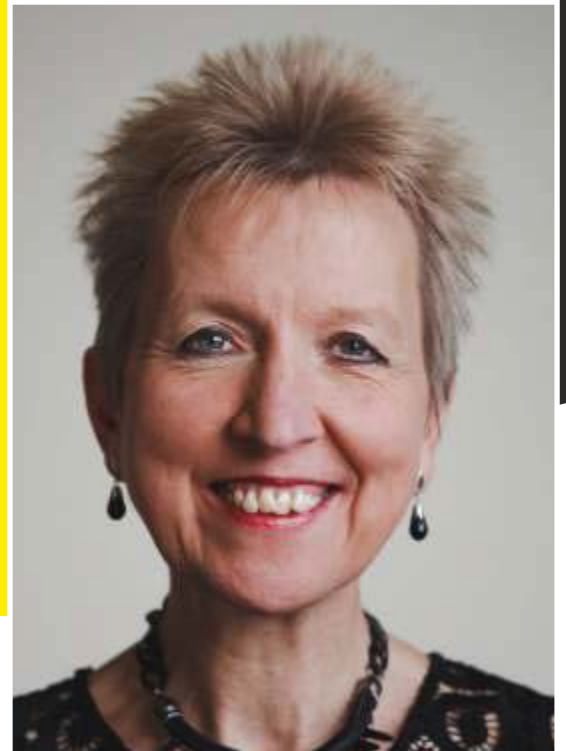


One Objective: Achieving Gender Diversity in Boardrooms across Europe



*Ms. Hedwige Nuyens

Change only happens when we truly believe in something, when we are convinced that we can make a difference.

From the beginning of my career, I noticed that working hard and being good at what you do is simply not enough to move ahead in your career, especially if you are a woman. It is crucial to know how the system works, to understand the informal rules of the corporate world, and to gain visibility. Who do you know? Who knows you? These are the key lessons that I had to learn by myself and it got me thinking, why not share these key learnings with others, but also how to bring about change from within?

My name is Hedwige Nuyens and after starting my career over more than once, I am now CEO of the International Banking Federation and Chair of European Women on Boards. Throughout my career and in my current role, I have worked to bring change and increased diversity into the banking industry. Looking at the wider perspective is what drove me to join European Women on Boards (EWOB), a non-for-profit, pan-European organisation that I am chairing since last year.

European Women on Boards: achieving gender diversity in corporate leadership

Research has shown time and time again that diverse teams perform better, but they require strong and inclusive leadership.

For example, a longitudinal analysis by McKinsey & Company in 2020 showed that “companies in the top quartile for gender diversity on executive teams were 25 percent more likely to have above-average profitability than companies in the fourth quartile—up from 21 percent in 2017 and 15 percent in 2014” (Diversity wins: How inclusion matters, McKinsey & Company, May 2020). Missing out on female talent at the decision-making table means that companies will fail to deliver good business results and end up making the wrong decisions.

To ensure an equal representation of women and men in boardrooms across Europe, a first draft of the currently titled Board Directive was put forward in 2012, which sets a target of a minimum of 40% of men and women on boards for stock listed European companies. At the time, the text was approved by both the European Commission and the European Parliament. But the initiative failed, blocked by the European Council for ten years.

In reaction to this blockage, a small group of senior women leaders founded European Women on Boards in 2013. Since then, EWOB advocates for gender diversity in corporate leadership with more than 100 volunteers dedicating their time and expertise to forward this important goal.

Four drivers of change: Let's make it happen

To achieve equal representation of men and women at Board and C-Suite levels, EWOB is working in conjunction with 4 drivers of change: a pool of 1.000 women ready to take their career to

the C-suite or Board level, European policy makers and engagement with like-minded companies, associations and organisation around Europe.

