

EGYPT WOMEN ON BOARDS OBSERVATORY

2019 Annual Monitoring Report Highlights



وزارة التخطيط والتنمية الاقتصادية
Ministry of Planning and Economic
Development



البنك المركزي المصري
Central Bank of Egypt



نبني الجسور لا الحوائج
Building Bridges not Walls



The Egyptian Exchange
البورصة المصرية





ABOUT THE WOMEN ON BOARDS OBSERVATORY

The Women on Boards Observatory was founded in 2017 by a consortium initiated by the American University in Cairo, School of Business. The Women on Boards Observatory is recognized as a specialized observatory within the framework of the National Council for Women, Egyptian Women Observatory and advocates for the presence of 30% women on boards in Egypt by 2030.

Partners of the Women on Boards Observatory represent a unique partnership, bringing together government, business associations, research institutions, international organizations and non-government organizations.

PARTNER ORGANIZATIONS:

- The Ministry of Public Enterprise
- The Ministry of Planning and Economic Development
- The Central Bank of Egypt, CBE
- The Financial Regulatory Authority, FRA
- The Egyptian Exchange, EGX
- The National Council for Women
- The International Finance Corporation, IFC, in Egypt
- UN Women in Egypt
- The American University in Cairo School of Business
- The Women in Business Committee of The American Chamber of Commerce in Egypt
- European Bank for Reconstruction and Development, EBRD, in Egypt
- The Women and Memory Forum

REGIONAL NETWORKS

30% Club Mena



The Women on Boards Observatory is a member of the 30% Club MENA. The 30% Club MENA is one of the global chapters of the UK-based 30% Club, which launched in London in 2010 with a goal of achieving 30% women on FTSE 100 boards by the end of 2015 (that goal was met in 2018). The 30% Club is a voluntary campaign driven by multi-sector business leaders working together to increase the participation of women on boards and in C-Level and Executive positions. With 14 chapters globally, the 30% Club has over 160 members representing multinational organizations, educational institutions, family-owned businesses and governments. The Women on Boards Observatory, in partnership with the 30% Club, is working to emulate the model across selected countries in the region in 2020.

The Women on Boards Observatory signed a MoU with TheBoardroom Africa. TheBoardroom Africa (TBR Africa) promotes exceptional female talent to boards across the continent. They break down barriers to help organizations realize the benefits of increased diversity on boards by accelerating the placement of female board directors. TBR Africa connects peer-endorsed, board-ready women with CEOs and Board Executives across Africa for access to board and investment committee service.

Two decorative diamond shapes: a dark blue one on the left and a teal one on the right.

FLAGSHIP ACTIVITIES

WOMEN ON BOARDS ANNUAL MONITORING REPORT

The report provides a snapshot of the representation of women on boards in different categories and provides an indicator for Women on Boards in Egypt. It also identifies the gap of women on boards in the sectors studied, with an aim to reach the target of the 2030 strategy.

EGYPTIAN BOARD READY WOMEN DATABASE

The database of the Women on Boards Observatory is designed to support the placement of women on company boards based on their expertise. The database currently hosts records of women who are already serving on public and private company boards as well as candidates ready to be placed, with their economic sectors, areas of expertise, educational background and other parameters. The database is supported by UN Women in Egypt.*¹

BOARD PLACEMENT SERVICE

The Women on Boards Observatory helps place and promote female talents on boards and connects board-ready women with CEOs and Board Executives using the Board Ready Women Database. A board placement service is offered to companies across several sectors encouraging them to realize the benefits of increased diversity on boards.

** 1 Under the leadership of the Ministry of Manpower and the National Council for Women and within the framework of the of the joint programme "Promoting Productive Employment and Decent Work for Women in Egypt, Jordan and Palestine", that is supported by the Swedish International Development Cooperation Agency (SIDA) and jointly implemented by UN Women and the International Labour Organization (ILO), UN Women partnered with the American University in Cairo to equip and expand a pool of women to be placed on boards through capacity building activities, releasing an observatory report on women on boards in Egypt and developing Egyptian board ready women database.*

CAPACITY BUILDING AND AWARENESS

Awareness and training activities are carried out for both male and female board members, as well as women in the pipeline for board membership. Programs are conducted with regional and international partners such as, the Financial Regulatory Authority, FRA, European Bank for Reconstruction and Development, EBRD, UN Women in Egypt.

