



30% Club

POLAND CHAPTER



WARSAW, JANUARY 2021


We are launching the **30% Club** in Poland **to make Polish companies:**

- more **inclusive**
- more **attractive** to investors
- more **sustainable**



Diversity on boards as a business issue





Choosing board members from the entire talent pool (both men and women) increases the chances of choosing the best person and thus **maximising shareholder & stakeholder value**.

Selecting board members from a broad range of backgrounds and experiences can lead to **superior outcomes and lower risk of businesses**.

Creating more diverse boards helps meet the needs of today's integrated and globally-linked societies.



Why diversity matters in corporate boardrooms



higher margin and returns

Numerous global reports on diversity point to companies with more women on boards and senior management being more profitable in terms of EBIT margin and ROE.

share price outperformance

Various research points to improved share price performance and higher P/E ratios of companies with more diverse boardrooms.

lower risk

Several studies show higher performance volatility (i.e., investment risk) associated with a lack of board diversity, suggesting a link between diversity and better risk management.



Business case for diversity

A growing body of evidence points to better financial performance associated with higher levels of gender diversity.

Measurable performance premium for diversity

- Credit Suisse Gender 3000 Research (2019) included 3,100 companies, 56 countries, 30,000 senior executive positions.
- The analysis reflected, by way of the correlation observed, a performance premium among the more gender-diverse companies relative to those that are less diverse.
- The research indicates that greater representation of women in senior roles is not just “nice to have” but linked to **excess stock market returns** and **superior corporate profitability**.

Senior management	EBITDA margin	CFROI (%)	Net debt/ EBITDA (x)	EV/ EBITDA (x)	12mF P/E (x)
Women < 15%	17%	5.54	1.88	9.32	12.70
Women > 20%	19%	7.58	1.77	11.44	14.69
Premium	2pp	2.04	-6%	23%	16%

Business case for diversity



*„Companies with more diverse management teams have generated sector-adjusted share price **outperformance of c.4% a year** compared to those displaying below the average.“*

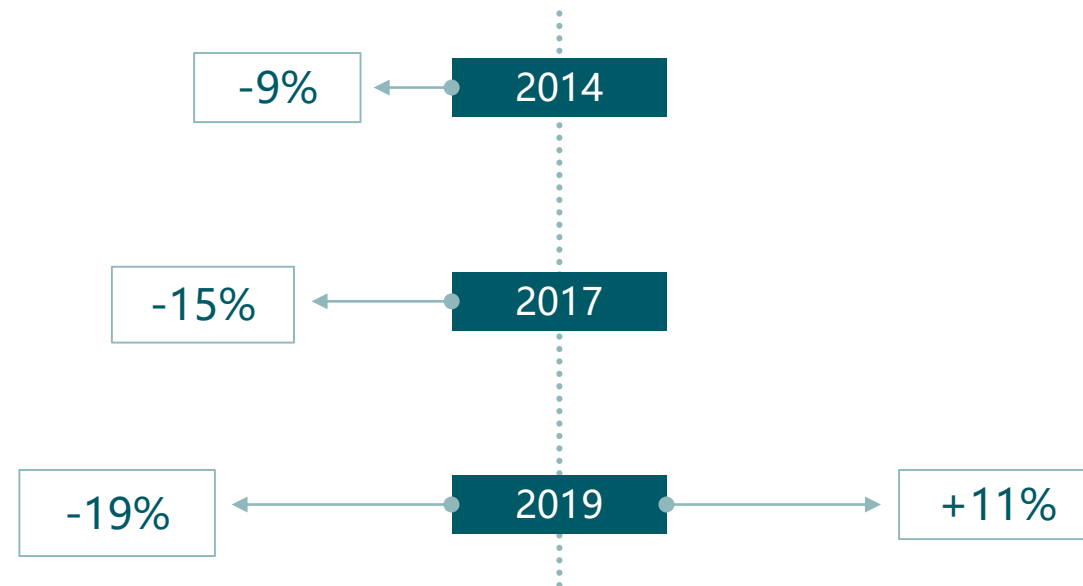
„Among our findings, we see where women are in leadership roles, there is a greater consciousness of ESG factors and the UN SDGs.“

Business case for diversity

Penalty for lagging on diversity is growing

- “Diversity Wins. How inclusion matters” McKinsey & Co (2020) shows that companies that don’t prioritize gender diversity risk a growing performance penalty.
- Fourth-quartile companies for executive-team gender diversity were 19% more likely than companies in the other three quartiles to underperform on profitability.
- Companies with more than 30% women on their executive teams are significantly more likely to outperform those with between 10% and 30% women, and these companies in turn are more likely to outperform those with fewer or no women executives.

