



# **BUSINESS LEADERSHIP: THE CATALYST FOR ACCELERATING CHANGE**

Twitter: @30percentclub  
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BoardEx

Gender balance on teams achieves better outcomes. **OUR ULTIMATE GOAL IS PARITY BUT OUR MINIMUM UK OBJECTIVES BY 2023 ARE:**

**Beyond 30% representation of women on all FTSE 350 boards, to include one person of colour**

We support the Parker Review goals for at least one person of colour on every FTSE 350 board - in addition, we advocate for gender balance with half these seats going to women, creating 175 board seats for women of colour.

**Beyond 30% representation of women on all FTSE 350 Executive Committees, to include one person of colour**

With half these roles going to women, creating 175 ExCo roles for women of colour.

**Beyond 30% of all new FTSE 350 Chair appointments to go to women between 2020 and 2023**

# OUR MISSION



True balance is our end goal

We support diversity in its very broadest sense and while gender has been our starting point, we fully realise that considerations of ethnicity, disability, sexual orientation, socioeconomic background and beyond are all part of the journey - and that gender identities are themselves evolving rapidly. We also fully appreciate that 30% is a pivotal point, but it is not the finish line. Our aim is parity.

WHO WE ARE

# LEADERS LEADING BY EXAMPLE

We are a group of more than 1,000 Chairs and CEOs taking action to increase gender diversity on UK boards and senior management teams.

The 30% Club campaign was set up by Dame Helena Morrissey in 2010 with the aim of achieving a minimum of 30% female representation on FTSE 100 boards. That original target was reached in September 2019 and good progress has been made since then, but there is still much more work to do to achieve better gender balance at the top of businesses.

Now under Ann Cairns' leadership, our energies remain concentrated on supporting more women into senior roles, both executive and non-executive, and to encouraging organisations to foster truly inclusive cultures - cultures that embrace women who look, act and, importantly, THINK differently - so that they can reach their full potential to positively impact their people, their markets and their communities.

Ann Cairns  
Global Chair, 30% Club



## OUR APPROACH

# THE BUSINESS CASE FOR DIVERSITY IN SENIOR ROLES IS CLEAR

The business case is clear – a higher standard of corporate governance, improved financial performance and enhanced capacity to attract and retain female talent.

Diverse teams make better decisions: McKinsey research continues to show a significant link between diversity and financial performance, with companies in the top quartile for gender diversity 25% more likely to outperform their national industry median EBIT margin than their bottom quartile peers; likewise companies in top quartile for ethnic diversity are 36% more likely to financially outperform their peers (*Diversity Wins, McKinsey & Company, 2020*).

Similarly Credit Suisse found that companies where women made up at least 15% of senior managers had more than 50% higher profitability than those where female representation was less than 10% (*CS Gender 3000: The Reward for Change, Credit Suisse, 2016*).

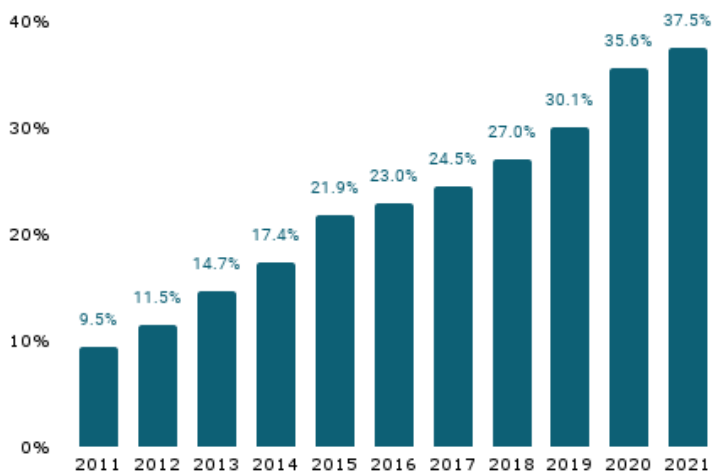
One woman is not enough: 30% is the proportion when the contributions of a member of a minority group are valued in their own right. Research suggests that a critical mass of three or more women can cause a fundamental change in the boardroom and enhance corporate governance.

