

DIVERSITY EQUITY & INCLUSION

ANNUAL REVIEW 2020



FitchGroup

FitchGroup

www.fitch.group | March 2021

TOGETHER WE
**EQUAL
MORE**

A YEAR OF LEARNING AND CHANGING

DIVERSITY, EQUITY AND
INCLUSION AT FITCH

**WE'RE PROUD TO BE A GLOBAL COMPANY,
FILLED WITH BRIGHT, INTERESTED
AND MOTIVATED PEOPLE. ALL OF OUR
COLLEAGUES HAVE A VOICE, AND ALL CAN
AFFECT CHANGE.**

In 2020, as the COVID-19 pandemic took hold, we sought out different perspectives so that we could learn, adapt and change in the face of ever growing uncertainty. In a time of unprecedented global events and challenges, the message of diversity, equity and inclusion has never been so important, and so fundamental to the culture we aspire to at Fitch.

A DEI STRATEGY DRIVEN BY PEOPLE

The foundation of our strategy is simple – attract, retain, develop and advance diverse talent at Fitch. Our DEI initiatives and programming all align to support this strategy.

This past year, we held ourselves accountable to our own goals, recognising where we have made real progress and examining where we have the opportunity to do more. The incorporation of Equity as a third pillar to the Diversity and Inclusion (D&I) strategy is an important change, giving recognition to the structural changes that are needed to achieve both Diversity and Inclusion sustainably.

There's a long way to go. The next part of our journey will start by reimagining what DEI can mean at a company like ours.



Photo Credit: The Opportunity Network

LEADERSHIP LEANING IN

AMPLIFYING IMPACT

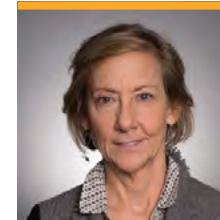
Fitch set up a Diversity Steering Group in 2017 with the priority of increasing the number of women in leadership roles. In 2020, we broadened our focus to other under-represented groups across Fitch and in 2021 we are expanding to include our ERG Chairs and Sponsors.

DEI ADVISORY COUNCIL

CHAired BY OUR CEO
PAUL TAYLOR, THE
COUNCIL AIMS TO DRIVE
ACCOUNTABILITY AND
ESTABLISH A CONSISTENT,
JOINED-UP APPROACH
TO INCREASING
DIVERSITY, ENSURING
EQUITY AND IMPROVING
INCLUSIVENESS.



PAUL TAYLOR
CEO, Fitch Group



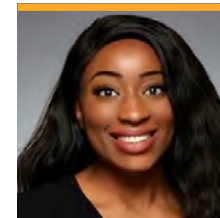
EILEEN FAHEY
Group Chief Risk Officer,
Fitch Group



ANDY JACKSON
Global Head of Human
Resources,
Fitch Group



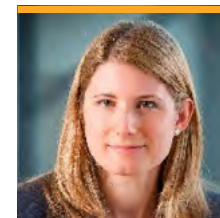
KATHERINE RODRIGUEZ
BALANCE Chair,
Fitch Ratings



RUTH EKONG
EMBRACE Chair,
Fitch Group



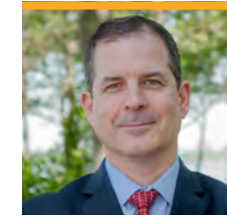
CHAD SMITH
Pride Chair,
Fitch Group



CLAIRE DOPSON
Women's Network Chair,
Fitch Ratings



KAREN SKINNER
Chief Operating Officer,
Fitch Ratings



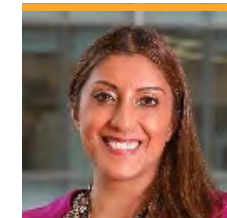
KEVIN DUIGNAN
Global Analytical Head,
Fitch Ratings