PENALTY FOR BOTTOM QUARTILE ADVANTAGE FOR TOP QUARTILE



Difference in likelihood of financial outperformance vs the national industry median of five years average EBIT margin for 4th quartile vs 1st-3rd quartile, and 1st quartile vs 2nd-4th quartile, using the full dataset of companies in each year. Dataset of 1,039 companies in 15 countries.

„Companies in the top quartile of gender diversity on executive teams were 25 percent more likely to experience above-average profitability than peer companies in the fourth quartile. ”

Diversity as investment opportunity

Focus on ESG

- While gender diversity is frequently considered a **social** ("S") issue, it ties closely into **governance** ("G") as it relates to corporate management and board decision-making.
- The market for investment strategies integrating gender diversity into **investment selection process** is growing in size, which is also led by investor demand.
- Most asset managers seeking out companies with leading gender diversity records do so in the context of social or governance factors or through a **fully ESG-integrated strategy**. Other strategy is to exclude companies with non-diverse boards.

"Traditionally, we have looked at the two-dimensional world of risk and return. ESG adds the impact of a third dimension."

Margaret Franklin, CFA, CEO of CFA Institute
35th CEO, 1st woman in this post

ESG: a growing trend among asset managers

- **BlackRock, Vanguard and State Street**, the US “Big Three”, which hold around 25% of voting power across the S&P 500, committed to incorporate sustainability considerations into their investment framework and products.
- Europe’s largest asset manager, **Amundi**, plans to integrate ESG investment criteria into all actively managed funds by 2021. As part of the plan, all investment staff are trained in ESG, and companies the firm invests in are to be weighted partly by their ESG rating.
- Several other large European asset managers have taken firm-wide 100% ESG commitments, including **Schroders** and **BNP Paribas Asset Management**.

Investors approach

„We integrate ESG across our investment platform, and engage with the companies.”

Larry Fink, Blackrock CEO

„We’re at the top of our game in sustainable investing.”

Scott Mather, PIMCO CIO US

30% Club





campaign

The 30% Club is a campaign group of CEOs and Chairs taking action to increase gender diversity at board levels. The 30% Club is not incorporated.

diversity & inclusion as a business case

The 30% Club aims to improve organisational culture and inclusion by developing a diverse pool of talent for all businesses through the efforts of its CEO and Chair members.

floor not ceiling

30% is just the floor not the ceiling in terms of women participation on boards. The goal is to have at least 30% representation on boards.



30% Club



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WHY 30%? Research suggests that 30% represents a **critical mass** from which point minority groups can impact boardroom dynamics.

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In the 30% Club context, critical mass is „the theory that women and racial or ethnic minorities are unlikely to have an impact in the boardroom until they grow from a few tokens into a considerable minority of the board“.

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Critical mass theory is credited to Rosabeth Moss Kanter. Drude Dahlerup extends Kanter's theories identifying 30% as the relevant point at which it is said that **“a large minority can make a difference, even if still a minority”**.

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Why 30% matters

gender balance

The 30% Club:

- is non-commercial and non-profit
- does not charge for membership or events
- adopts a collaborative, business-led approach aimed at Chairs and CEOs
- supports voluntary diversity targets aimed at realising meaningful, sustainable change (i.e. does not support mandatory quotas)
- supports diversity in its broadest sense with a specific focus on gender

The campaign's efforts are complementary to individual company efforts and existing groups, adding to these through measurable goals, collaboration and visible and voluntary commitment of senior business leaders.

