pay gap data

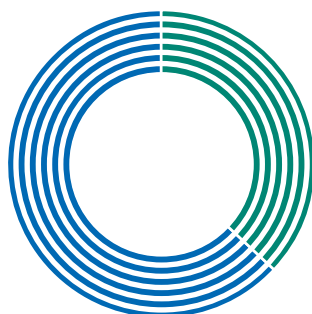
The below table shows our UK gender pay gap calculated according to the UK gender pay gap reporting regulations. The mean and median hourly fixed pay here are based on what was paid in the April payroll each year, while bonus pay is based on the total variable pay that was paid through payroll in the 12 months ending on 30 April each year.

	SIM Limited				Schroder & Co. Limited			
	2017	2018	2019	2020	2017	2018	2019	2020
Females vs males (%):	♀ ♂	♀ ♂	♀ ♂	♀ ♂	♀ ♂	♀ ♂	♀ ♂	♀ ♂
- Top quartile of hourly pay	18 / 82	18 / 82	20 / 80	21 / 79	13 / 87	13 / 87	12 / 88	15 / 85
- 2nd quartile	32 / 68	31 / 69	32 / 68	32 / 68	20 / 80	19 / 81	25 / 75	20 / 80
- 3rd quartile	39 / 61	38 / 62	39 / 61	41 / 59	63 / 37	59 / 41	51 / 49	51 / 49
- Bottom quartile	53 / 47	52 / 48	54 / 46	54 / 46	53 / 47	57 / 43	53 / 47	54 / 46
- Overall	35 / 65	35 / 65	36 / 64	37 / 63	37 / 63	37 / 63	35 / 65	35 / 65
Hourly pay – gap in medians	29%	27%	26%	25%	45%	46%	44%	42%
Hourly pay – gap in means	27%	27%	27%	26%	36%	37%	33%	31%
Bonus pay – gap in medians	60%	52%	52%	55%	79%	78%	78%	73%
Bonus pay – gap in means	75%	70%	71%	71%	61%	63%	48%	45%
% receiving a bonus	F 91% M 93%	F 88% M 92%	F 90% M 93%	F 89% M 89%	F 81% M 86%	F 83% M 90%	F 94% M 92%	F 92% M 94%

Key

- Gap narrowed from the previous year
- Unchanged year-on-year
- Gap widened from the previous year

Schroder Investment Management employees



♀ Female 37%
♂ Male 63%

Schroder & Co. employees



♀ Female 35%
♂ Male 65%

Delivering change in a challenging year

Flexible working 2.0

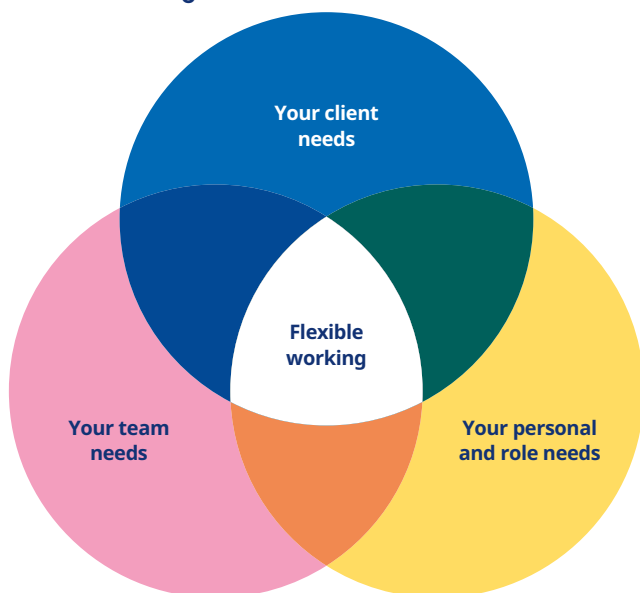
This year, we introduced a set of principles for flexible working in our new Flexible Working Charter. This charter was based on our successful experience with remote working during the pandemic. Importantly, it was also a response to feedback from our employees. In our first pulse survey in June, over 1,200 respondents mentioned flexible working as one of the practices they would like to continue once things return to normal.