JAMIE KRULEWITZ
Global Head of Talent
Programs, Fitch Group



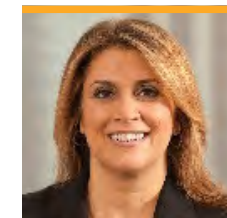
CHARLIE BROWN
BALANCE Sponsor,
Fitch Ratings



ANJALI SHARMA
EMBRACE Sponsor,
Fitch Ratings



MICHAEL SIMONTON
Pride Sponsor,
Fitch Ratings



JILL ZELTER
Women's Network Sponsor,
Fitch Ratings

A WELCOMING PLACE FOR EVERYONE

OUR EMPLOYEE RESOURCE GROUPS

36%

of all employees have signed up to one or more ERGs.

OUR VOICES

EMPLOYEE RESOURCE GROUPS (ERGs) ARE EMPLOYEES WHO JOIN TOGETHER AS A COMMUNITY IN THE WORKPLACE BASED ON SHARED CHARACTERISTICS, SIMILAR BACKGROUNDS OR LIFE EXPERIENCES.

All of our ERGs welcome anyone who wants to learn more about these communities and get involved. This year, our networks have come of age, delivering real business impact while providing opportunities to have an open dialogue about the issues that matter most.



BALANCE

Fitch BALANCE is an employee resource group created to help diversify the workforce by increasing representation, retention, and leadership ranks for Black and Latinx colleagues.



EMBRACE

EMBRACE is our international Black, Asian and Minority Ethnic Network, created to represent a diversified workforce and increase representation across Fitch for BAME colleagues.



GREEN WAVE

Fitch Green Wave brings together people who care about the environment and making a lasting and impactful contribution to Fitch and the world.



PRIDE NETWORK

Fitch Pride is an employee-led network consisting of LGBTQ+ employees and their allies across Fitch Group.



WOMEN'S NETWORK

Fitch Women's Network provides a vibrant community for women to connect and grow both professionally and personally.



WORKING PARENTS

A company-wide support network and community around working parents. Enabling employees to be seen as parents at work without bias.

A WELCOMING PLACE FOR EVERYONE

OUR EMPLOYEE RESOURCE GROUPS

ERG SPONSORS

THREE OF FITCH'S ERGs – EMBRACE, THE FITCH PRIDE NETWORK, AND FITCH'S WOMEN'S NETWORK – EACH HAVE RECENTLY ANNOUNCED NEW SENIOR SPONSORS.

An important and rewarding role in the life of any ERG, the Senior Sponsor acts alongside the ERG's leadership team as a strategist, advocate and mentor, advising the group and championing its success. Senior Sponsors bring perspective and help align the ERG's initiatives and goals with the company's business strategies and objectives.



Fitch Group received a perfect score on the Human Rights Campaign's Corporate Equality Index (HRC's CEI). This gives us the designation as a "Best Place to Work for LGBTQ Equality"



RAISING AWARENESS AND EDUCATION

BROADENING PERSPECTIVES

THE FITCH PERSPECTIVE

Our growth is down to our people. That's why we offer relevant and challenging learning and development programs to educate our people about DEI and help them learn how to play an active role in evolving our culture.

US.U.ALL IS THE NEW USUAL

OUR US.U.ALL CAMPAIGN WAS LAUNCHED TO RAISE AWARENESS ABOUT INCLUSIVITY AS A CORNERSTONE OF DEI; TO INSPIRE US TO CONFRONT OUR BIASES AND BEHAVIORS, UNDERSTAND THEIR IMPACT ON OTHERS AND – ESPECIALLY – TO COMMIT TO CHANGE.

Since us.u.all launched, thousands of Fitch employees have completed the us.u.all training with more topics to come in 2021.



RAISING AWARENESS AND EDUCATION

BROADENING PERSPECTIVES

800+

Fitch managers have
completed **BUILDING
AN INCLUSIVE
CULTURE** training

EMPOWERING MANAGERS TO MAKE AN IMPACT.

MINUS THE BIAS TRAINING

This course teaches colleagues how unconscious bias can lead to exclusion, how to identify unconscious bias and walk away with tactics to reduce these unhelpful biases.

