



30% Club France Investor Group: Statement of Intent

As asset owners and asset managers, we are responsible for the stewardship of the investments we make on behalf of our members and clients. Part of that responsibility includes the assessment of executive management teams of our investee companies.

In France, listed companies are required by law to have a minimum of 40% of women on Board of Directors since 2017. As a natural second step, gender diversity is expected to trickle down from the board to reach all executive management layers. As of mid-2020, women accounted for 21%¹ on average of the main French-listed companies executive committees (SBF 120). Their roles are predominantly functional: only 12% of operational roles in SBF 120 executive committees are held by women.²

In 2020, the revised version of the French Stewardship Code (AFEP-MEDEF) recommended that each listed-company would define its own quota of women in the executive governing bodies. However, there is no precision around what an appropriated quota of feminization would be.

We believe both boards and executive management teams that genuinely embrace cognitive diversity, as manifested through appropriate gender representation and a broad spectrum of skills and experience, are more likely to achieve better outcomes for investors. There is increasing research to support this hypothesis. Gender equality importance is also reflected through a dedicated UN Sustainable Development Goal (SDG 5 – Gender Equality) making the issue among the most pressing ones to achieve by 2030.

The main purpose of the Statement of Intent is to signal the collective voice of the 30% Club Investor Group to companies and the wider marketplace, and to demonstrate the ways in which members will use their ownership rights and undertake stewardship to encourage progress on gender diversity.

The 30% French Club Investor Group acknowledges the need for better corporate diversity in all its forms. Because of the reporting specificities in France, the focus of the stewardship activities will be on gender diversity until further notice.

1. Objectives: at least 30% by 2025

As members of the French 30% Club Investor Group, we expect executive management teams of SBF 120 companies to reserve at least 30% of seats to women by 2025. 30% is the level at which critical mass is achieved and contributions from a minority group starts being heard and valued, impacting leadership decision dynamics³.

We call on companies to consider women for operational roles where they are often under-represented.

¹ Ethics & Boards, as of June 30th 2020 ([link](#))

² L'Express and Heidrick & Struggles, Study "Mixité au Sommet", 2019

³ <https://30percentclub.org/about/who-we-are>



We also encourage companies to develop an internal female talent pipeline and build on it when considering the appointment of a new woman at the executive management team.

2. Disclosure expectations from investee companies

As part of our overall stewardship responsibilities on behalf of our members and clients, we will actively engage with investee companies on corporate governance issues, including the process used to identify suitable candidates for executive management teams.

To provide investors with a comprehensive understanding of an investee company's diversity and inclusion policies, practices and processes, we expect companies to be transparent regarding the procedures used to find and appoint new members to the executive management team level, and how that process ensures a diverse leadership committee. We also call on companies to provide information on how diversity materializes at every levels of management. We believe this transparency will allow investors and other stakeholders to understand how a gender diverse talent pipeline is built up to the top.

As well as disclosures required under the revised version of the AFEP-MEDEF Code, we also expect to see evidence of a culture of commitment to gender diversity and inclusion at the executive management level, reverberating through all the layers of the hierarchy.

3. Engagement with investee companies

We will prioritize engagement with members of Nomination Committee and the board as a collective instance, as well as CEOs and Head of Human Resources, on the issue of leadership diversity to convey the high level of importance that we, and our clients and members, place on this core stewardship issue.

We will raise questions where there is evidence that there has been a failure in the nomination process with respect to executive management diversity.

We may choose to vote against the re-election of the Chair of the board or nomination committee, particularly where there continues to be no evidence of diversity at executive management levels, and engagement with the company has not led to any satisfactory outcome.

4. Reporting

We are committed to reporting, on a regular basis, examples of engagement activity as well as any voting activity undertaken.

The engagement might be reported through case studies where collective engagement with some or all 30% Club Investor Group members has taken place.

5. Examples of best practices

In addition to putting pressure on companies to perform better on diversity, the 30% Club Investor Group is keen to highlight examples of companies that are leading the way in this area.

6. Documentation



The French 30% Club Investor Group aims to provide companies with a list of key gender-related metrics disclosure expectations; as well as policies, best practices and processes that have proved successful in creating a gender diverse and inclusive workplace.

7. Compliance with Applicable Laws

The Investor Group shall comply with all laws, rules and regulations, if any, applicable to it in connection with the performance of its commitments under this Statement of Intent as long as the new legal objectives are more stringent than the ones originally set by the Investor Group.