EWOB is focusing on being present in a minimum of 20 countries around Europe by the end of 2023. In the last year alone, the organisation grew from representation in 5 to now 14 countries, operating in: Finland, Sweden, Norway, Switzerland, Italy, Belgium, the Czech Republic, Poland, the Netherlands, United Kingdom, Germany, Lithuania, Luxembourg, and Romania.

Supporting women's career development through tailored programs and membership

Boards have a key role to play within companies. They not only set the company's strategy, but also challenge its management and execution. As Ursula von der Leyen, President of the European Commission, rightly outlined during EWOB's January 2022 Gender Diversity Award: 'Boards are one thing; it is the knock-on effect that matters. As more diverse boards hire more diverse CEOs those, in turn, hire more diverse managers.'

To contribute to this objective, EWOB has developed three tailored programs supporting women's career development.

The EWOB C-Level Program is aimed at female managers who will be assuming roles of significant responsibility over the next two years. The concept of the C-Level Program lies in understanding what today's business world needs from women leaders and the necessary skills to succeed in these roles. Twice a year, a cohort of more than 30 women attend this four-month long online program.

In addition, EWOB's new Board Readiness Program is designed to give participants the understanding, practical tools and preparation they need to help identify board opportunities, communicate their value in an impactful way and design a personal strategic map to attain their goals. Applications for the first session in September 2022 are open. It is easy to apply by visiting the EWOB website!

To provide individualised support to women, EWOB's year-long cross-border mentoring program connects women with a pool of mentors from various European countries willing to share their experience and support their development as a female leader. With this program, women build their international network,

unlock their potential, and get all the advice they need to take their career to the next level.

In parallel to these three programs, EWOB creates cross border learning and networking opportunities through our membership. Our members attend online and in person events, participate in workshops and meet each other to exchange on and learn from their experiences.

The Women on Board Directive: a major milestone for gender diversity in corporate leadership

Since 2018, EWOB has published its Gender Diversity Index (GDI), benchmarking over 600 listed companies in Europe and monitoring progress of women's participation at decision-making level. The latest edition of EWOB GDI, launched in January 2021, showed that ten years after the first draft of the 'Board Directive', gender diversity in decision-making is still far from being a reality and progress, well it's really slow!

The 2021 GDI highlighted that only 7% of the largest European companies are led by a woman, 35% of their board members are women and 11% of these companies can be considered as gender balanced.



EWOB's GDI showed that not only are women underrepresented in the leadership of European companies, but also that there are important discrepancies between Member States. While countries such as Sweden or France are in the lead with almost 40% of female board members, others such as Greece and Luxembourg are falling far behind.

For EWOB it was crucial to adopt a legislation at the European level to ensure real progress across the European Union. And now, after 10 years of delay and intense negotiations, EWOB

celebrates the political agreement reached. The Women on Board Directive will ensure:

- A minimum representation of men and women in the Board, with an option to set targets for the Executive level as well.
- A transparent selection of Board Directors, ensuring they have the right qualifications.
- Clear objectives set by each company, published on their website, with tracking of yearly results and progress.
- A flexibility clause, for countries which have already taken effective measures for gender balance on Boards.

The text will be final in the coming weeks.

European Women on Boards' goal is to make sure the best talents are chosen at the top, which means inviting women to contribute and have their voices be heard. The business case is

clear and proven, but traditional power does not give in easily. If we as women continue as we did in the past – asking kindly and waiting patiently– it will take decades before we have the most competent people at the top. So forget about the imposter syndrome and the stereotype that when a woman is nominated it is because she is a woman. It is time for us, women, to make our voice be heard and be the change we want to see in the world. ■

****Ms. Hedwige Nuyens** is currently Chair of the European Women on Boards, a non-for-profit organisation based in Belgium. She is also Managing Director of the International Banking Federation (IBFed), headquartered in the UK. She has been a long-time advocate for gender diversity, and mentored hundreds of women. Ms. Nuyens has over 30 years of experience in the Banking Industry and in Finance.*