THE NATIONAL STRATEGY

The National Strategy for the Empowerment of Egyptian Women 2030, which adopts a rights-based approach and is grounded in the SDGs and Egypt's Sustainable Development Strategy 2030, was endorsed by the President in March 2017. The strategy promotes the leadership roles of women and holding key positions in public institutions and companies, setting the target for women in senior management posts by 2030 at 30%.

This target is also closely aligned with the global 30% coalition movement for women on boards. Research shows that three women on a board is the "critical mass" that normalizes the presence and voice of women on boards.

“ *One woman is a token,
two is presence,
three is voice.* ”

SIGNIFICANT MILESTONE FOR WOMEN ON BOARDS IN EGYPT

The Financial Regulatory Authority board issued decrees 123 and 124 for the year 2019 containing an amendment in the rules of listing and delisting securities to ensure the representation of the female element in the boards of directors of listed companies in the Egyptian Exchange as well as companies operating in the field of non-banking financial activities.

The Women on Boards Observatory considers this an important step taken by the Financial Regulatory Authority for non-banking financial services to improve Corporate Governance practices. This, also, allows a wider conversation with regards to the criteria and the processes for board membership for both men and women, so that all board members are held accountable to the same standards.

2019 ANNUAL MONITORING REPORT

The Women on Boards Annual Monitoring report for 2019 comes as the second annual report issued by the Women on Boards Observatory. The report serves as a monitoring and tracking tool, measuring the representation of women on the boards of companies and banks.

The 2019 report consists of analyzed data and information collected for the banking sector, the Public Enterprise sector, EGX listed companies, and Financial Regulatory Authority companies. *2

KEY FINDINGS

THE EGYPTIAN EXCHANGE

	2018	2019	Rate of Change (2018-2019)
PERCENTAGE OF WOMEN ON BOARDS	10.2%	10.1%	-1%
30% OR MORE WOMEN ON BOARDS	8.5%	9%	6%
ZERO WOMEN ON BOARDS	54%	53.6%	-1%
3 OR MORE WOMEN ON BOARDS	8%	6%	-25%

*2 The 2018 report included data of the banking sector, the public enterprise sector, EGX listed companies. The 2019 report also includes Financial Regulatory Authority companies' data.

BANKING SECTOR

	2018	2019	Rate of Change (2018-2019)
PERCENTAGE OF WOMEN ON BOARDS	11.4%	14.8%	30%
30% OR MORE WOMEN ON BOARDS	3%	9%	200%
ZERO WOMEN ON BOARDS	41.2%	27%	-36%
3 OR MORE WOMEN ON BOARDS	8.8%	9%	2%

PUBLIC ENTERPRISE SECTOR

	2018	2019	Rate of Change (2018-2019)
PERCENTAGE OF WOMEN ON BOARDS	8.3%	6.1%	-27%
30% OR MORE WOMEN ON BOARDS	10%	5%	-50%
ZERO WOMEN ON BOARDS	69%	73%	5%
3 OR MORE WOMEN ON BOARDS	3%	3%	0%

