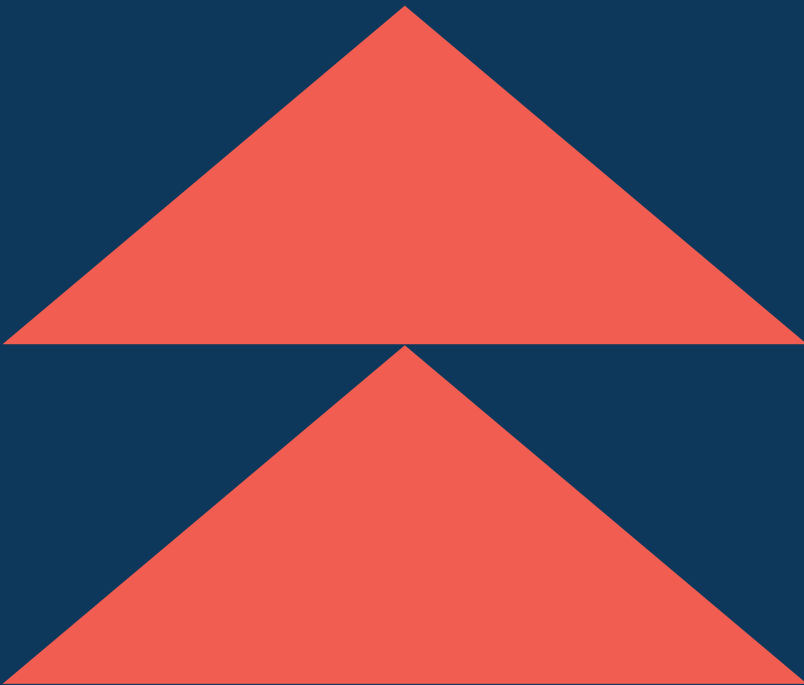


EGYPT WOMEN ON BOARDS OBSERVATORY HIGHLIGHTS

2021

ANNUAL MONITORING REPORT





**The American
University in Cairo**

School of Business



AACSB
ACCREDITED



**ASSOCIATION
OF AMBA^S**
ACCREDITED



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PARTNER ORGANIZATIONS



وزارة التخطيط والتنمية الاقتصادية
Ministry of Planning and Economic
Development



ثبني الجسور لا الحواجز
Building Bridges not Walls



REGIONAL NETWORKS



NATIONAL NETWORKS



KEY TAKEAWAYS 2021

16.7%

WoB
Indicator

The 2021 Women on Boards Indicator is **16.7%**, marking a positive growth rate of 28.5% **compared to 13% in 2020.**

1043

Number of
Women on Boards

The total number of women on boards **of companies and banks in 2020 is 1043**, marking a growth rate of 46% **compared to 714 women in 2020.**

830

WOMEN

Total Gap of
Women on
Boards Until
2030

The total gap **to reach the 2030 strategy target is 830 women. 259** women in EGX listed companies, **45** women in banks, **87** women in public enterprise companies and **439** women in non-banking financial sector companies, **are needed to join boards**, until 2030.

+92

**WOMEN
ANNUALLY**

To Reach 2030
Strategy
Target

Annual gap of **92 women need to be added on boards to reach the 2030 strategy target. 29** women in EGX listed companies, **5** women in banks, **10** women in public enterprise companies and **48** women in non-banking financial companies.

THE EGYPTIAN EXCHANGE

KEY TAKEAWAYS 2021

15.2%

WoB
Indicator

Percentage of WoB representation of EGX listed companies reached 15.2% in 2021, **marking an increase of 31%** in comparison to 11.6% in 2020.

14.9%

Percentage of
Companies with 0
WoB

Percentage of EGX listed companies with **zero women on board decreased** from 42.7% in 2020 to **14.9%** in 2021, a decrease of 66 companies.

85.1%

Percentage of
Companies with
One or More WoB

Percentage of EGX listed companies with **at least one woman on board increased** from 57.3% in 2020 to **85.1%** in 2021, marking a growth a rate of **48.5%**.

8%

Percentage of
Companies with
30% or More WoB

8% of EGX listed companies had **30% WoB representation** with a total of 19 EGX listed companies, almost no change in comparison to 2020.

