

# Making pension scheme boards diverse

In partnership with Mallowstreet, new Cardano research reveals that professional trustee (PT) firms are driving diversity improvements in pension scheme boards.

- However, boards overall lack diversity of gender and age
- Other diversity, equality and inclusion (DEI) metrics are not measured
- Professional trustee firms driving change, implementing DEI training and zero tolerance policies
- Recognition that greater DEI improves decision-making and outcomes for savers

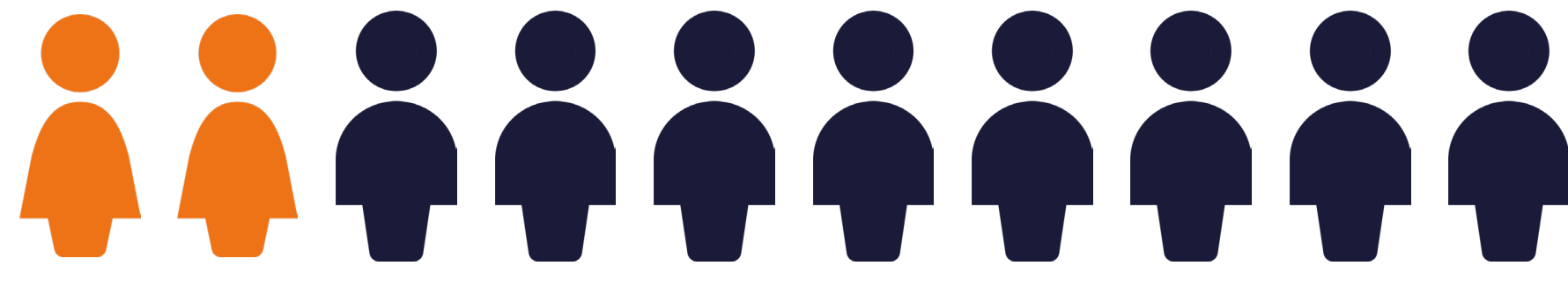


## Gender, age and education are too similar...

**3 in 4** work at schemes where over **60%** of board members are male.



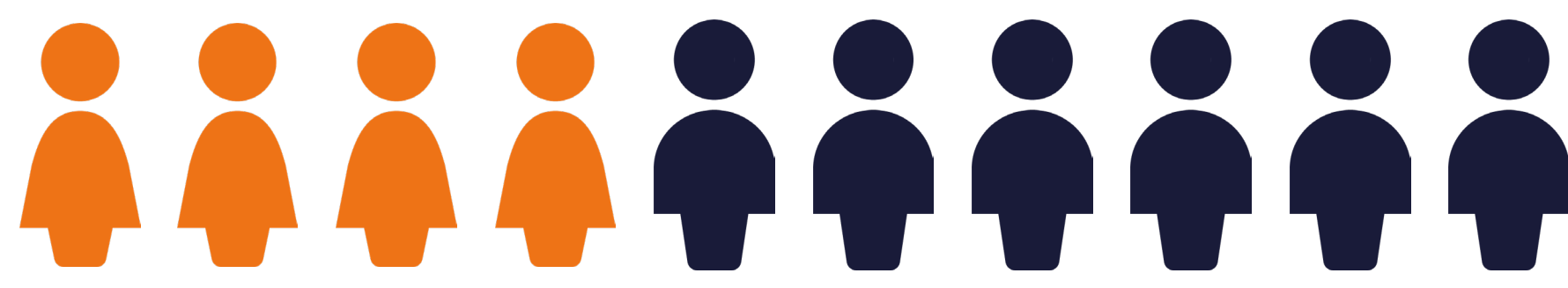
**49%** sit on boards where between **0 and 20%** of board members are female.



Two thirds of trustees say that less than **20%** of their board is under 45.