FINANCIAL REGULATORY AUTHORITY

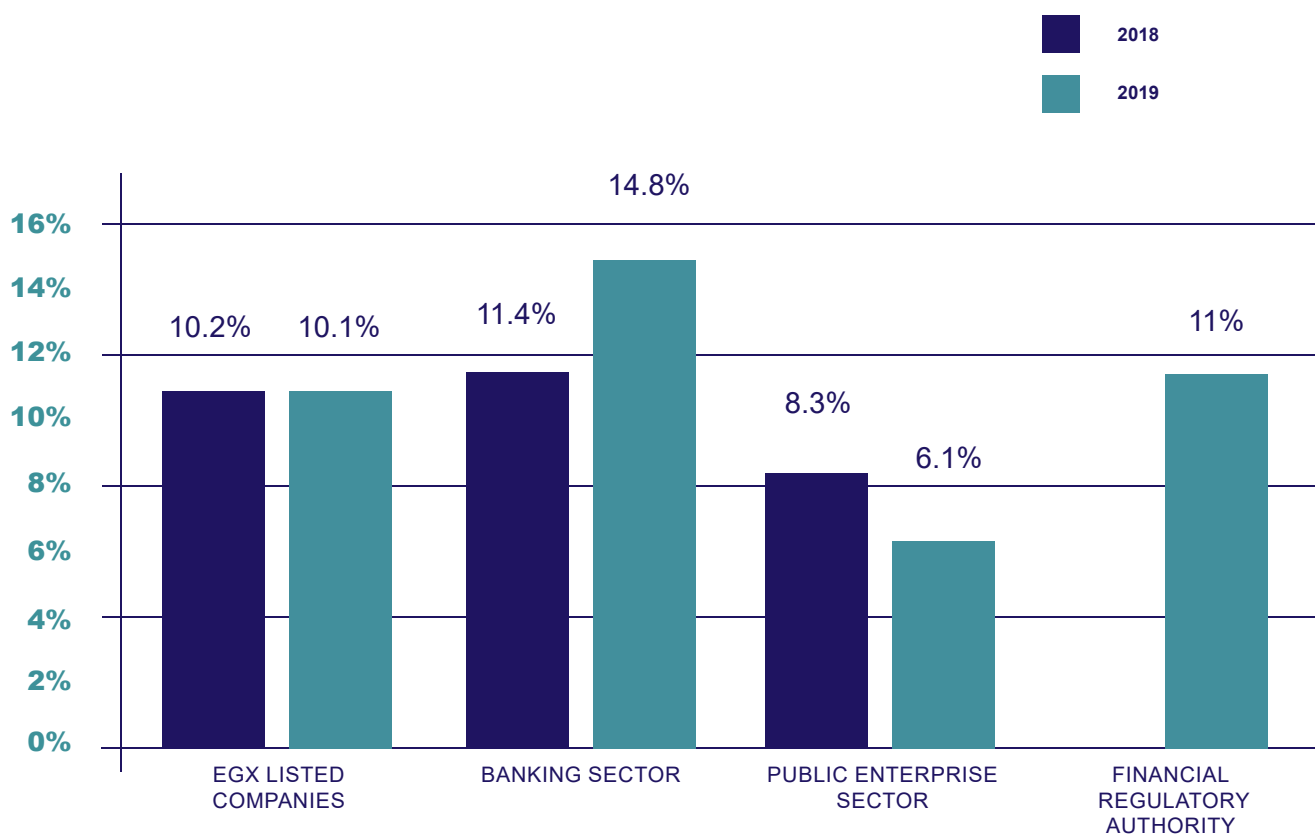
	2019
PERCENTAGE OF WOMEN ON BOARDS	11%
30% OR MORE WOMEN ON BOARDS	13%
ZERO WOMEN ON BOARDS	57%
3 OR MORE WOMEN ON BOARDS	4%

2018 Financial Regulatory Authority data was unavailable

WOMEN ON BOARDS BY CATEGORY 2019

	EGX LISTED COMPANIES	BANKING SECTOR	PUBLIC ENTERPRISE SECTOR	FINANCIAL REGULATORY AUTHORITY
WOMEN BOARD MEMBERS	191	43	43	565
MEN BOARD MEMBERS	1708	247	668	4659
TOTAL NUMBER OF BOARD MEMBERS	1899	290	711	5253
PERCENTAGE OF WOMEN BOARD MEMBERS	10.1%	14.8%	6.1%	11%