BUILDING AN INCLUSIVE CULTURE MANAGER WORKSHOP

This workshop looks at how unconscious bias and other management actions impact inclusivity and provides Fitch management with tools to facilitate role modelling and achieving inclusivity.



RAISING AWARENESS AND EDUCATION

BROADENING PERSPECTIVES

DEI IN ACTION:

Licence to hire

LICENCE TO HIRE PROGRAM

The Licence to Hire program is designed to align managers' goals with DEI best practices - with enhanced skills, broadened perspective, and the platform to make objective and less biased decisions in the hiring process.

"The training is recommended not only for newer managers, but also serves as a good refresher to seasoned managers. The one-to-one accreditation interview at the end is an invaluable tool to help validate key takeaway learnings".
Senior Director, Analytical

CHAIRING FOR MAXIMUM IMPACT TRAINING PROGRAM

Ensuring everyone has a voice and all perspectives are heard is essential to the rating committee process. This program puts DEI principles front and centre in order to promote the most robust rating discussions and achieve analytical excellence across every facet of our business.



CHAMPIONING DIVERSITY AND LEADERSHIP

OUR ENHANCED TALENT PROGRAMS

“PATH PROGRAMS” VISION AND MISSION

- Increased engagement and retention of diverse talent
- Improved pipeline of diverse leaders
- Proactively provide a supported development path

OUR ENHANCED TALENT PROGRAMS

ENHANCED TALENT MANAGEMENT IS OUR COMMITMENT TO BUILDING AND DEVELOPING A DIVERSE TALENT BASE AND AN INCLUSIVE AND EQUITABLE CULTURE WHERE ALL EMPLOYEES CAN THRIVE, REACH THEIR FULL POTENTIAL AND BE TREATED WITH RESPECT AND DIGNITY.

We’ve made great strides in establishing our ongoing leadership development program for women, ForwardPath, and are excited to have launched a new initiative for other under-represented communities, TalentPath.



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CHAMPIONING DIVERSITY AND LEADERSHIP

OUR ENHANCED TALENT PROGRAMS

WHAT'S THE IMPACT?

- 29 women enrolled or completed the ForwardPath program
- 23 promoted and/or have expanded job responsibilities
- Retention: 100%

FORWARDPATH

FORWARDPATH IS A 12-MONTH LEADERSHIP DEVELOPMENT PROGRAM THAT PROVIDES A PLATFORM FOR HIGH-PERFORMING WOMEN ACROSS FITCH GROUP.

We believe that actively supporting women in their professional development and providing exposure to senior leaders will help to improve the gender balance and promote a more diverse leadership pipeline within the business.

FORWARDPATH SENIOR SPONSORS

Leadership commitment is essential to achieve our DEI goals, and senior sponsorship is a cornerstone of the ForwardPath program.



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CHAMPIONING DIVERSITY AND LEADERSHIP

OUR ENHANCED TALENT
PROGRAMS

NEW FOR 2021 – TALENTPATH

WE'RE EXCITED TO HAVE LAUNCHED
TALENTPATH – A NINE MONTH
DEVELOPMENTAL PROGRAM FOR
COLLEAGUES FROM UNDERREPRESENTED
ETHNIC AND RACIAL COMMUNITIES.

It is a learning opportunity that combines workshops, coaching and group projects. Managers of participants will be included as an integral part of the programming in order to allow delegates to realise the full value of the learning, and to set participants up for maximum success.

TalentPath development topics covered:

EXECUTIVE
PRESENCE

STRATEGIC
COMMUNICATION

INFLUENCING

COLLABORATION



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BUILDING A STRONGER BUSINESS

ATTRACTING AND INSPIRING DIVERSE TALENT

WHAT'S THE IMPACT?

