

Women in Finance Charter Guidelines



The Luxembourg Women in Finance Charter (the “Charter”) is a commitment by signatory firms and representative bodies to achieve greater gender balance and inclusivity across the Luxembourg 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 decisive 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 the business, 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 scope of the Charter?

The Charter is aimed at the actors of the financial sector operating in Luxembourg.

What do signatory organisations have to do?

Promote the progression of women within their organisation

- Signatory organisations commit to promoting the progression of women at all levels, including at senior and board levels.

Appoint an Accountable Executive responsible for gender diversity and inclusion

- Signatory organisations must appoint an Accountable Executive (AE) who is responsible for gender diversity and inclusion.
- While there is no obligation to publicly disclose the name of this AE, contact details of the AE will be provided to the Luxembourg Sustainable Finance Initiative (LSFI) as the coordinating entity in charge of producing an annual report on signatories' progress against their targets.

Set internal targets and action plans

- Signatory organisations must set internal targets and action plans which will be integrated into the organisation's goals. Only the reporting on the targets is mandatory.
- Signatories should set at a headline numerical target for gender balance at board level and either at executive committee/c-suite or more generally at senior management level, including a timeframe (1-5 years) to reach the target that has been set.
- Headlines 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).
- For signatories whose boards are composed of shareholders or externally appointed members, a "comply or explain" procedure will apply. They will need to explain why no targets can be set at board level by the organisation and what other measures they are taking instead.
- To facilitate a sharing of best practices, organisations are encouraged to provide information on internal actions taken to achieve the Charter or headline targets. These will not be publicly communicated unless the signatory wishes to do so.

Support transparency

- Signatory organisations must support transparency by publicly and annually reporting their progress against these targets on their website and/or the LSFI website, where the annual report on the Charter will be published.
- It will be considered good practice for signatories to include a Women in Finance section in their Annual Report.

Reporting Guidelines

- Deadline for setting targets: 30 September 2023 (an initial report on the targets set by signatories is scheduled to be published in Q1 2024)
- First reporting period: 01 January 2024 to 31 December 2024
- First annual progress report: Q1 2025

Process for reporting

- To accompany the industry through the reporting process, the Charter founders have mandated the LSFI as external coordinating entity and data partner.
- The LSFI will also be responsible for the coordination with the Steering Committee composed of the Charter's founding members (ABBL, ACA, ALFI, LuxSE, LuxCMA, LuxFLAG) as well as support and lead the reporting process, to ensure a centralized procedure for all signatory organisations.

Women in Finance Charter Annual Review

- In March 2024, the LSFI will re-publish the list of signatories and take stock of their initial targets.
- The first annual review will be published in Q1 2025, covering the reporting period from 1 January 2024 to 31 December 2024.
- The review will assess how signatory organisations have performed against their headline targets.
- The review will consist of a report 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).