The guiding principles in our Flexible Working Charter enable all employees to consider working flexibly so long as it aligns with the rest of their team and – critically – with the needs of our clients. The charter also ensures that different parts of our business can be agile in assessing what will work best for them. While we still see bringing teams together as critical in driving innovation and collaboration, we are confident that this can be accommodated with a more flexible approach.

We believe that a new form of hybrid working can help us build a more inclusive and diverse organisation. Hybrid working allows us to tap into pools of talent we might not have identified. It also allows us to cater to different roles and personality types – providing the necessary focus for some to do research, work on reports or develop coding for IT projects, or simply offering relief for those of us who are more introverted.

This is flexible working for the long term and is based on the principle of delivering what is best for individuals, teams, clients and Schroders as an organisation.

Flexible working



My manager supports flexible working in my team

93%

(up 10% from 2019): Global Pulse survey (2,730 respondents)



“Flexible working is incredibly important, not only in terms of wellbeing and productivity, but also if we want to remain an employer of choice and be able to attract and retain top talent. I believe Schroders is incredibly progressive in its approach to flexible working. Employees feel empowered to work flexibly, and the concept of flexible working has become normalised and is encouraged and role modelled at all levels across the organisation. We are fortunate to work in a firm in which our senior leadership and HR teams are committed to cultivating an inclusive workplace culture. Flexible working practices have a significant part to play in achieving this.”

Rachel Hudson

Global Digital Marketing Manager
Co-Chair of GEN

#rethinktheroles
#rewritetherules

Leadership in lockdown – Emma Holden’s blog

Over the long months of lockdown, Emma Holden, our Global Head of HR, used an internal blog to showcase the challenges she faced as a mother of two and a leader in the organisation. This encouraged others to share their own difficulties with juggling the many different emotional and practical demands on their time that the pandemic had created.



Emma covered topics such as caring for elderly parents, home schooling, coping with the return to lockdown, and struggling with mental wellbeing.

5 blogs posted
3,594 read
204 reactions
(likes, shares, comments)

Continuing to raise awareness through the GEN

A core part of our inclusion strategy, the GEN continued to raise awareness throughout 2020 despite the challenges posed by the pandemic. Carolina Minio Paluello, our Global Head of Product, Solutions & Quant, joined as co-executive sponsor, along with Richard Keers, our Chief Financial Officer. Meanwhile, Noriaki Kurose, Country Head, Japan, took on the role of executive sponsor for the Asia-Pacific (APAC) region.

Increasing representation through recruitment

Early careers

As part of our ongoing Inclusion and Diversity agenda for Early Careers, the team ran a fast-track event for penultimate year and final year female students in October. The event was aimed solely at women, with a focus on reaching those who might not have considered Schroders as a career option.

The virtual event included an introduction to Schroders, an overview and Q&A session on the recruitment process, and speed interviews between attendees and employees across the business. Attendees who showed potential on the day were fast-tracked to an assessment centre for either an internship or a graduate programme.

Before the event, all attendees had selected two business areas for which they wanted to interview. If they were successful they were fast-tracked to one of these. In total, 24 students attended the event, and 15 were fast-tracked to an assessment centre. Two of these received graduate offers from Product and Distribution and one internship offer was made in Wealth.

Building our mid-level pipeline

Although our Early Careers approach has succeeded in bringing in a more balanced cohort of graduates, interns, apprentices and trainees, we know we can do more to improve representation at the middle and senior levels of the organisation. In 2020, in both Singapore and London, we piloted ‘returnship’ programmes aimed at bringing individuals back into our industry after a break.

In the UK, we piloted two returnships within our Environmental, Sustainable Investment team. This was organised in partnership with the cross-company returner programme and focused on giving individuals opportunities to come back into the industry after a break of 18 months or longer. In addition to the experience in the team, these individuals benefited from a coaching programme specifically designed for returners and were allocated an internal mentor and buddy for any day-to-day questions. While we were in lockdown for most of the six months, we were still able to successfully accommodate both candidates in the team. As a result, we will be looking to take on two new returners in 2021.

In Singapore, our returnship programme, Career Take 2, aims to enhance the diversity of our hires by reaching into an untapped talent pool. We partnered with Mums@Work for the programme to recruit talented women who had taken a career hiatus of at least one year and placed them on a three-months train-and-attach programme with Schroders. We provided job training and coaching support, and assessed their suitability for a permanent role at the end of the period.