2020 hires into entry level talent programs:

62% female

56% people of color*

*US only

DEI IN ACTION

EARLY TALENT ACTIVITIES: ATTRACTING STUDENTS AND GRADUATES

EXTRA CREDIT DIVERSITY EVENTS

In partnership with Fitch ERGs in our New York and London offices, we've hosted several all-day events for diverse students from a wide array of schools to get them excited about a future career with us.

"Building on our diverse, equitable and inclusive culture is an ongoing priority for Fitch."

Jamie Krulewitz, Global Head of Talent Programs.

STEM WOMEN IN FINANCE CAREERS EVENT

Fitch was one of only ten financial services sponsors of this recruitment event in London, which welcomed over 120 female STEM students to meet, network and discuss internship and graduate opportunities.

LONDON SCHOOL OF ECONOMICS LGBTQ+ NETWORKING EVENING

Fitch's campus recruitment team partnered with the Fitch Pride Network to attend this informal networking evening at London School of Economics. The students had a chance to network with Fitch Pride representatives who shared their experiences and spoke about life at Fitch.

HISTORICALLY BLACK COLLEGE OR UNIVERSITY RECRUITMENT EVENT

For the first time ever, Fitch hosted a booth at an HBCU recruitment event. Held at Morehouse College, the Fitch team spent the afternoon connecting with students and sharing information about our early talent programs.

BUILDING A STRONGER BUSINESS

ATTRACTING AND INSPIRING DIVERSE TALENT

GROWING PARTNERSHIPS

IN ADDITION TO RECRUITMENT EVENTS, THE EARLY TALENT CAMPUS TEAM HAS ENHANCED FITCH'S DIVERSITY EFFORTS THROUGH TARGETED ACTIVITIES AND EVENTS WITH A BROAD RANGE OF HIGHLY RESPECTED PARTNERS.

INROADS - USA

Fitch partners with INROADS to develop and place talented minority youth in business and prepare them for corporate and community leadership.

OUT 4 UNDERGRAD (O4U) - USA

Through this partnership, we're able to connect with students and strengthen our network within the LGBTQ+ community.

WCAN PARTNERSHIP - UK

We've nurtured a very successful relationship with Women in the City AfroCaribbean Network (WCAN), a young social enterprise dedicated to the personal and professional development of black women.



BUILDING A STRONGER BUSINESS

ATTRACTING AND INSPIRING DIVERSE TALENT

WHAT'S THE IMPACT?

CreditPath program

25 participants since 2017 inception

19 women received offers

13 graduates currently employed

5 promotions

DEI IN ACTION:

LATERAL TALENT ACQUISITION ACTIVITIES: ATTRACTING EXPERIENCED AND DIVERSE TALENT

CREDITPATH

Getting back into work after an extended career break can be daunting. We value the diverse experiences and perspectives that life outside of the office can bring to our workplace. Fitch CreditPath is a full time internship program that welcomes and supports financial services professionals who are ready to re-enter the workforce in credit analysis and research roles, goals to help them to develop their own leadership style.

DIVERSITY OPEN HOUSE

The North America analytical teams hosted a virtual Diversity "Open House" for Black and Latinx finance professionals for the first time in 2020. The Open House reinforces why diversity of voice and perspective is critical to Fitch's work. Feedback from this event helps us to model future programs as we continue recruiting underrepresented groups across locations.



THE WOMEN'S BOND CLUB

The Rising Star Program provides development, coaching and networking opportunities to aspiring women leaders in the financial services industry to cultivate the next generation of leadership.

WORKING TOGETHER TO MAKE A POSITIVE DIFFERENCE

CELEBRATING OUR PARTNERSHIPS

THE FITCH PERSPECTIVE

In 2020 we saw 22% of staff in the US and UK volunteer in the community impacting over

3,500 individuals through literacy, mentorship, skill building and financial literacy programs.

FITCH COMMUNITY

IN 2020, WE PROUDLY LAUNCHED FITCH COMMUNITY - THE BANNER UNDER WHICH WE WILL INVEST IN THE ISSUE CLOSEST TO OUR BUSINESS OBJECTIVES – EDUCATION.