**36%** of professional trustee firms report more than **40%** of their trustees are female.



**63%** recognise greater DEI improves governance and decision-making for better saver outcomes.



## ... and important groups are underrepresented

LGBTQ+	Non-binary
Ethnic minorities	People with disabilities



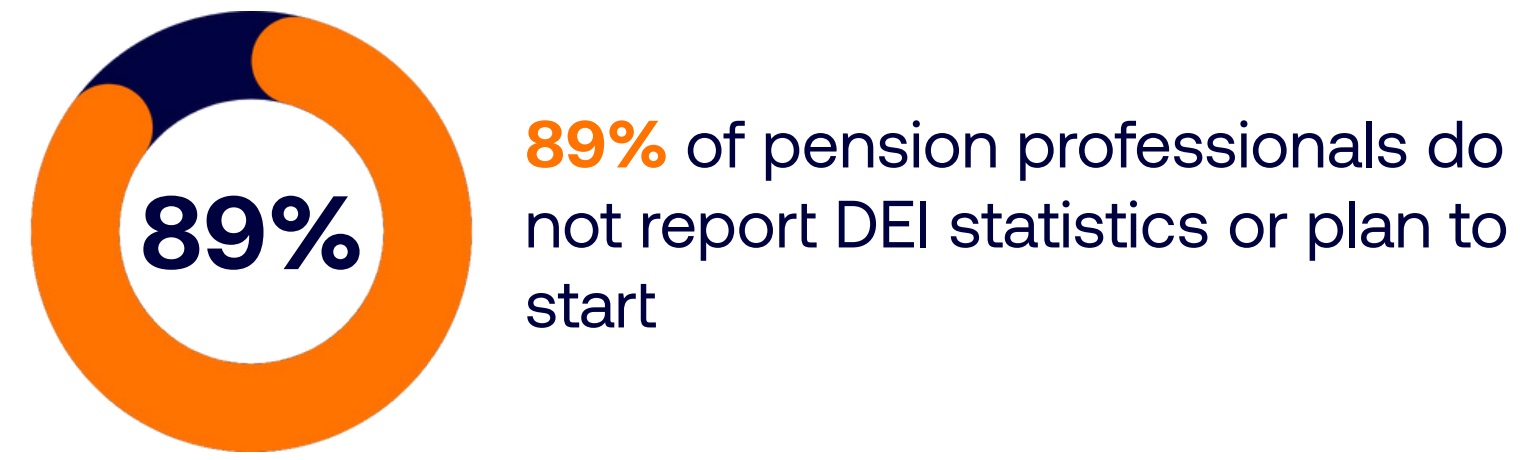
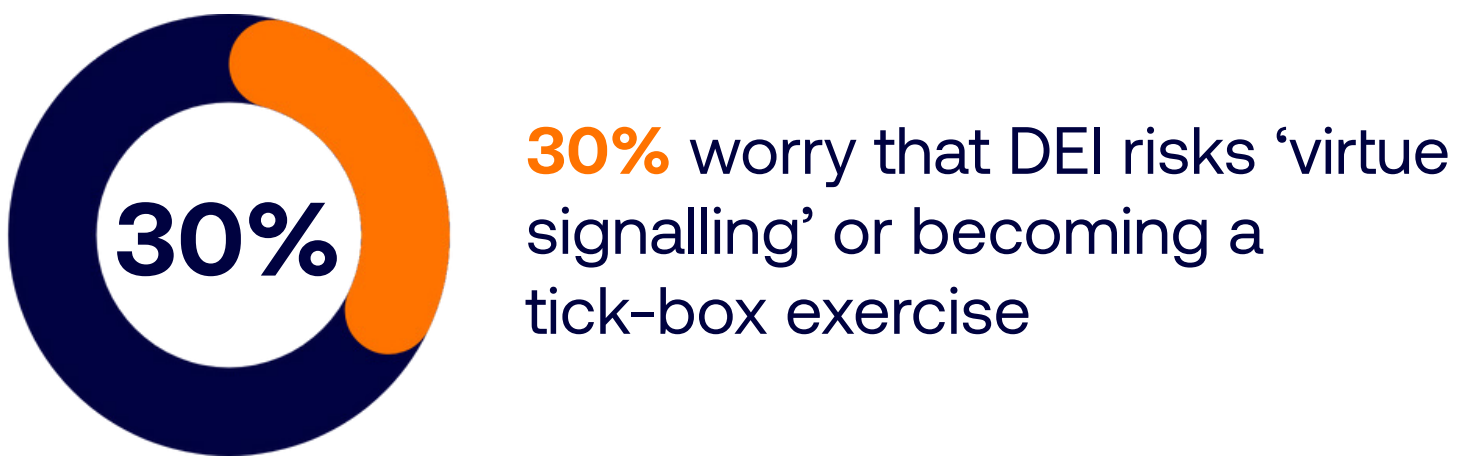
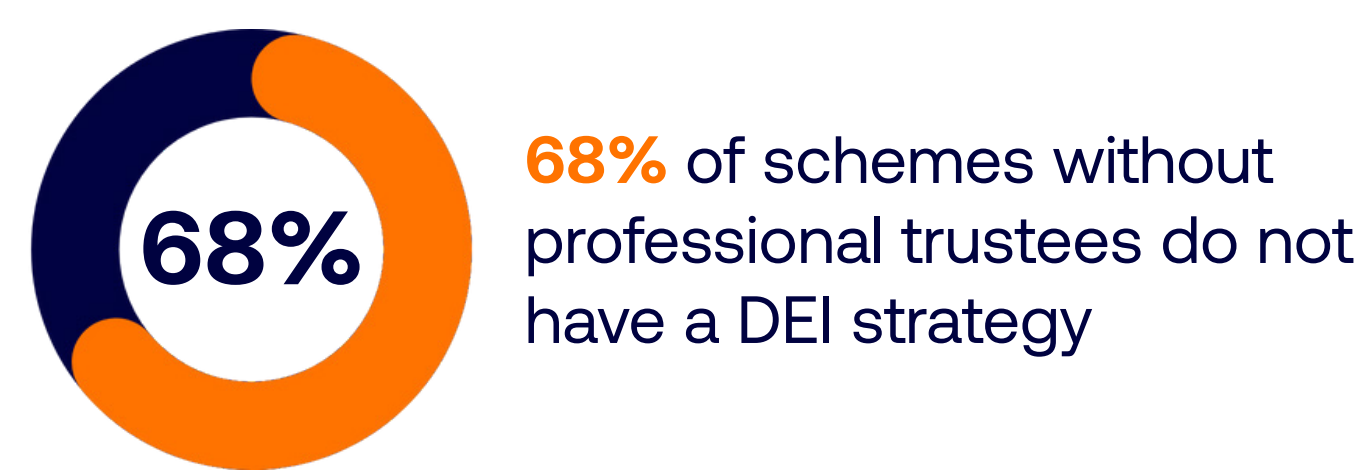
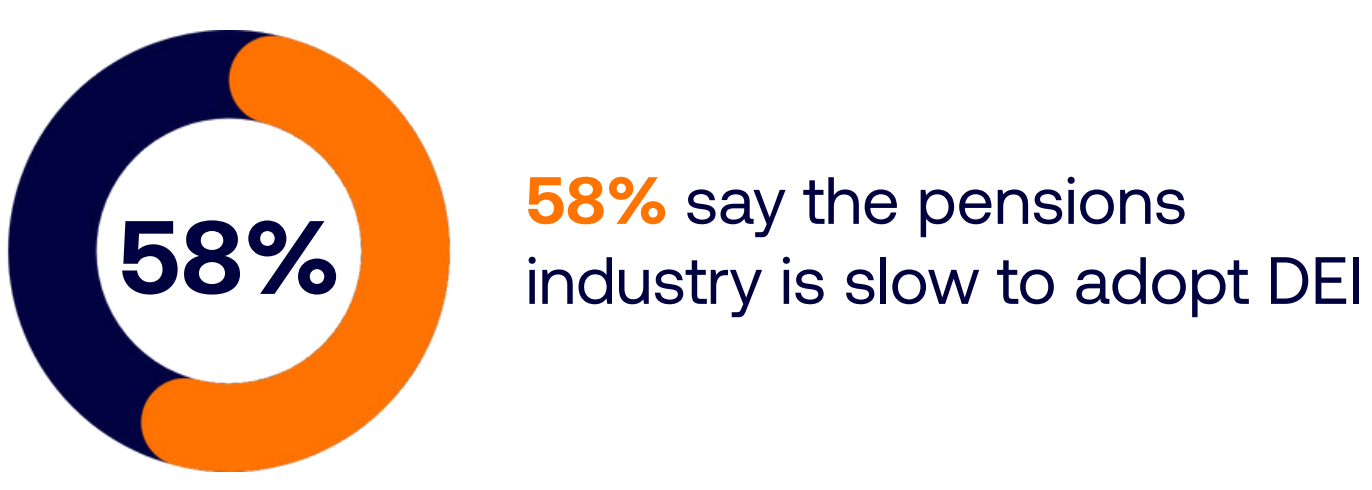
As the Pensions Regulator works through its DEI action plan, professional trustees will be a key stakeholder group for the industry to partner with to further improve DEI on pension scheme boards.

**-Darren Redmayne, CEO Cardano Advisory**

## DEI is a low priority for trustees

- Trustees struggle to attract diverse talent
- Guidance is needed on how to implement DEI policies and set targets
- Boards do believe DEI improves decision-making and skill sets
- Professional trustee services (PT) firms lead the way by putting DEI strategies in place

## The industry is slow to change...



## ... but there is a lot that trustees can do

1. Develop a DEI knowledge base, then set policy and KPIs
2. Use resources from the Diversity Project and National Equality Standard
3. Work with sponsors and providers on best practice to improve DEI
4. Collect diversity data on members and trustees



The industry must work together and challenge how we can improve the attractiveness for people from diverse backgrounds to become both professional and lay pension trustees.

**-Gillie Tomlinson, Head of Trustee Engagement**

Sources:

- FTSE Women Leaders review (<https://ftsewomenleaders.com>)
- Mallowstreet DEI Report 2022