29

WOMEN

Annual Gap
to reach 2030
Strategy
Target

29 Women need to be added annually to reach the 2030 strategy target of EGX listed companies.

THE BANKING SECTOR

KEY TAKEAWAYS 2021

14.2%

WoB
Indicator

Percentage of WoB representation of the banking sector reached 14.2% in 2020, **marking a 3.6% growth rate** in comparison to 13.7% female representation on boards in 2020.

23.5%

Percentage of
Companies with 0
WoB

Percentage of banks with **zero women on board increased** from 20.6% in 2020 to **23.5%** in 2021, a decrease of one bank.

76.5%

Percentage of
Companies with
One or More WoB

Percentage of banks with at least **one woman on their boards decreased** from **79.4%** in 2020 to 76.5% in 2021, a decrease of one bank.

6%

Percentage of
Companies with
30% or More WoB

6% of banks had **30% WoB representation** with a total of 2 banks, a decrease of only one bank from 2020.

5

WOMEN

Annual Gap
to reach 2030
Strategy
Target

5 women need to be added annually to reach the 2030 strategy target.

THE PUBLIC ENTERPRISE SECTOR

KEY TAKEAWAYS 2021

8.1%

WoB
Indicator

Percentage of WoB representation of the public enterprise sector reached 8.1% in 2021, **marking -6.9% growth rate** in comparison to 8.7% in 2020.

62.8%

Percentage of
Companies with 0
WoB

Percentage of public enterprise companies with **zero women on board decreased** from **71.9%** in 2020 to **62.8%** in 2021, a decrease of 26 companies.

37.2%

Percentage of
Companies with
One or More WoB

Percentage of public enterprise companies with **at least one woman on their boards** increased from **28.1%** in 2020 to **37.2%** in 2021, marking a growth rate of **32.3%**.

5.3%

Percentage of
Companies with
30% or More WoB

5.3% of public enterprise companies had **30% WoB representation** with a total of 5 companies, witnessing a decline from 19 companies and percentage of 16.7% in 2020.

10

WOMEN
Annual Gap
to reach 2030
Strategy
Target

10 women need to added annually to reach the 2030 strategy target.

THE NON-BANKING FINANCIAL SECTOR (NBFS)^{*1}

KEY TAKEAWAYS 2021

18.6%

WoB
Indicator

Percentage of **WoB representation** of NBFS companies reached 18.6% in 2021, **marking a +26.5%** increase in comparison to 14.7% in 2020.

19.7%

Percentage of
Companies with 0
WoB

Percentage of NBFS companies with **zero women on board decreased** from **47.5%** in 2020 to **19.7%** in 2021, decrease of 153 companies.

80.3%

Percentage of
Companies with
One or More WoB

Percentage of NBFS companies with **at least one woman on their boards increased** from **52.6%** in 2020 to **80.3%** in 2021, marking a growth rate of 52.7%.

17.8%

Percentage of
Companies with
30% or More WoB

17.8% of NBFS companies **had 30% WoB representation** with a total of 112 NBFS companies, compared to 109 in 2020, increasing by 2.8% positive growth rate.

48

WOMEN
Annual Gap
to reach 2030
Strategy
Target

48 Women need to be added annually to achieve the 2030 strategy target.

**1 - Excluding EGX Listed Companies*

WOMEN ON BOARDS BY CATEGORY 2021

The table below summarizes the results of the 2021 women on boards (WoB) indicator, where the highest percentage of 18.6% was in the non-banking financial sector (NBFS), followed by the Egyptian Exchange at 15.2% and the banking sector at 14.2%. The lowest WoB representation was in the public enterprise sector at 8.1%.