Education is a powerful driver for sustainable development, reducing poverty, improving health and driving social and economic mobility. We're investing the time and skills of our talent to support programs that aim to make a positive difference. Through our partnerships, we're just beginning to see the impact of our commitment.

THE OPPORTUNITY NETWORK

Fitch volunteers support students of colour and from low-income communities with guidance and career counselling.

THE BROKERAGE

Fitch volunteers help to create equal access to opportunity for young people irrespective of background or race through workshops and mentoring.

ROCK THE STREET, WALL STREET

Fitch volunteers teach girls in New York schools how to invest in their future and spark their interest in a career in finance.



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Photo Credit: The Brokerage

LOOKING FORWARD

OUR PLANS FOR THE FUTURE

THERE IS MUCH MORE WE CAN DO. WE WILL CHALLENGE OURSELVES, HOLD EACH OTHER ACCOUNTABLE, AND HAVE AN EVEN GREATER IMPACT.



TO TAKE DIVERSITY, EQUITY AND INCLUSION FORWARD, WE'RE ADOPTING THREE GUIDING PRINCIPLES - ELEVATE, BROADEN AND INCLUDE.

ELEVATE AND BROADEN DEI AT FITCH

We aim to increase commitment and expectations. As well as launching our TalentPath program in the US, we'll expand our focus to include more under-represented groups. We'll work even closer with ERG's on development areas, starting with recruiting, to bring in new voices and fresh perspectives.

STAY TRUE TO OUR CULTURE AND APPROACH

We aim to build on the momentum, developing effective strategies as a springboard for more. Our ultimate aim is to embed inclusivity principles into other training and management practices, so that inclusion thrives in everything we do.

TOGETHER WE EQUAL MORE

A RENEWED BUSINESS FOCUS

We want to grow DEI beyond HR practices by threading DEI initiatives throughout all of our operations. That means setting distinct DEI goals across the whole of Fitch Group. Our plans for the future are underpinned by our drive to upgrade business as usual, so that working in a diverse and inclusive environment becomes the Us.u.all.

BECOME A THOUGHT-LEADER AND AGENT OF PROGRESS IN OUR COMMUNITIES

We want to lead by example and position Fitch as an influencer in the DEI space. Through Fitch Community, we're improving social equity through greater access to education for all. We'll pursue new benchmarking and recognition programs to validate existing practices and identify areas to improve.