In the course of the programme, we recruited three female returnees and employed another two as contractors. Of the three recruits from the official programme, one has since become a permanent member of the Operations team while the two contractors are still with us.

After the success of this programme, managers now see female returnees as credible and legitimate candidates. They are also more open to alternative recruitment sources that target mid-career professionals from other industries. We plan to collaborate further with Mums@Work to strengthen our female talent pool. We also intend to use more alternative recruitment channels to improve our diversity.

Investing in development

FT Women's Forum in the UK and Hong Kong

We are members of the FT Women in Business Forum in both the UK and Hong Kong. As a result of Covid-19, we delivered these programmes virtually in 2020, which allowed us to increase our reach. We currently have over 100 participants across the two programmes. This programme not only gives us access to leading content and external thinking, but also provides opportunities for networking across and beyond Schroders. We offer programme participants the opportunity to complete a Clifton Strengths assessment and coaching to interpret their report.

London Women's Forum

The London Women's Forum is a network for senior female leaders in Financial Services, connecting and supporting its members through inspirational events. Schroders is a founding sponsor of the forum and two of our senior leaders are on the board. In 2020, we continued to advertise events through our community site on Teams to our 135 members. They were able to virtually attend events in 2020 across a wide range of topics, such as 'Achieving Your Full Potential' and 'Creating an Impact in a Virtual World'.

In 2020, we met our latest target of female representation in senior management of

33%

External accountability and commitment

Along with internal initiatives, we continue to benchmark our progress externally. In 2020, we signed up to a number of pledges to demonstrate our continued commitment to gender equality.

We became a member of the Bloomberg Equality Index advisory board and were delighted to be included in the index again this year. As a signatory to the United Nations Global Compact, the world's largest sustainability initiative, we completed the new Women's Empowerment Principles benchmark and were rated 'Achiever' with 13% of others. Overall, Schroders performed 10% better than the UK average.

Given the disproportionate pressure that has been put on women during the pandemic, we signed the Sunday Telegraph pledge to encourage the government to focus on the potential gender impact of Covid-19. As we believe that flexibility is vital to enable inclusion for everyone, we supported the #flextheUK campaign led by Working Families.

Improving our policies and benefits

We recognise how important parental leave can be in achieving gender equality. In 2020, we updated our parental leave policy. In acknowledgement of the important role fathers can play in a baby's first months, we increased paternity leave to four weeks fully paid. We also removed the minimum length of service for expectant mothers to be eligible for maternity leave.

A data-driven approach

In March, we met our latest target of 33% women in senior management. When we first set targets in 2015, we had just 25% representation, so we have seen steady progress here. We have set a new target of 35% for 2023. In the past five years, female representation in the Group Management Committee has risen from 7% to 29%.

Reviewing our year-end compensation decisions

This year, in addition to the usual line-manager validation of proposed compensation through a diversity lens, we undertook an additional independent top-down assessment of proposed compensation outcomes (bonus, salary and total compensation). The purpose of this was to assess and explore the appropriateness of outcomes from a diversity perspective. This acted as a second line of defence against the risk of any unconscious bias, over and above the consistency checks HR routinely performs in conjunction with individual line managers.

International Men's Day

Gender equality isn't just about women. Depending on how you look at it, that statement might seem obvious or contentious, but it's an important point nonetheless. One way in which we can improve the opportunities for our female employees is by ensuring that our male employees aren't locked into stereotypical patterns of work that limit both them and their female colleagues.



A good illustration of this is parental leave. If more men take parental leave, it becomes normalised across the company: something available to everyone who has children, not just new mothers. That in turn means that women who take parental leave are less likely suffer negative career consequences when they return to work. And as more employers adopt shared parental leave, parents are able to make genuine choices as to how they share the responsibilities of parenthood.

Flexible working is another example. Traditionally, this has been seen as a preserve of female employees – especially mothers with small children. But as the pandemic has proved, flexible working offers benefits for all of us.

For International Men's Day in November, we asked male employees across the business to reflect on issues such as role models, leadership and flexible working.

The responses were informative and illuminating. It was clear that flexibility was high on the agenda for male employees. In part, this was to achieve a better work/life balance and – especially – to allow men to spend more time with their families. But many found flexible working important for other reasons too: because it allowed them to work when they were most productive, for example, regardless of how this coincided with traditional working hours.