BEYOND 30% REPRESENTATION OF WOMEN ON ALL  
FTSE 350 BOARDS BY 2023, AND TO INCLUDE ONE PERSON  
OF COLOUR

## OUR BOARDROOM GOAL

September 2019 saw women's representation on FTSE 350 boards reach an average of 30% for the first time in history. While we celebrate this milestone, this target was a minimum and there is still much work to do, not least of which on ethnic representation – only 178 board positions in the FTSE 350 are held by directors of colour, with just 77 of those positions held by female directors of colour (*Parker Review, November 2020*). Furthermore, there are still 63 FTSE 350 companies at less than 30% women on boards. But as of December 2021, there is at least no FTSE 350 company with an all-male board and the number of all-male ExCos is falling.

### Percentage of women on FTSE 350 boards



Source: BoardEx

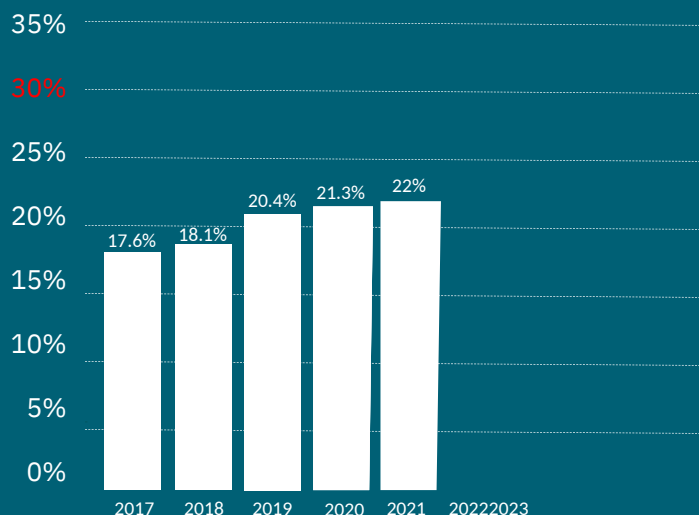
BEYOND 30% REPRESENTATION OF WOMEN ON ALL  
FTSE 350 EXECUTIVE COMMITTEES BY 2023, AND TO  
INCLUDE ONE PERSON OF COLOUR

## OUR PIPELINE GOAL

With just 19% of FTSE 350 Executive Committee roles currently (as of 15 December 2021) held by women, achieving at least 30% by 2023 represents a significant but achievable challenge.

Driving progress will require ongoing investment from CEOs and leadership teams in developing the pipeline of female directors. It will also require demand by investors, leadership from board chairs, commitment by nominations committees and action from head hunters, and of course it also requires ongoing investment from CEOs and leadership teams in developing the pipeline of female directors.

### Percentage of women on FTSE 350 Executive Committees



# KEY STATISTICS (as at 15 December 2021, unless otherwise stated)

## FTSE 100

Women on boards:	39.1%
Board Positions Held by Women of Colour	5.4%*
Companies with >30% women on boards	95
Companies with <30% women on boards	5
Women at Executive Committee Level	22%**
Women at Executive Committee & Direct Report Levels	30.6%***
All-male boards	0
All-male Executive Committees	17
Female Chairs	15
Female CEOs	9
Female CFOs	16
Female Chairs Appointed 1 Jan - 15 Dec 21	6

## FTSE 250

Women on boards:	36.8%
Board Positions Held by Women of Colour	2.2%*
Companies with >30% women on boards	203
Companies with <30% women on boards	47
Women at Executive Committee Level	18%**
Women at Executive Committee & Direct Report Levels	28.5%***
All-male boards	0
All-male Executive Committees	79
Female Chairs	35
Female CEOs	9
Female CFOs	30
Female Chairs Appointed 1 Jan - 15 Dec 21	8

## FTSE 350

Women on boards:	37.5%
Board Positions Held by Women of Colour	2.9%*
Companies with >30% women on boards	298
Companies with <30% women on boards	52
Women at Executive Committee Level	19%**
All-male boards	0
All-male Executive Committees	96
Female Chairs	50
Female CEOs	18
Female CFOs	46
Female Chairs Appointed 1 Jan - 15 Dec 21	14

\*% percentage of total number of directors of colour where ethnicity is known. Source: Parker Review, November 2020

\*\*excludes Investment Trusts

\*\*\*Source: Hampton-Alexander Review, February 2021





DISCLOSURE EXPECT

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 the boards of our investee companies. We believe boards 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 premise.

