



2020 PROGRESS UPDATE

WOMEN IN FINANCE CHARTER

Columbia Threadneedle signed the Women in Finance Charter in March 2016, becoming a founding signatory and the first asset manager to sign the Charter. Since then we have worked to implement change and continuous improvement to drive better gender balance across our EMEA business. In 2020 our EMEA CEO, Nick Ring, led a review of our regional approach and an updated diversity and inclusion strategy and action plan was adopted as a result. This strategy focuses on core areas of gender and ethnicity and aims to enhance the efforts already in place across the business to improve our female representation at all levels.

In addition, in 2020 Columbia Threadneedle adopted a global D&I framework with a clear objective to change the profile of our employee base over time to better reflect our client base and the broader population by increasing the percentage of women, Black, ethnic and all under-represented groups across every level of the organisation.

We have a robust gender action plan in place, actively measuring gender balance initiatives and reporting to senior management on a regular basis to ensure we continue to make progress. Our gender action plan is based on four strategic pillars, as set out below.

1. Build inclusive leadership skills of employees through training and awareness

- Upskilling of line managers, particularly at the middle management level, with the skills required to understand gender inclusion and bring about cultural change.
- Enhancements to maternity support and parental leave support.
- Adoption of SMART working across the organisation, enabling employees to work flexibly to balance life and work commitments.
- Ongoing promotion of Shared Parental Leave, encouraging male employees to consider taking the opportunity.
- Extensive employee engagement to support gender pay gap reporting and proactive analysis and monitoring around remuneration decisions.

2. Strengthen our pipeline of female leaders with continued focus on development and engagement

- Track completion of a range of leadership training and round table sessions for people managers to drive greater consistency in management style and support across the firm.
- Introduction of an innovative new leadership training programme for emerging female talent across the company.
- Support for 'Aloud', our female employee network that sponsors mentoring circles, coffee & connect and other networking events focused on sharing experiences and support.

3. Maintain focus on recruitment of female talent

- Increase the depth of our analysis in relation to hiring practises as well as talent development, promotion and remuneration.

- Track female representation on short lists and throughout the hiring process, by role level (seniority) and business unit.
- Our escalation policy ensures gender-balanced, inclusive recruitment processes, requiring hiring managers to comply or explain where females are not adequately represented throughout the process.
- Senior females are included in interview panels for all senior roles.
- Unconscious bias and interview skills training are mandatory for hiring leaders.

4. Leverage community partnerships to engage internal and external stakeholders

- In 2020 we worked with Clean Break, a women's charity and theatre company, to develop a bespoke leadership training programme for emerging female talent, which will be rolled out to employees from 2020/21.
- We continue to work with diversity partners and community organisations to target female candidates for experienced hires and entry-level roles.
- We continue to be an active participant and supporter of the Diversity Project, an industry wide initiative championing a more inclusive culture within the savings and investment profession.

During 2020 we also increased our actions to embed accountability for improved gender balance, setting clear and meaningful expectations of leaders as part of the annual appraisal and reward process. A specific 'Inclusive Leader Goal' has been introduced for all people leaders, with clear criteria to be met in order to achieve a satisfactory rating (linked to annual compensation).

Columbia Threadneedle's position relative to our targets, as at 30 September 2020, is set out in the following table:

Columbia Threadneedle Investments EMEA – female representation	30 Sept 2020	30 Sept 2019	31 Dec 2018	2019-2021 target range
Board*	36%	44%	45%	35-45%
Executive Committee	33%	36%	42%	35-50%
Senior management	19%	19%	20%	30-40%
Investment professionals	34%	32%	26%	30-50%
Total employees	39%	39%	37%	40-50%

*Threadneedle Asset Management Holdings Sarl

Unfortunately, during 2019 and 2020 several UK-based females left the firm, negatively impacting our gender statistics. We continue to focus on hiring, promoting and developing females and these efforts have offset departures to some extent. A combination of some mid-level and senior level female turnover combined with a general low level of turnover has meant we have been unable to address our gender balance at senior management level to the extent we would have liked through internal progression and internal talent mobility initiatives. Due to the current environment giving rise to a reduction in new hires, there have been limited opportunities to hire external female talent into the firm.

While we understand that sustainable change across our broad employee population will take time to achieve, our long-term ambition is to achieve gender parity throughout our business.