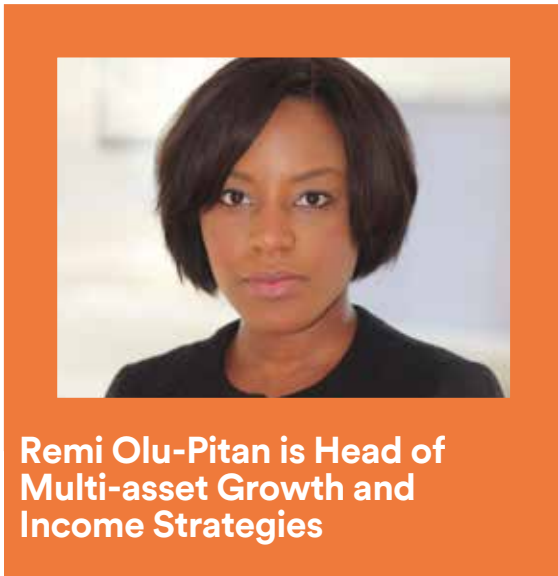
On leadership, there was a focus on listening and encouraging others to express their opinions. This was seen as crucial in fostering genuine diversity of thought. And diverse opinions lead to better decisions being made.

Leading by example was also a recurrent theme – whether that's in the office or at home. Many managers noted that they embraced flexible working to ensure that their teams felt free to enjoy its benefits. Empowerment was another key topic. Respondents pointed out that true leadership creates other leaders, not just followers.

We produced a short film to share the insights we gained from this process, which was well received across the business.

Talking from experience – four senior leaders share their views

Many women throughout our business are successful role models and champions of diversity and inclusion. We asked four senior leaders to share their experiences of gender balance at work and to offer some advice on how we can make more progress.



What has changed since you joined Schroders?

A lot! I joined back in 2006. It took quite a while before we had any women on the GMC. Back then, diversity was not considered an important issue, and there were few women in leading positions. Now, however, diversity is considered, discussed and promoted. There's been a real cultural shift here. While diversity was once seen as 'women complaining', it's now a mainstream issue that's central to what we do. We've moved from 'should we do something to encourage women?' to 'how can we do more?'. And that's very welcome.

What has your personal experience been in this regard?

My experience at Schroders has been very positive. I've benefited from the steps taken to improve diversity, as well as from having strong role models. I was lucky to have a female boss at the start of my career, and we also have a female CIO. So I could see that it was possible to make it through the challenges.

Having access to women in leadership positions has made such a tangible difference to me. I might have wondered about my future at the firm if I hadn't been able to see a path forward. I know plenty of women who left their careers at the mid-point because they didn't think they could make much more progress.

When do women tend to need support in their careers?

Often, the real challenges don't come at the start of your career but a little later. That's when women tend to need a different kind of support as they juggle challenges in and out of work. It's important to get positive messages across: 'stick with it'; 'keep the faith'. So we need to have a model that looks ahead and caters for these mid-career issues.

Earlier in women's careers, we need to encourage them to ask questions. We work in a complex industry, and it's not plain sailing. So people should feel comfortable asking when they don't know or when they're not sure.

What role can flexible working play?

Flexible working should be available to both men and women. Our push for shared parental leave really helps here. And when parental leave is available to men, it means that women get greater understanding and support from our male colleagues – so we all benefit. I used to worry about taking maternity leave, but when I saw my boss take it and return to her role successfully, it gave me confidence. There's much less stigma now about maternity leave – or indeed paternity leave – and this greater level of empathy is a big positive.

What still needs to be done?

More diversity at board level is important. It will help to influence the direction of the company. We're certainly making progress, and the way in which Schroders has embraced female representation sends a clear message. We've got a common goal, and we're leading the way – even if we're not there yet.

We also need to focus on the 'opportunity gap' and encourage women to take more senior roles. We've improved our recruitment, but we need to work on retention and promotion to close the gap completely.

Role models are important here. Visible and accessible female leaders help other women to picture themselves making the same sort of progress. Mentors are incredibly valuable too – and they don't need to be other women.

“Having access to women in leadership positions has made such a tangible difference to me”

What's the biggest change you've seen since you started at Schroders?

