

WOMEN IN FINANCIAL SERVICES 2020

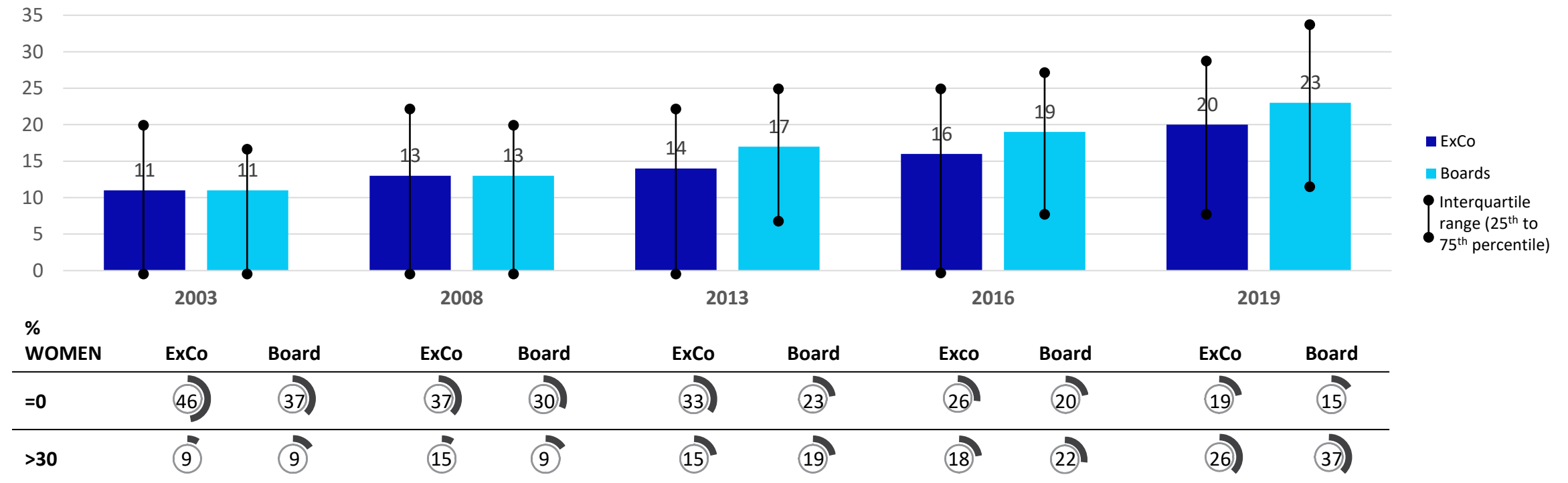
30 January 2020

01

WOMEN IN THE WORKFORCE

THE INDUSTRY IS MAKING THE FASTEST PROGRESS ON INCREASING THE NUMBER OF WOMEN IN SENIOR LEADERSHIP ROLES SINCE THE START OF OUR INDEX IN 2003