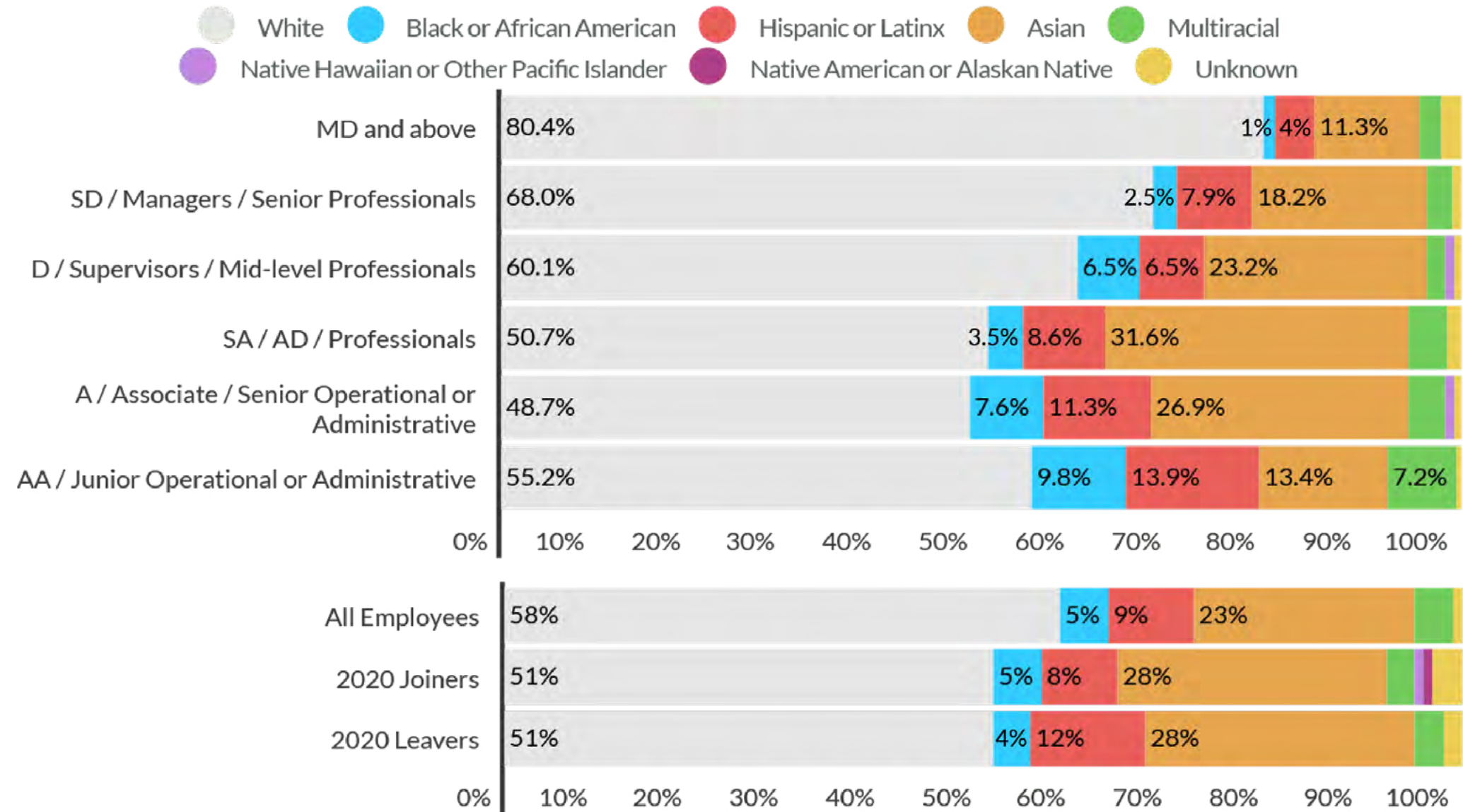
MEASURE PROGRESS

What gets measured, gets managed. We are accountable - building more robust reporting capability and improved data utility to keep us on track. On top of the research that demonstrates inclusive organisations are more productive, innovative, and achieve stronger results; we're doing this so that all Fitch employees feel empowered to reach their own full potential.

BY THE NUMBERS

REPRESENTATION

Ethnicity Distribution by Job Level (U.S. only)



BY THE NUMBERS

The information reported on this page relates to the population of Fitch Rating Ltd. (UK) as of April 2020, unless otherwise indicated.

UK GENDER PAY GAP

THE GENDER PAY GAP IS THE DIFFERENCE BETWEEN THE AVERAGE PAY ACROSS ALL WOMEN AND MEN IN AN ORGANIZATION.