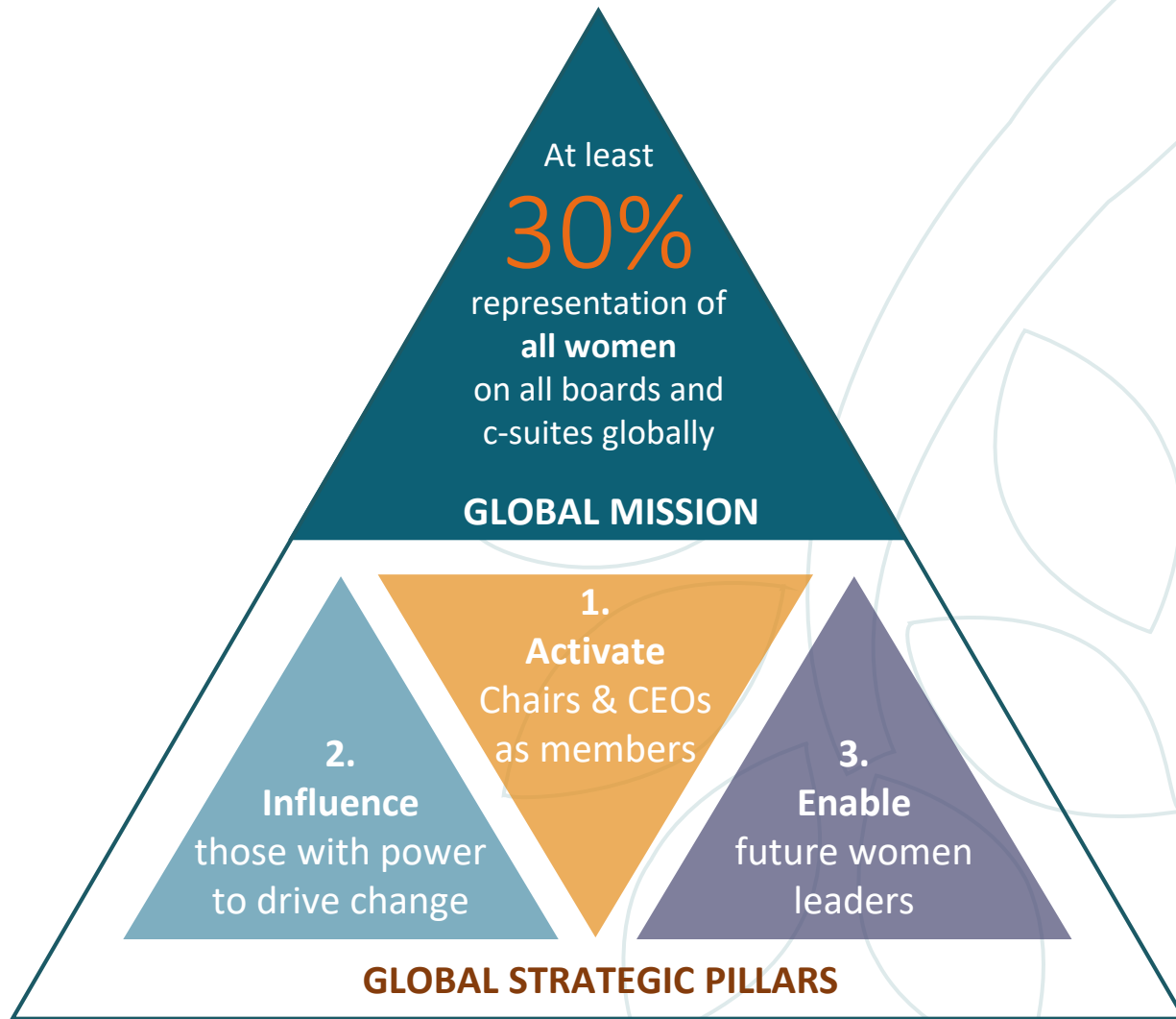
How the 30% Club works

30% CLUB is a campaign.

We are not incorporated.

30% Club theory of change

outlines a global mission and supports strategic pillars which are common across all 30% Club Chapters.