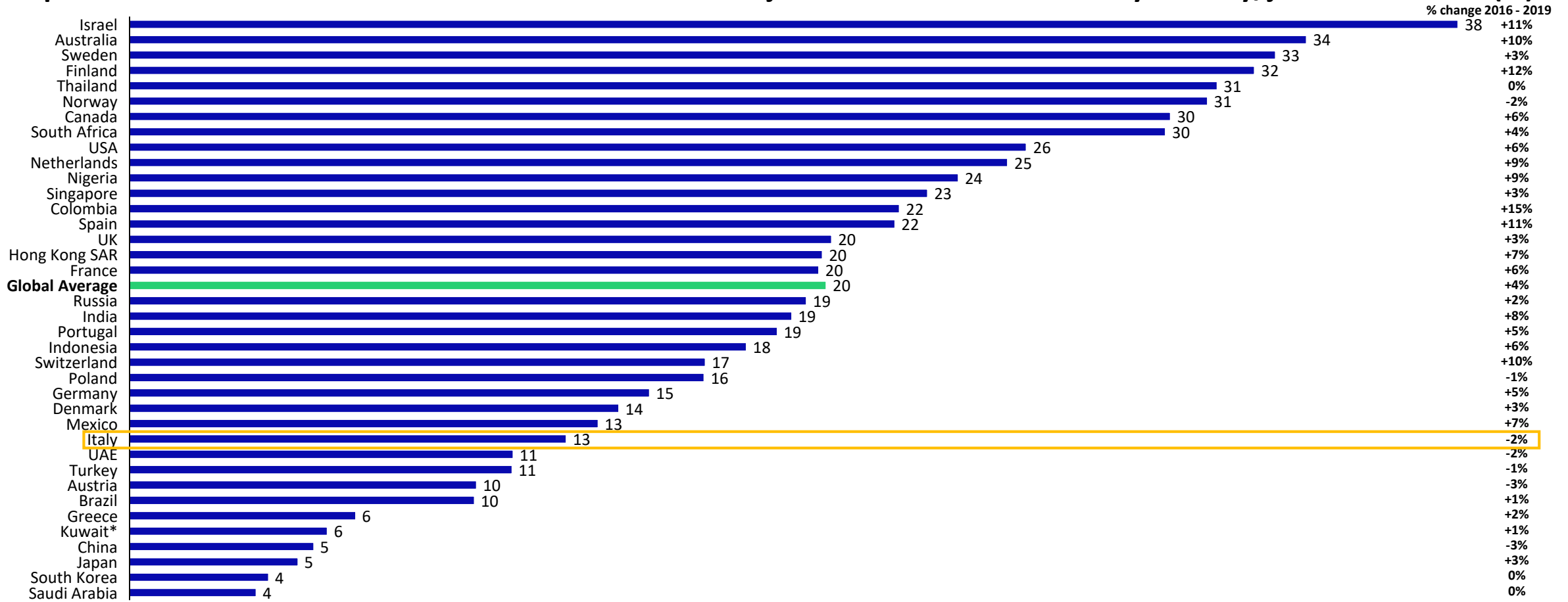
Representation of women on executive committees and boards in major financial services firms globally (%)
Includes 468 companies across 37 countries/jurisdictions



Source: Oliver Wyman analysis of organization disclosures

PROGRESS VARIES SIGNIFICANTLY FROM COUNTRY TO COUNTRY ITALY RANKING LOW FOR WOMEN REPRESENTATION ON EXECUTIVE COMMITTEES

Representation of women on executive committees in major financial services firms by country/jurisdiction 2019 (%)



Notes: * Excluding Hong Kong SAR

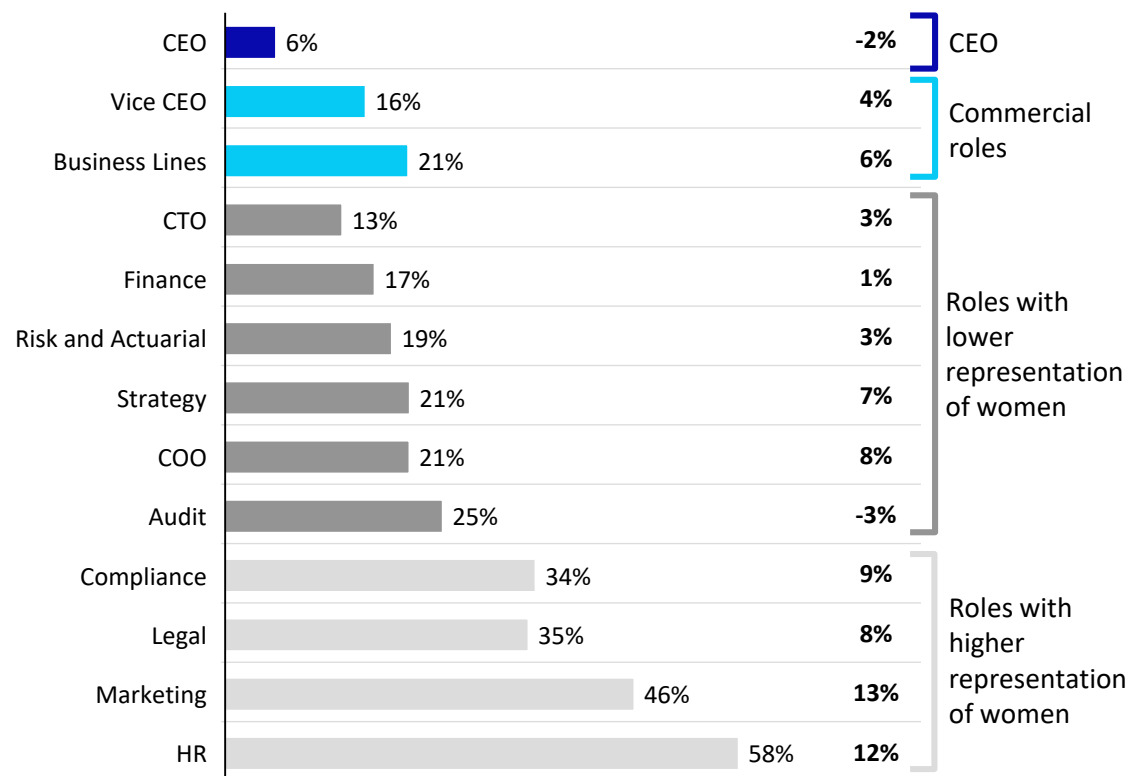
Source: Oliver Wyman analysis of organisation disclosures