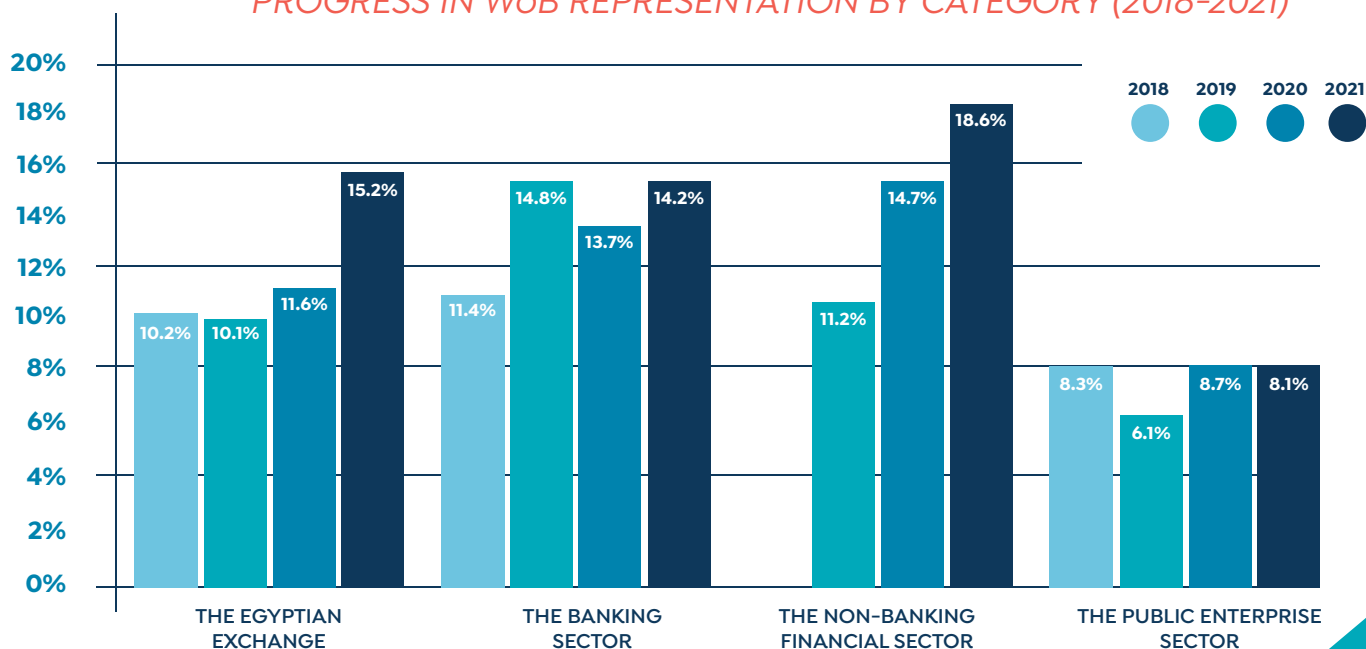
WOMEN ON BOARDS OF COMPANIES AND BANKS 2021

	The Egyptian Exchange	The Banking Sector	The NBFS	The Public Enterprise Sector
Number of Companies	241	34	631	94
Number of Women Board Members	283	41	712	36
Number of Men Board Members	1582	247	3113	409
Total Number of Board Members	1865	288	3825	445
Percentage of Women Board Members	15.2%	14.2%	18.6%	8.1%

PROGRESS IN WOMEN ON BOARDS PERCENTAGE BY CATEGORY (2018-2021)

The progress achieved in the representation of women on boards in each category from 2018 to 2021, illustrated in the below figure, demonstrates an overall upward trend for EGX and the NBFS, while the public enterprise sector followed a relatively stable pattern and the banking sector's indicator fluctuated.

PROGRESS IN WoB REPRESENTATION BY CATEGORY (2018-2021)



2021 WOMEN ON BOARDS INDICATOR

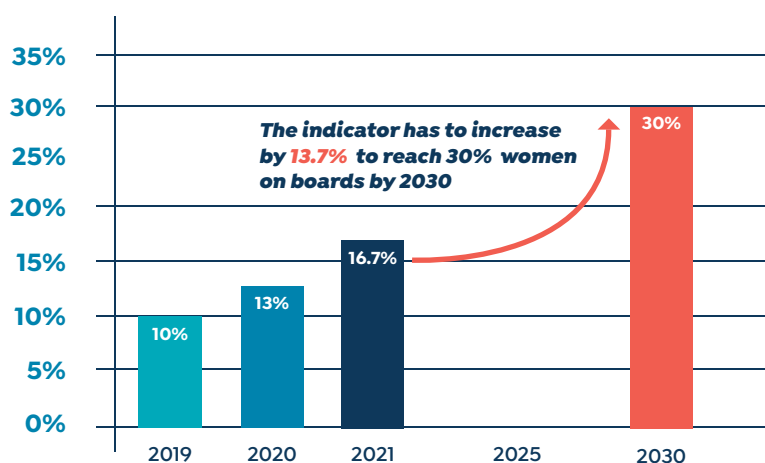
The overall women on boards indicator witnessed a significant improvement in 2021, achieving 16.7%.