17 Chapters on 6 continents

TARGET COUNTRIES

- ARGENTINA
- CHINA
- FRANCE
- GERMANY
- INDIA
- INDONESIA
- POLAND
- RUSSIA
- SOUTH KOREA



Selected 30% Club members worldwide

Keith Barr
CEO
InterContinental Hotels Group

Amanda Blanc
CEO
Aviva

Warren Buffet
Chairman &
CEO
Berkshire Hathaway

Larry Fink
CEO
Blackrock

Mark Cutifani
CEO
Anglo American

Alan Jope
CEO
Unilever

Johan Lundgren
CEO
easyJet

Ivan Menezes
CEO
Diagio

John Cryan
Chair
Man Group

Nick Read
CEO
Vodafone Group

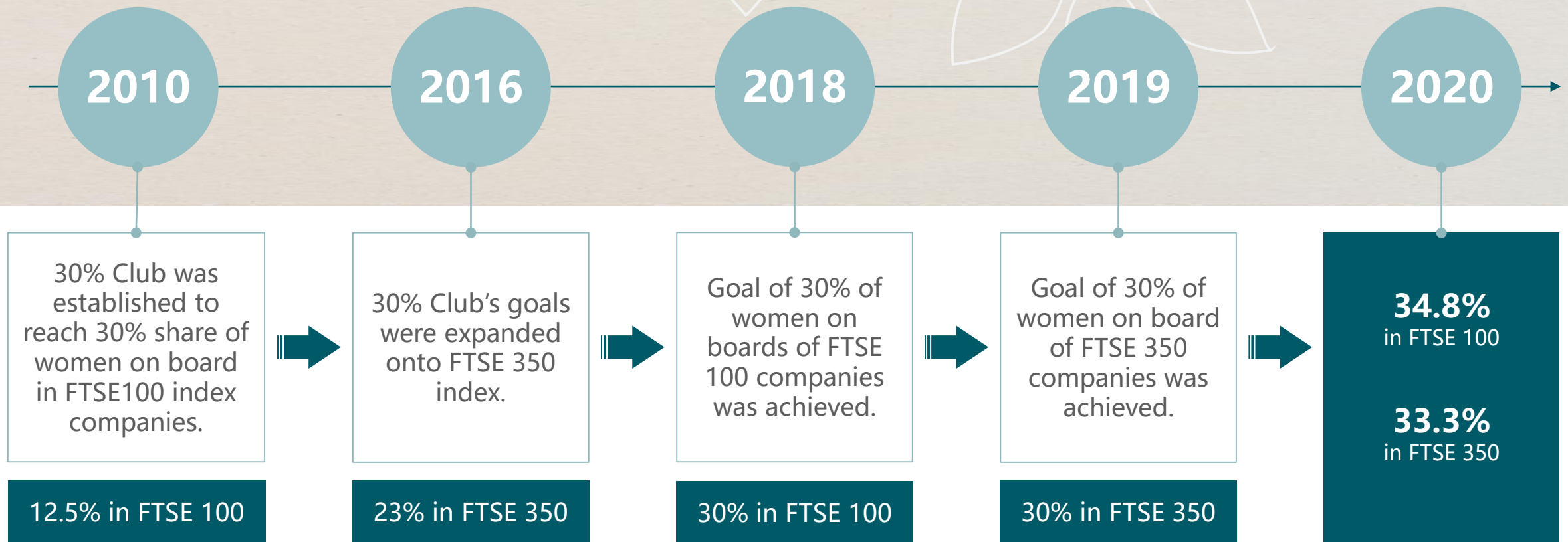
Don Robert
Chair
London Stock Exchange Group

Steve Rowe
CEO
M&S

Fani Titi
Joint CEO
Investec Group

Emma Walmsley
CEO
GSK

Success of 30% Club UK



Poland Chapter



140 LARGEST LISTED COMPANIES FROM MAIN MARKET

WIG20

.....

20 companies

mWIG40

.....

40 companies

sWIG80

.....

80 companies

140 LARGEST LISTED COMPANIES

Other companies listed on the main market and alternative market
may also apply.

Participation of non-listed companies is possible if employment
exceeds 100 persons.