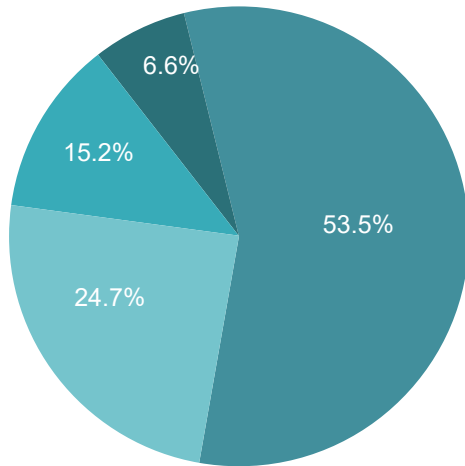
PERCENTAGE OF WOMEN BOARD MEMBERS BY CATEGORY 2018-2019



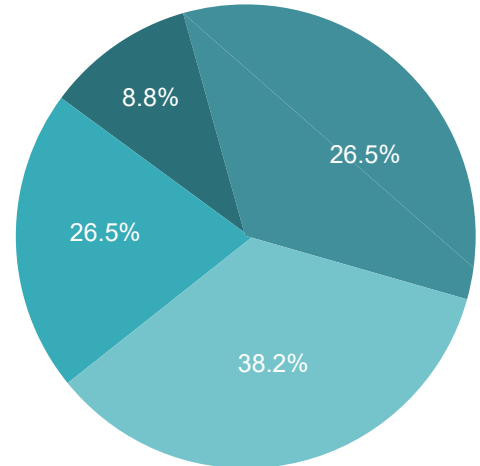
2018 Financial Regulatory Authority data was unavailable

PERCENTAGE OF COMPANIES ACCORDING TO NUMBER OF WOMEN ON BOARDS 2019

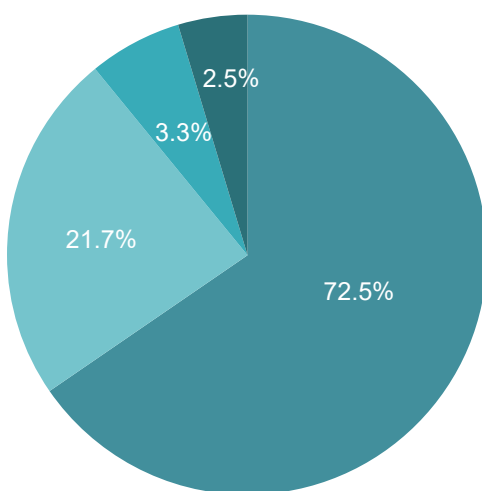
EGX LISTED COMPANIES



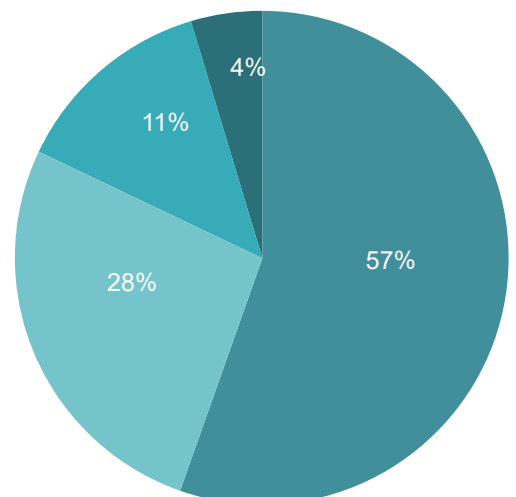
BANKING SECTOR



PUBLIC ENTERPRISE SECTOR



FINANCIAL REGULATORY AUTHORITY



2019 EGYPT WOMEN ON BOARDS INDICATOR IS 10%

There are **578** women on boards in the categories included in this report, which represents **10%** of board members.

	Total Number of Board Members 2019	Number of Women on Boards 2019
EGX Listed Companies	1547	136*3
Banking Sector	290	43
Public Enterprise Sector	711	43
Financial Regulatory Authority	3159	356*4
Total	5707	578

WAY FORWARD

Annually, a total of **113** qualified women are needed to join boards in Egypt to reach the 2030 target. This figure has increased in comparison to 2018, due to the addition of Financial Regulatory Authority data.