The women on boards indicator progressed annually, from 10% in 2019 to 13% in 2020 and finally reached 16.7% in 2021, achieving a cumulative positive growth rate of around 60%.

The 2021 WoB representation of 16.7% is halfway towards achieving the 30% women on board's goal.

The WoB indicator increased annually by 3% during the first years under study and 3.7% in 2021, maintaining this annual increase will enable achieving the 30% goal by the year 2026.

WoB INDICATOR (2019-2021)



The breakdown of the WoB indicator by each category is illustrated in the below table. NBFS companies are the main contributor to the indicator, achieving a WoB representation of 18.6%, followed by 15.2% of EGX listed companies.

WOMEN ON BOARDS INDICATOR BY CATEGORY 2021

	Number of Women on Boards	Total Number of Board Members	Percentage of Women Representation
The Egyptian Exchange ^{*2}	267	1752	15.2%
The Banking Sector	41	288	14.2%
The Public Enterprise Sector ^{*3}	23	368	6.3%
The NBFS ^{*4}	712	3825	18.6%
Total	1043	6233	16.7%

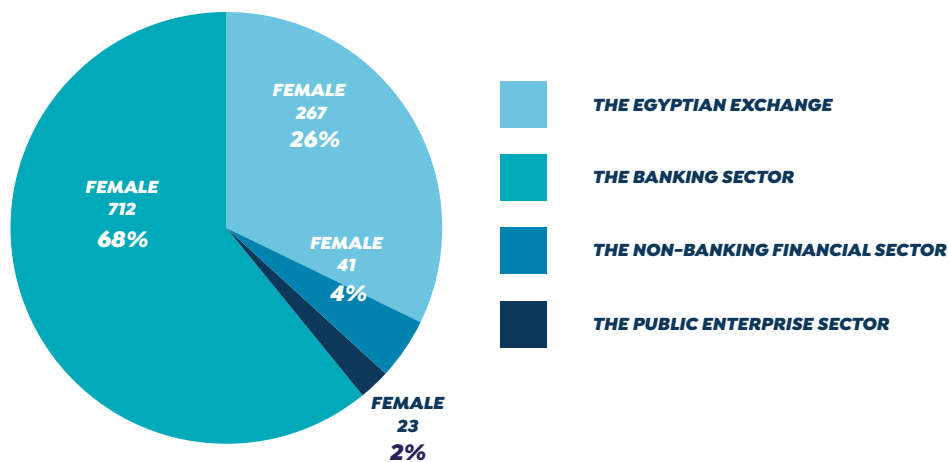
^{*2} -12 banks were deducted from the EGX list of companies, to avoid double counting with the banking sector.

^{*3} -16 public enterprise companies were deducted to avoid double counting with the same companies listed in the Egyptian exchange companies.

^{*4} -All EGX listed companies, and 16 companies having 0, 1 and 2 board members were excluded from the total number of NBFS companies for 2021.

WOMEN ON BOARDS INDICATOR MARKED 16.7% IN 2021.

DISTRIBUTION OF WOMEN ON BOARDS BY CATEGORY 2021



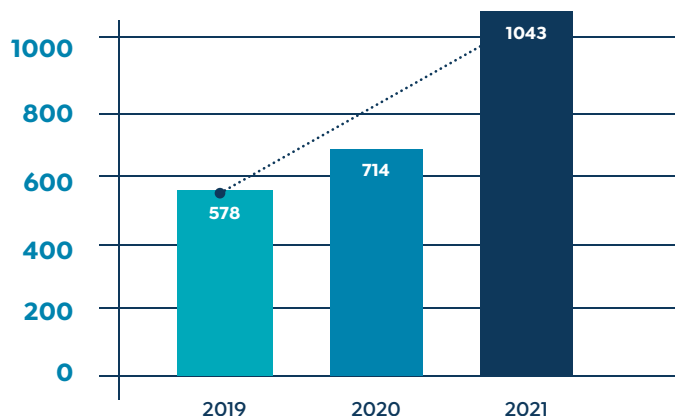
The distribution of women on boards reported in 2021 indicate the highest share in NBFS companies, accounting for 68% of women board members and totaling 712.