As investors, we support the vision of the 30% Club which is "to achieve a minimum of 30% women on boards."

To provide investors with a complete picture of our diversity policies, we expect to include the information used to fill out the proxy statement in our annual report. This ensures a diverse board

As well as disclosures required we also expect to see evidence of a higher level. Further details of the disclosures we will seek are outlined in our diversity.

## ENGAGEMENT

We will actively engage with board  
issue of board diversity to convey  
our clients and members, place

We may choose to vote against  
of nomination committee, please  
evidence of biased diversity, a  
any satisfactory outcome.

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mill'ons?**

# INVESTOR TOOLKIT FOR ENGAGING BOARDS ON DIVERSITY

**THE BOARD'S ROLE IN DIVERSITY**

Companies that value diversity of thought, and the associated benefits of an engaged, thriving, innovative and productive workforce, are committed to fostering an environment that enables that diversity to permeate and define the culture. This commitment begins at the board level – setting the tone from the top – and flows throughout all levels of the organization.

We believe diversity is first driven by a well-considered and disclosed strategy that articulates why this issue matters to a company and how it is implemented by management and monitored by the board.



The reasons Chairs and Non-Executive Directors (NEDs) use as to why they can't or won't appoint female directors to their boards.

This booklet has been compiled from conversations that our 30% Club: Education Working Group members and other female non-executive directors associated with the 30% Club have had with listed company chairs and non-executive directors as to why they can't/ won't/shouldn't be forced to appoint female directors to their boards. These were common reasons, heard at different times by all of the contributors.

## Not all of the reasons

**Not all of the reasons** for the lack of effectiveness. Yet in stating them, they demonstrate a lack of understanding of the evidence of the business benefits of treating gender diversity and a bias in preferring the status quo and gendered perceptions around the skills, attributes and experience required to be an effective non-executive director. The reasons provided have been listed in the order of increasing research. Overall, the conclusion was that most of these reasons were not consistent with findings from national and international research which demonstrate the benefits of women on boards and board diversity in general. By representing the business case for gender diversity and openly discussing inherent biases, misunderstandings and misconceptions that can influence directors frequently still face, we hope that this can help change current and future NEDS and chains to positively embrace and understand the benefits of gender diversity.



Succession planning, board evaluations and term limits

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## HOW IT WORKS

# SHARING RESOURCES AND COLLABORATING

The 30% Club complements and amplifies individual company efforts as well as those of similar existing groups and initiatives through measurable goals and broad collaboration. We're stronger together – what matters is delivering progress.

There is no financial commitment to becoming a member\*; the 30% Club campaign is driven by our Steering Committee and Working Groups that are made up of senior directors and executives who volunteer their time and skills to help direct efforts.

The Working Groups are primarily focused on influencing change by working with investors, the government, the media, as well as Chairs, CEOs, HR Directors and Strategy Directors.

\*There is a charge for the mentoring programme by delivery partner Moving Ahead

FOCUSING OUR EFFORTS

# INFLUENCING IN THREE KEY AREAS

## **Companies**

By signing up Chairs and CEOs to set a 30% target at board and senior management levels, as well through our Executive Search, Race Equity and Climate Change Groups and our Cross-Company Mentoring scheme for women and people from minority groups with leadership potential..