So much has changed since I joined Schroders 23 years ago. Initially, I joined the company on a part-time basis as I had two young boys and wanted to make sure I had time at home with them. As I became more senior, however, there was an expectation that I had to be in the office more. But this has now gone full circle – and that's a very good thing. It's now possible to be in senior management and work flexibly too.

What do you value most about working here?

What I've valued most at Schroders are the opportunities I've been given to try things outside my specialist area and outside my comfort zone. I left law-firm life years ago primarily because I wanted to delve into a business beyond its legal issues. At Schroders, I've had opportunities outside of Legal and that contribution is valued.

How has the pandemic changed things?

If we look back over the past year, there's a real sense that the penny has dropped on flexible working and it's terrific that flexibility is here to stay. But the pandemic also revealed what not enough people had acknowledged before: that it's women in the society at large who disproportionately bear the brunt of many domestic responsibilities, as well as home schooling and parent care and women have left the workforce to attend to these responsibilities. So there's a concern that the pandemic has set equality back. That means we have to work harder to make sure we don't lose the ground we've gained in gender diversity in the last 20 years.

“Schroders has the right culture to allow smart, intuitive, motivated people to try new things – you just have to put up your hand and say yes!”



Carin Muhlbaum is General Counsel, Americas

What lessons can we learn from 2020?

In 2020, we had a virtual window into people's lives more than ever before and we witnessed first-hand the various demands on our employees. Balancing these demands is not easy and we've learned that all of our employees – women and men -- need to feel supported in order to do our best at work. Also, the overdue reckoning with social inequality has been painful and difficult and I'm proud of the ways in which the firm has responded while recognising there is much more to do.

What do we need to do now?

We must encourage women to be clear about the ways in which we can support their careers. I'd encourage women to be bolder and braver and to say yes to opportunities even if they look a bit out of reach or risky. Schroders has the right culture to allow smart, intuitive, motivated people to try new things – you just have to put up your hand and say yes!

We recognise that many of our clients want to drive diversity at all of their service providers. I believe this is not only because they want to steer society toward more equality but because they recognise that a more diverse culture leads to better decision-making and outcomes. We need to hold each other accountable to be sure we are making progress.



Karine Szenberg is Head of Europe

What excites you about how Schroders is changing?

There's real momentum at the moment. With new people in roles to help deliver change, we've got lots going on in both diversity and mental health for all employees. There is greater mobility as employees are able to move more freely, both within our global locations and between them.

What else can we do to improve things?

We should recognise that women have their own strengths, which have real value. The famous woman's intuition, for example, can be genuinely useful – and we should not be afraid to follow it! I also think we need to see women as mainstream employees and not some special case. Personally, I am not a huge fan of International Women's Day, for example – we're here all year round!

I don't think that I've ever been treated differently at work because I'm a woman. That's probably because my parents and education gave me the confidence to be myself. But, as a global business, we need to recognise cultural differences and work to overcome barriers that impede women's progress. It's up to our leaders to make this happen.

What advice would you give to other women?

Take risks! Earlier in my career, I took a big step after being warned off it by clients and friends alike. But I learned so much in the process. If the same offer were on the table today, I would have much more support and encouragement from those around me. I think that's a measure of how far we have come in expecting women to reach for new opportunities and take risks.

But we still have more to do. The younger generation are faster paced and more mobile, but they still need encouragement from their employers. I think we're starting to see more of that at Schroders.

What's the most important assistance we can give people?

Self-belief and self-confidence. We need to nurture the right mindset and attitude in younger people – even in children. People need to believe that if they do things right, they can go far.

“We need to recognise cultural differences and work to overcome barriers that impede women's progress”

How have attitudes to diversity changed since you've been at Schroders?

I've spent most of my career in US financial services firms, where there tends to be a big emphasis on diversity and inclusion. In the six years since I joined Schroders, the diversity topic has gained increasing prominence. It's exciting to see how Peter Harrison has championed diversity and inclusion as a central topic, not just an afterthought. Now that the issue is firmly on the GMC and Country Heads' agenda, we have moved it from "an HR thing" to getting everyone's contribution to the areas we need to address.

What negative behaviours have you encountered in your career?

It's generally been bad manners rather than discrimination. My response is always to be firm but professional – even if the other person has just put their feet on the table!