EGX listed companies had 267 women on boards, accounting for 26% of the total number of women on boards. The banking sector had 41 women on boards, accounting for 4%, followed by the public enterprise sector with 23 women accounting for 2% of the total number of women on boards in 2021.

GROWTH PATTERN IN NUMBER OF WOMEN ON BOARDS (2019-2021)

The total number of women on boards has increased from 578 in 2019, to 714 in 2020 to 1043 in 2021. The total number of women on boards increased by 46% from 2020 to 2021.

THE NUMBER OF WOMEN ON BOARDS (2019 - 2021)



Annually, an estimate of 92 women are needed to be placed on boards across the four categories included in the analysis, totaling 830 by 2030, in order to achieve the 30% WoB representation by 2030. 48 women need to place on NBFS companies' boards annually, 29 women on EGX listed companies boards, 10 needed to be placed on boards of public enterprise sector companies and only 5 on boards of banks.

NBFS companies succeeded to place 258 women in 2021, almost five folds the annual obligation, while EGX listed companies placed 69 in 2021 almost double the annual requirement to achieve the 30% WoB representation goal.

Both the banking sector and the public enterprise sector placed on their boards less than the annual estimated requirement.

The annual gap estimated in 2020 was 95, therefore the annual gap calculated in 2021 has realized an improvement narrowing down to only 92, a decrease of 3 women.

THE ANNUAL GAP OF WOMEN ON BOARDS TO REACH 2030 TARGET (2019-2021)

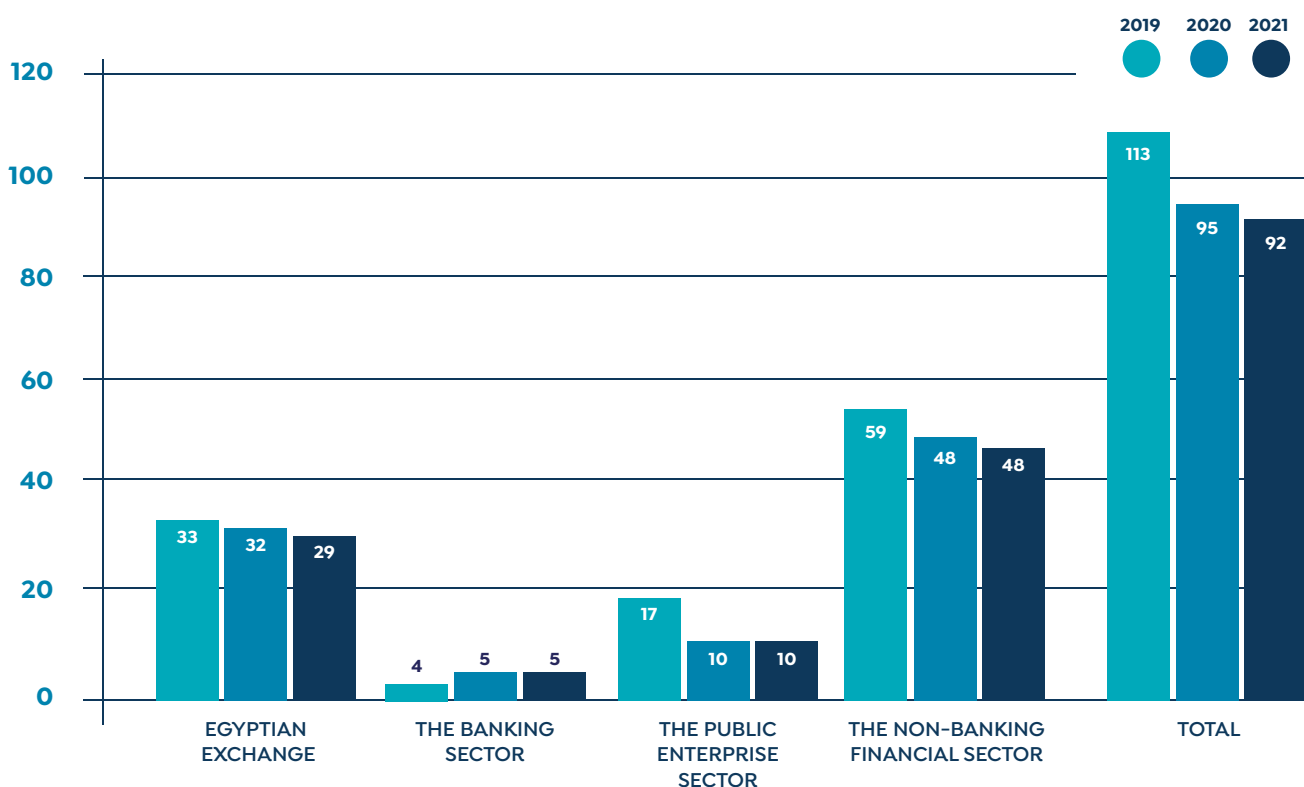
The table below presents the progress of the estimated annual gap to reach the 2030 target, which decreased from 113 in 2019 to 95 in 2020 to 92 in 2021.