WOMEN ARE STILL UNDER-REPRESENTED IN LEADERSHIP ROLES IN MAJOR FINANCIAL SERVICES FIRMS

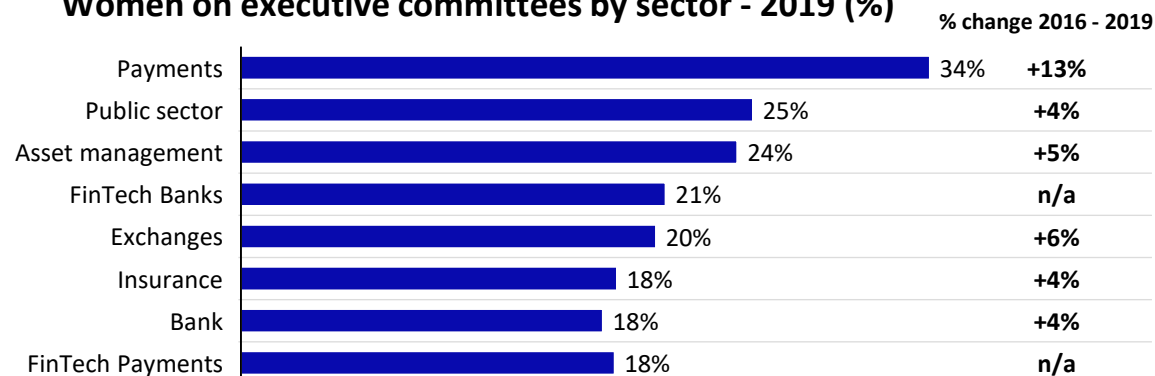
Change has not translated into the most senior positions:

- CEOs who are women: 6%
- Board chairs who are women: 9%
- Companies with no women on executive committee: 19%

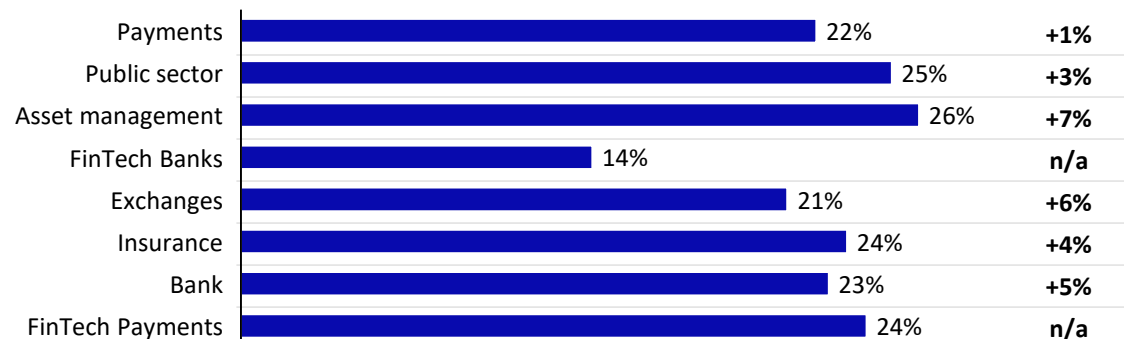
Women on executive committees by role - 2019 (%)



Women on executive committees by sector - 2019 (%)



Women on boards by sector - 2019 (%)



Note: Payments data includes a small number of key global players (Visa, Amex, Mastercard, Paypal) that have made significant progress. This may not reflect the industry as a whole, which is dispersed across the banking sector. No data was collected on FinTech banks and FinTech payments prior to 2019, as companies included in the sample are recent.