Companies targeted

30% Club Poland Chapter targets

TARGET: at least **30%** of women on boards of 140 largest companies on WSE in **2030**

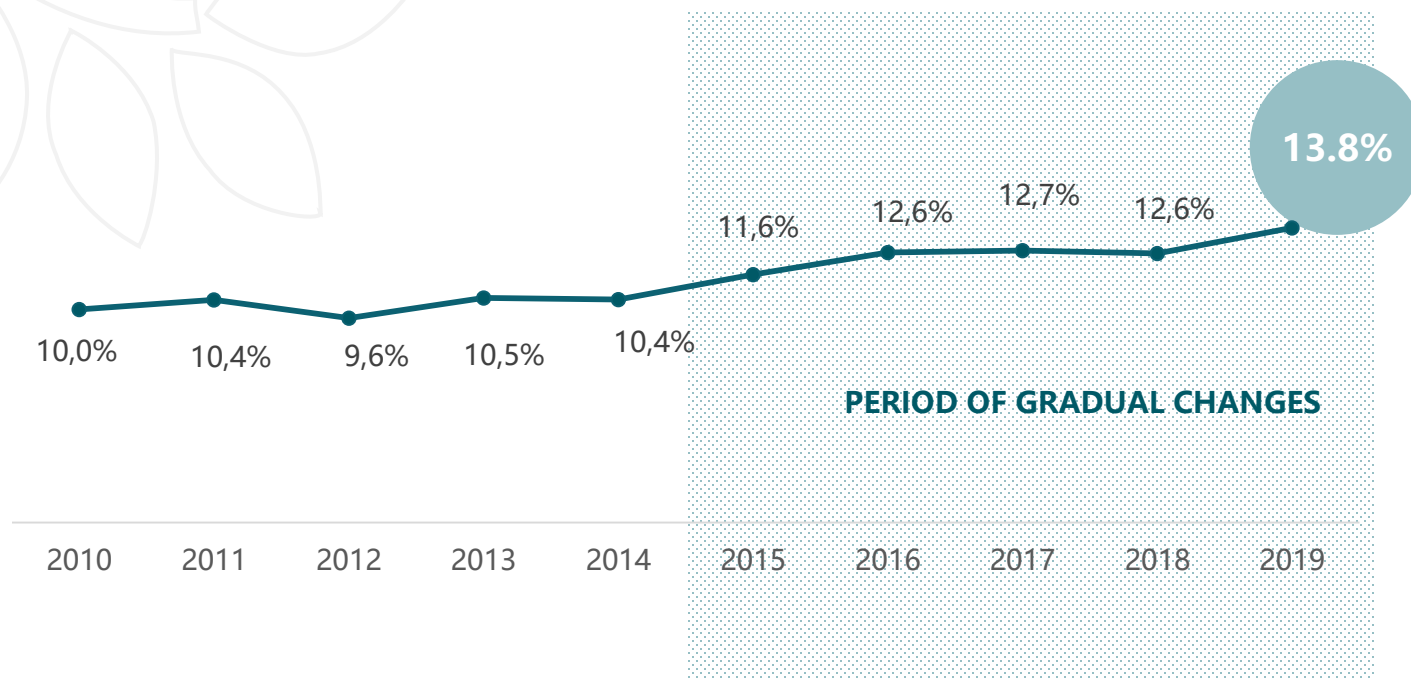
INTERIM TARGET: at least **20%** of women on boards and no all-male boards in **2025**

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boards defined as management and supervisory boards combined