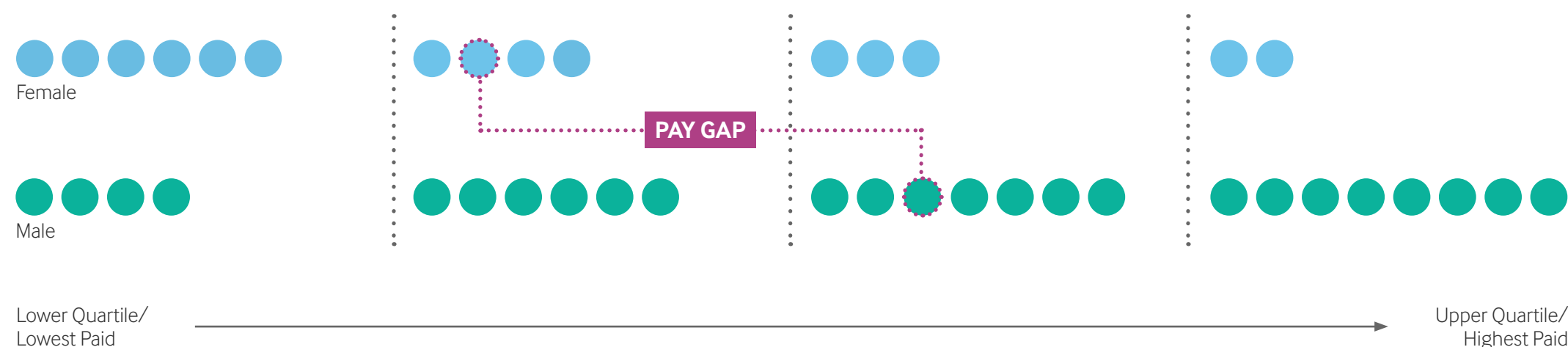
UK Government legislation requires all employers with 250 or more employees in the UK to report the Gender Pay Gap for employees in the UK on an annual basis.

The concept behind Gender Pay Gap is different to Equal Pay, which means women and men in the same role are paid the same.

Fitch pays employees based on their job level, responsibilities and performance - regardless of any classification.

We regularly review compensation and provide managers with tools and data to help identify and correct pay inequalities and make decisions that reward performance. The variance in pay between women and men for the various roles within each quartile of the reported data is consistently within a 0-5% range.

We have made progress in improving the pipeline of female talent with some of the initiatives highlighted in this report but - as our global gender representation data shows - there is more to be done to fully address the imbalance in the senior roles that fall into the top quartile, whether that is in the UK or elsewhere. As London is also the location of one of our HQ offices, it has a particular concentration of Executive and MD positions which impacts our Gender Pay Gap.



BY THE NUMBERS

The information reported on this page relates to the population of Fitch Rating Ltd. (UK) as of April 2020, unless otherwise indicated.

UK GENDER PAY GAP

GENDER PAY GAP

21.5% Median **31.1%** Mean

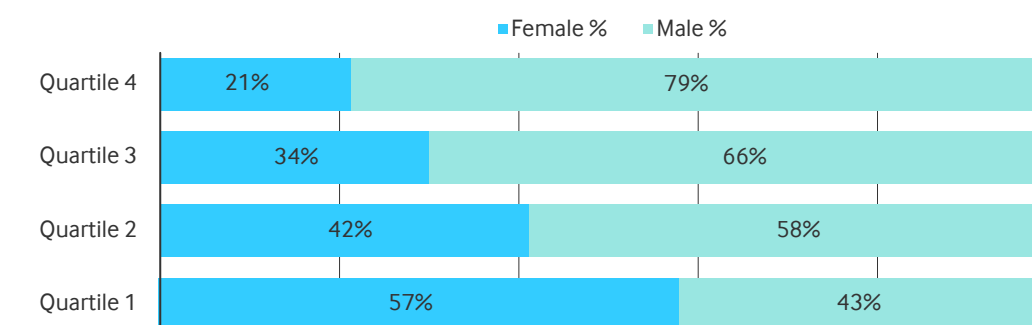
GENDER BONUS GAP

43.6% Median **75.0%** Mean

PROPORTION OF FEMALES AND MALES RECEIVING A BONUS

84.1% Female **89.7%** Male

PROPORTION OF FEMALES AND MALES BY PAY QUARTILE



GENDER PAY GAP 2019

Gender Pay Gap	Median 21.8%	Mean 22.6%
Gender Bonus Gap	Median 46.4%	Mean 76.4%
Proportion Receiving a Bonus	Female 85.3%	Male 86.5%

Proportion of Females and Males by Pay Quartile:

Quartile 4	Female 19%	Male 81%
Quartile 3	Female 32%	Male 68%
Quartile 2	Female 44%	Male 56%
Quartile 1	Female 51%	Male 49%

THANK YOU