Source: Oliver Wyman analysis of organization disclosures

02

SERVING WOMEN AS CUSTOMERS

THE GROWING ROLE OF WOMEN IN FINANCE AND THEIR UNMET NEEDS

Control of consumer spending



2/3

of global household spending controlled by women



Globally, women are

25%

less confident in their financial acumen, compared to men

Increasing share of wealth



40%

of total global wealth is now held by women



In retirement, women have

30-40%

lower balances than men and are more likely to be in poverty

Rise in business ownership



40%

of entrepreneurs around the world are women



Women entrepreneurs are

30%

less likely to have access to sufficient funding for their businesses compared to men

Growing corporate buying power

12%

of CFOs globally in large-cap firms are women and



34%

of CFOs in mid-cap firms are women



>50%

of women who purchase financial services products for their corporations express dissatisfaction with the gender balance of teams that serve them

THE GROWING NEEDS OF WOMEN AS CUSTOMERS ARE NOT BEING MET, DESPITE REPRESENTING A 700 BILLION DOLLAR OPPORTUNITY

What if... women were better served by the financial services industry?

INSURANCE



Women are more likely to be un- and under-insured than men



What if... insurers sold life insurance to women at the same proportion of their income as men?



~\$500 billion

New written premiums from new customers and higher premium per customer, even after accounting for differences in income. This would translate to a margin of roughly \$100 billion accounting for claims returned to customers, distribution costs, and investment income. The opportunity could be even higher if the value of unpaid domestic work and childcare was insured

WEALTH AND ASSET MANAGEMENT



Women invest more of their wealth in cash than stocks and bonds compared to men



What if... wealth managers invested women's wealth in the same way as for men?



~\$25 billion

new fees to wealth and asset managers from moving money held in deposits into AUM, in the first year alone. This uplift would be compounded in the years to come as women's wealth grew

BANKING



Women are less likely to be approved for mortgages and other retail credit



What if... banks provided women with credit at the same rate as men?



~\$65 billion

new net interest income and fees from extending loans to existing retail customers



Women are less likely to receive funding to start and grow their businesses



What if... banks provided women with credit at the same rate as men?



~\$30 billion

new net interest income extending SME loans to new customers. This could create even more value by helping businesses to expand and creating broader SME banking relationships such as through cards and deposits



Women corporate and institutional clients are not being serviced equally and effectively



What if... banks managed relationships with women clients better to win share from competitors?



~\$80 billion

opportunity to capture existing revenue controlled by women clients

Note: Revenue for the insurance sector is not directly comparable to the revenue for the banking and wealth and asset management sectors. Based on the standards for these sectors, insurance revenue is reflected as written premiums, a large portion of which will be paid back to the policyholders in the form of benefits, whereas banking and wealth and asset management revenues are reflected as a mix of fees and net interest income (accounting for the cost of funds), which together are retained to cover operational expenses. The comparable insurance margin on written premiums is approximately 20%.

STRUCTURAL DIFFERENCES FOR WOMEN THAT SHAPE FINANCIAL NEEDS AND EXPERIENCES

Life



Women on average outlive men by

6-8 years

Globally women spend

2-10x

more hours per week on **unpaid housework and caregiving** than men

Between the ages of

30-50

women are less likely to make sacrifices in their private life than men, with **societal expectations** around caring for children or elderly parents coming into play.



35%

of women worldwide have **experienced domestic violence**, with many survivors losing jobs due to reasons related to the abuse and experiencing **economic abuse, including coerced debt**.

Financial



Globally women are paid

63%

of what men earn, ranging from 30% in Yemen/Syria/Iraq to 91% in Laos



It is

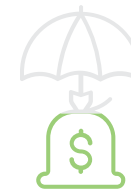
~3x

more likely for employed women in developed nations to **work part-time** than employed men



64%

of 8.8 million people **struggling with debt** in the UK are women



Women's **household income** decrease by

41%

after divorce in the US, more than twice as much as men's.

Minority burden



Minorities in work environments face more stress and pressure to combat stereotypes.



OLIVER WYMAN