ANNUAL GAP BY CATEGORY TO REACH 30% WOMEN ON BOARDS REPRESENTATION BY 2030

	Total Gap To Reach 2030 Goal	Annual Gap To Reach 2030 Goal	Newly Introduced Women on Boards
The Egyptian Exchange	259	29	69
The Banking Sector	45	5	1
The Public Enterprise Sector	87	10	-2
The NBFS	439	48	+258
Total	830	92	+326

Note: Calculations are based on total number of board members of 2021.

ANNUAL GAP TO REACH 30% WOB (2019-2021)



STATISTICAL ANALYSIS OF WOMEN ON BOARDS BY CATEGORY 2021

The table below demonstrates women on boards by category, in terms of numbers, averages and the maximum number of women on boards.

The highest average number of women per board was found in the banking sector by 1.21, followed by EGX listed companies having an average of 1.17 per board. While, NBFS companies had an average of 1.1 per board and public enterprise companies had an average of 0.38.

On the other hand, the maximum number of women board members were marked in both EGX listed companies and NBFS companies, by having 6 women. While the maximum number of women on boards in public enterprise companies marked only 2.

	The Egyptian Exchange	The Banking Sector	The NBFS	The Public Enterprise Sector
Number of Companies	241	34	631	94
Number of Women Board Members	283	41	712	36
Average Number of Women Per Board	1.2	1.2	1.1	0.4
Maximum Number of Women Per Board	6	3	6	2

Note: The minimum number of women on boards across all categories is (0).