	EGX Listed Companies	Banking Sector	Public Enterprise Sector	Financial Regulatory Authority
Total gap of women on boards until 2030	328	44	170	592
Annual gap of women on boards until 2030	33	4	17	59

**3 In the calculation of the women on boards' indicator, 55 women were deducted from the EGX total number of women on boards and 352 board members, as they were already counted in the Banking Sector and Public Enterprise Sector, to avoid double counting.*

**4 In the calculation of the women on boards' indicator, 209 women were deducted from Financial Regulatory Authority total number of women on boards and 2094 board members, as they are already counted in EGX and Public Enterprise Sector, to avoid double counting*

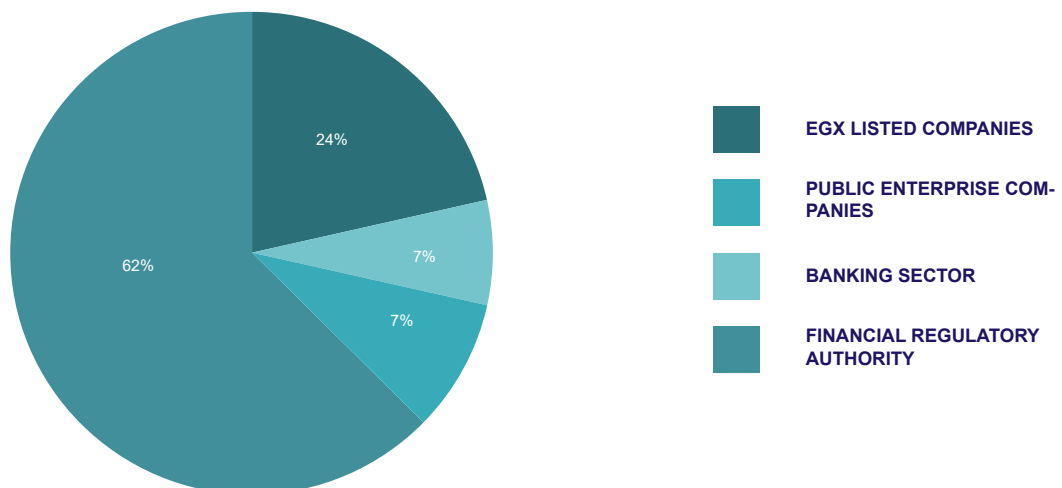
RATE OF CHANGE OF THE ANNUAL GAP OF WOMEN ON BOARDS UNTIL 2030

	2018	2019	Rate of Change 2018-2019
EGX Listed Companies	36	33	-8%
Banking Sector	5	4	-20%
Public Enterprise Sector	13	17	31%
Financial Regulatory Authority	NA	59	-

DISTRIBUTION OF WOMEN ON BOARDS BY CATEGORY 2019

Almost half of the women serving on boards were found in companies regulated by the Financial Regulatory Authority, accounting for 62% of total women on boards, followed by EGX listed companies with 24%.

DISTRIBUTION OF WOMEN ON BOARDS BY CATEGORY 2019 (N=578)



STATISTICAL ANALYSIS OF WOMEN ON BOARDS REPRESENTATION 2019

The following table compares the different categories, in terms of total number of women on boards, average number of women per board, maximum number of women per board and percentage of maximum female representation per board.

The highest average number of women per board was found in the banking sector 1.3 per board, followed by 0.8 in EGX listed companies. The highest number of women on boards was also found in both the EGX sector and the Financial Regulatory Authority, with 7 women in some of the companies' boards. The lowest female representation was in the public enterprise sector, with an average of 0.4.

STATISTICAL ANALYSIS OF WOMEN ON BOARDS 2019

Women on Board	EGX Listed Companies	Banking Sector	Public Enterprise Sector	Financial Regulatory Authority
Number of companies	243	34	120	888
Number of Women Board Members	191	43	43	565
Average Number of Women per board	0.8	1.3	0.4	0.6
Maximum Number of Women Per Board	7	4	3	7



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