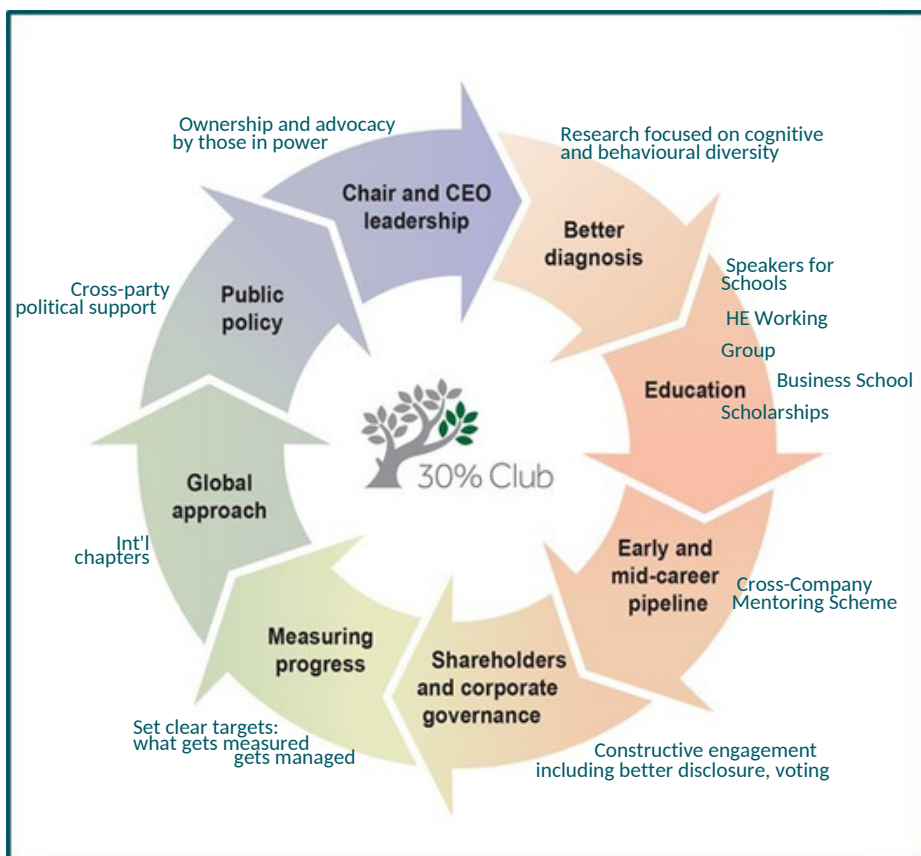
## **Public Policy**

Through interaction with relevant government departments, task forces and regulators.

## **Investors**

Through our UK Investor Group which looks to co-ordinate the investment community's approach to diversity. Made up of asset owner, asset manager and charity members, the Group represents £11 trillion of global assets. It constructively engages with FTSE350 companies to improve gender and race balance as a strategic and economic imperative.

# A COHESIVE APPROACH



## OUR GLOBAL CHAPTERS

# A FOUNDATION TO BUILD ON

With chapters in 18 countries/regions, the 30% Club is approaching this issue on a global scale. Each chapter believes in diversity as a driver of business growth. You can join individual chapters or as a global member.

Australia  
Brazil  
Canada  
Colombia  
Chile  
East Africa  
Ecuador  
GCC  
Hong Kong  
Ireland  
Italy  
Japan  
Malaysia  
Mexico  
Poland  
Southern Africa  
Turkey  
United Kingdom  
United States



Proud to be a Friend  
of the OECD Forum

## WHAT YOU CAN DO

# SUPPORTING THE 30% CLUB

We encourage individuals and organisations to support our work and help us in our quest to increase the number of women on company boards and at senior management level.

- Become a Chair or CEO Member (please check UK webpage for criteria)
- Call upon your own organisation to introduce targets for women in leadership
- Share information on the 30% Club with your colleagues and networks
- Encourage lagging companies to improve their diversity efforts
- Host events for the 30% Club
- Join in the conversation by tweeting @30percentclub

# CONTACT US

Please email Laura Whitcombe to sign up to the 30% Club or for any general enquiries: [laura@30percentclub.org](mailto:laura@30percentclub.org)

Please email Laura and the Media team for any press enquiries: [media@30percentclub.org](mailto:media@30percentclub.org)

# FOR MORE INFO ON THE 30% CLUB

Please email Laura Whitcombe [laura@30percentclub.org](mailto:laura@30percentclub.org)

Visit our website: [www.30percentclub.org](http://www.30percentclub.org)

Contact the media team for any press enquiries:

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