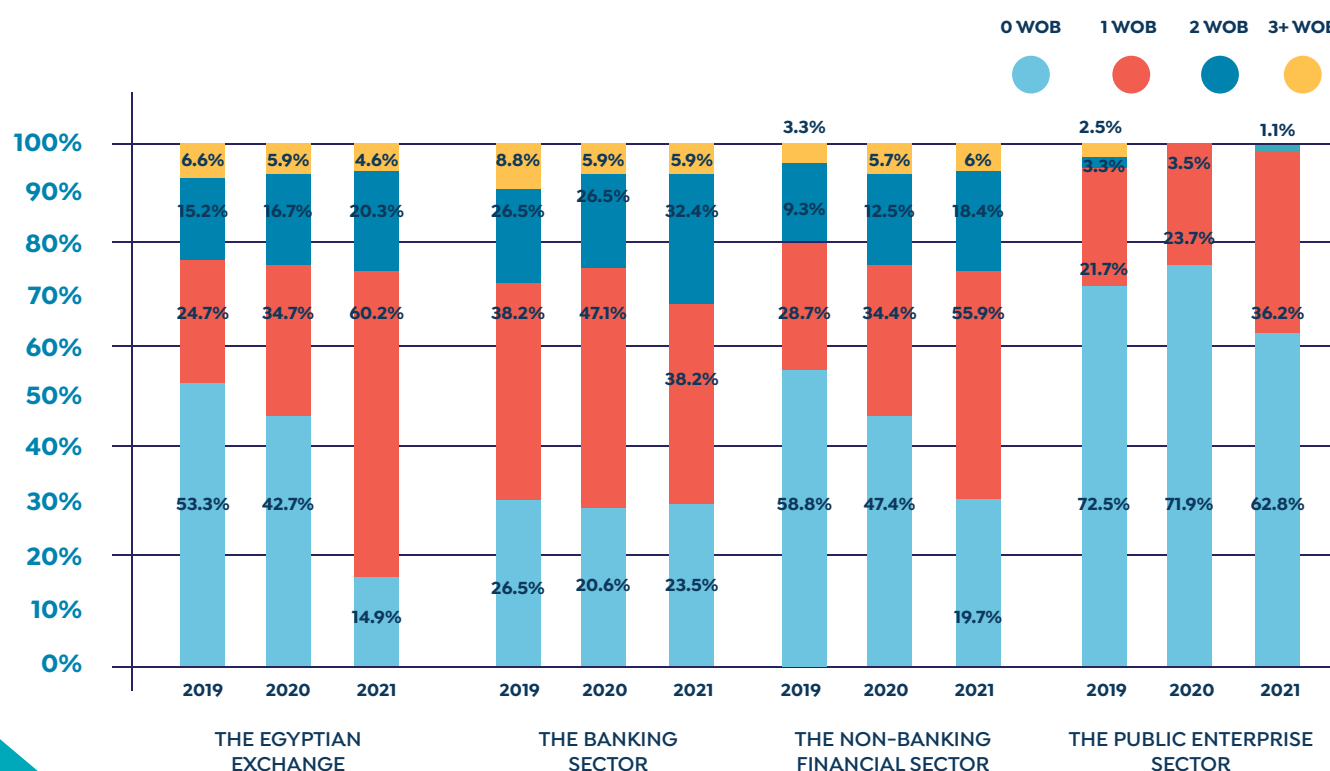
REPRESENTATION BY WOMEN ON BOARDS AND CATEGORY 2021

The table below illustrates the distribution of companies and banks reported in 2021 by the number of women on boards and by companies having 30% or more WoB.

	The Egyptian Exchange	The Banking Sector	The NBFS	The Public Enterprise Sector
Percentage of Women on Boards	15.2%	14.2%	18.6%	8.1%
Zero Women on Board	14.9%	23.5%	19.7%	62.8%
One Woman on Board	60.2%	38.2%	55.9%	36.2%
Two Women on Board	20.3%	32.4%	18.4%	1.1%
3 or More Women on Board	4.6%	5.9%	6%	0.0%
30% or More Women on Board	8%	6.0%	17.8%	5.3%

On the other hand, the distribution of companies and banks by the number of women on board during the period 2019 to 2021 as illustrated below, demonstrating the significant changes that took place by category and number of women on boards.

DISTRIBUTION OF COMPANIES AND BANKS BY NUMBER OF WOMEN ON BOARDS (2019 -2021)



The percentage of companies with zero women on board has substantially decreased across most of the categories in the past three years. The percentage of EGX listed companies went from 53.3% in 2019 to as low as 14.9% in 2021, decreasing by more than half in 2 years. The NBFS has also realized a decline in the percentage of companies with zero women on board, decreasing from 58.8% in 2019 to 19.7%. However, public enterprise companies with zero women on board kept a stable pace between 2019 and 2020 at a level of around 72%, which then declined significantly to reach 62.8 % in 2021, by a negative growth rate of -12.8% in one year.

On the contrary, the percentage of banks with zero women on board fluctuated between a maximum of 26.5% in 2019 and a minimum of 20.6% in 2020, increasing in 2021 to reach 23.5% of total banks, increasing by only one bank.

The second category that has witnessed the most changes, was the percentage of companies with one woman on board. EGX listed companies witnessed the highest increases between 2019 and 2021, increasing from 24.7% in 2019 to 60.2% in 2021, more than doubling in 2 years. Also, the percentage of NBFS companies with one woman on board has witnessed improvements, increasing from 28.7% in 2019 to 55.9% in 2021.