What specific challenges do HR professionals face with regard to diversity?

In HR, we often have to challenge and question what we're hearing, so it's really important that we all feel empowered to express ourselves and be heard. At the same time, we need to recognise that it may take years from awareness to buy in to taking action, therefore our patience and persistence to influence and advocate is key.

How do cultural differences intersect with diversity issues?

Cultural differences can have a big impact. An interesting example is around women returning to the workforce post maternity. In places like Hong Kong and Singapore, where maternity leaves are "only" four months long, with domestic helpers readily available and families living nearby, generally female employees can re-enter the workforce before too much has changed. This can make it much more logistically possible for women to return to work and juggle their careers and families. On the other hand, at mid-career level the cultural norm is still for men to take overseas postings for their career development with women as trailing spouses. It would be good to see more the other way round.

What has worked well for you in APAC?

I have been most pleased to see how each APAC location has developed its local Diversity & Inclusion council over the last three years. Some combined with wellbeing, charity or recreation, but all worked to cater to the diverse employee needs and engage them nonetheless. In Hong Kong, we participated in a cross-industry "Male Allies" initiative for the second year, where male business leaders drive and advance greater gender equality. Our Male Allies aim to call out biases, champion policies and process changes, and use their knowledge and (male leadership) perspectives to provide mentoring and advice to the female colleagues.

“Employees can feel that Schroders truly cares about them and their families”



Nancy Lee is Head of HR, APAC

What changes have you seen in flexible working?

We've now got a formal policy in place to cover flexible working, but Schroders has always been supportive of its people in this regard while I've been here. When I first joined, my husband was sick. So I needed to be flexible in my working hours to be there for him during his treatment. I had thought that I might have to quit my job to do this, but I was very impressed by how flexible the company was in accommodating my family's needs.

This sort of thing is really important. Employees can feel that Schroders truly cares about them and their families. At the end of the day, good work/life balance is crucial for us to be productive.

What changes do we still need to make?

All meaningful change takes time, but we can all make a difference be it at the individual, company and industry levels. First, as employees we need to be more forthcoming with managers on our career goals or path. Be bold and ask for the support you need to progress. Don't be shy!

Second, mid-career is where many companies can lose their female talent. Supporting people who are taking career breaks and promoting flexible working policies are important. Schroders has played a leadership role in driving industry change here.

Third, the industry at large can do more to attract women. Prominent role models are vital. By promoting equality, firms are widening their talent pool – and that can only be a good thing!

Looking forward to making more progress

Despite all the challenges of the pandemic, we have seen progress in 2020. But we know we still have work to do. Our vision is to achieve 50/50 parity across the business, with a particular focus on areas where progress has traditionally been more difficult to achieve: investment and wealth management.

Getting our messages across

Alongside online events (when meeting in-person is not possible), blogs, networking and coaching, webinars and articles published internally and in the press, we also produce engaging videos to help support our initiatives.



How we can create an inclusive work place, led by Peter Harrison



To mark International Women's Day in March 2021 we created a #choosetochallenge video



Our approach to flexible working

Alongside setting higher senior management targets, we also plan to do the following:

- Embed flexible working practices across the business
- Make further improvements to our family leave provisions to ensure that they are compelling and competitive
- Conduct a 'deep dive' into career progression at Schroders to ensure it is fair and transparent
- Continue to challenge our recruitment practices to provide more granular analysis to ensure our candidate lists are gender diverse, including rolling out updated training in interview skills with a focus on inclusion and mitigating bias
- Rolling out an all-manager initiative with a focus on inclusive teams

We will be publishing a Workforce Report later in the year, which will give more detail on our overall inclusion strategy and initiatives that we have undertaken to actively drive more positive change.

Memberships & Pledges

Women in Finance Charter (UK)



London Women's Forum (UK)



STEMettes (UK)



FT Women's Forum (UK / HK)



Cityparents (UK)



The Women's Foundation Male Allies Initiative (HK)



The Women's Foundation Girls Go Tech (HK)



Future Im/Pact (Australia)



Ellevate (US)



Declaration

In accordance with the United Kingdom's Equality Act 2010 (Gender Pay Gap Information) Regulations 2017, we confirm that the UK gender pay information in this document is correct.

Peter Harrison

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Emma Holden

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