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 National Institute for Governance and Sustainable Development (NIGSD)
- The Egyptian Exchange (EGX)
- The National Council for Women (NCW)
- UN-Women in Egypt
- The Sweden International Development Cooperation Agency (SIDA)
- The International Finance Corporation (IFC) in Egypt
- The European Bank for Reconstruction and Development (EBRD) in Egypt
- The Women in Business Committee of The American Chamber of Commerce 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 BOARDROOM AFRICA



The Women on Boards Observatory signed a MoU with The Boardroom Africa. The Boardroom 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.

NATIONAL NETWORKS

BUSINESS WOMEN OF EGYPT 21 (BWE21)



BWE21 is a national platform for economic development, attracting partners and donors to design and implement national and international business initiatives to serve the growth of Egyptian businesswomen. Members come from a wide range of business backgrounds. They seek to positively impact businesswomen and the Egyptian economy through their business development services, networking and international partnerships. They help women by developing their skills and strengthening their economic power for the sake of their career growth.

TOP 50 MOST INFLUENTIAL WOMEN FORUM



The Forum acts as a growing network of Egypt's most influential women in business, who are committed to a holistic approach of empowering women and strengthening their decision-making power and participation in the country's reform processes. Today, the Top 50 Women Forum has a current membership of over 200 most prominent and influential female ministers and executives in Finance, Banking, Investment, Trade, Tourism, Technology, Media, etc. By 2019, the Forum plans to include prominent women leaderships in the Middle East and North Africa.

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. ^{*10}

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.

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.

CAPACITY BUILDING AND AWARENESS

Awareness and training activities are carried out for both male and women 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 and the International Finance Corporation, IFC, in Egypt.

**10 - This report is implemented within the partnership between UN Women Egypt and AUC Women on Boards Observatory which comes within the framework of the regional joint programme "Promoting Productive Employment and Decent Work for Women in Egypt, Jordan and Palestine" implemented by UN Women Egypt and the International Labour Organization ILO Cairo, in partnership with the Ministry of Manpower and the National Council for Women, through the support of the Sweden International Development Cooperation Agency (Sida) - Styrelsen för Internationellt Utvecklingssamarbete Embassy of Sweden in Cairo.*

THE NATIONAL STRATEGY FOR THE EMPOWERMENT OF EGYPTIAN WOMEN 2030

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 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 ^{*11}**

EGX INITIATIVE TO ENCOURAGE LISTED COMPANIES TO DISCLOSE THEIR TARGETS FOR FEMALE REPRESENTATION

Bloomberg, the Egyptian Exchange (EGX), the 30% Club MENA and the Women on Boards observatory at The American University in Cairo (AUC) School of Business, have invited listed companies in Egypt to submit their gender-related data via The Bloomberg Gender-Equality Index (GEI) Reporting Framework on July 8, 2021.

(EGX) encouraged Egyptian listed companies to publicly disclose their targets for female representation and routinely report on progress.

CBE INITIATIVES TO ENHANCE WOB REPRESENTATION

The Central Bank of Egypt issued a decision in 2021, stating the necessity of having at least two women members on the banks' boards, effective 2021.

**11 - Terjesen et al, 2009*

THE MINISTRY OF PUBLIC ENTERPRISE STRATEGY TO REFORM AND DEVELOP ITS SUBSIDIARIES

The ministry developed a reform plan for restructuring public enterprise companies in preparation for the formulation of a plan for their development. It is worth noting that, the financial reform plan for companies was based on repaying debts based on the untapped assets that were counted and determining what can be used from them to settle corporate debts towards government agencies and what can be allocated to finance the required development in companies.

THE FRA INITIATIVES TO ENHANCE WOB REPRESENTATION OF NBFS COMPANIES (2020 – 2021)

In 2020 the FRA issued a raft of rules that support and promote more gender-balanced boards. These rules were complemented with the issuance of the following decrees in 2021:

- 1- Decree No.109 of 2021: The necessity of having a women representation of 25% or at least 2 women members on the boards of EGX-listed companies.
- 2- Decree No. 110 of 2021: The necessity of having a women representation of 25% or at least 2 women board members on the boards of NBFIs.