Where we are now

Low representation of women on boards in Poland over the past decade

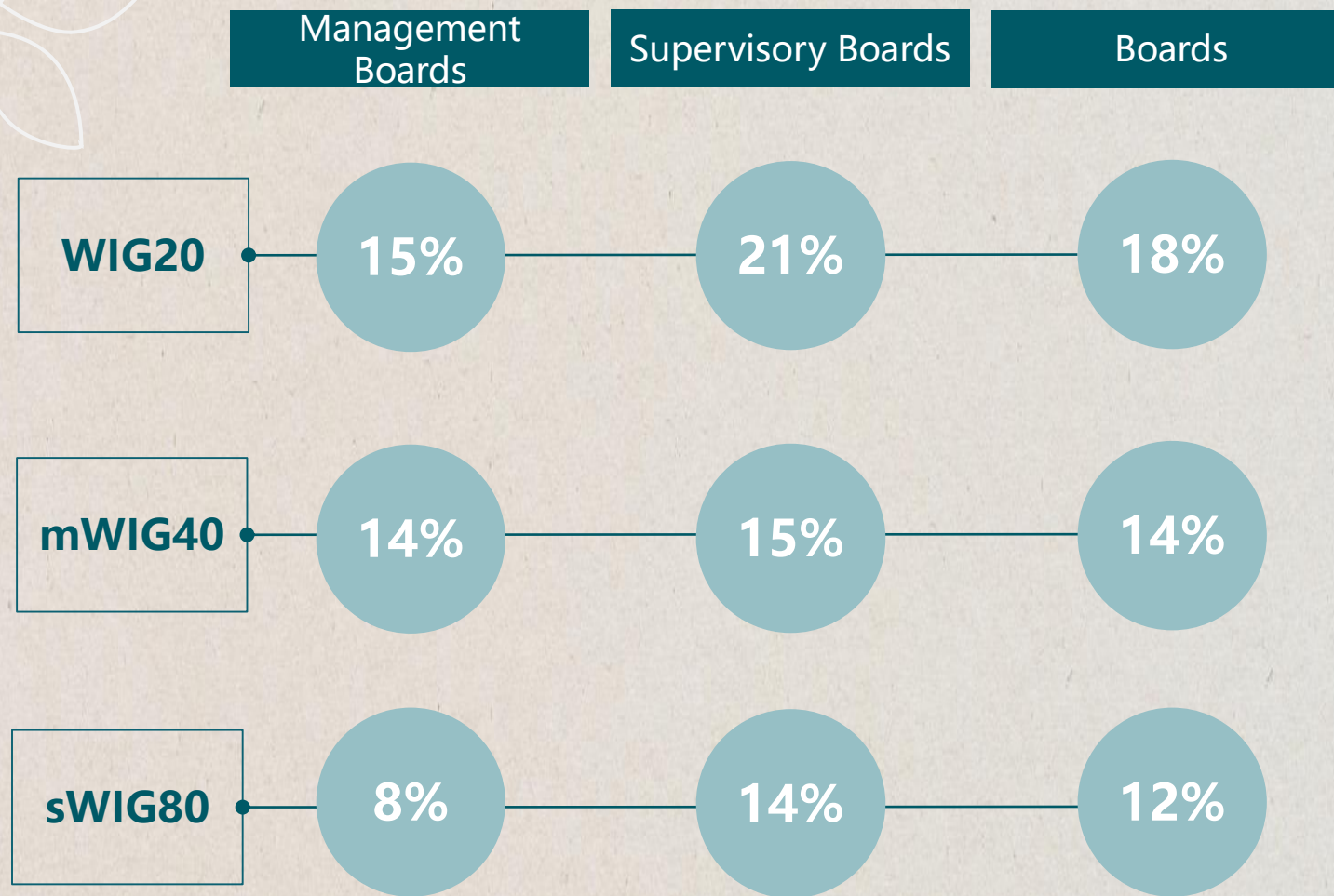
Share of women on boards in the 140 largest Polish listed companies



Note: 140 largest listed companies defined as companies included in the WIG20, mWIG40 and sWIG80 indices at the end of 2019

Source: CFA Society Poland, „Women on boards and company performance. Search for investment ESG criteria based on the analysis of Polish listed companies”, January 2021

Women constitute:



Average share of women on boards for selected indices, end 2019

- The larger the company, the more gender diverse the board.
- Visible stronger female representation on supervisory than on management boards.

Gender diversity vs performance

*affects corporate
performance and risk*

+10pp.
higher net profit
margin

-0.24pp.
lower standard
deviation of daily
change in share
price (11%)

Confirmed after adjusting for sector medians.

Source: CFA Society Poland, „Women on boards and company performance. Search for investment ESG criteria based on the analysis of Polish listed companies”, January 2021

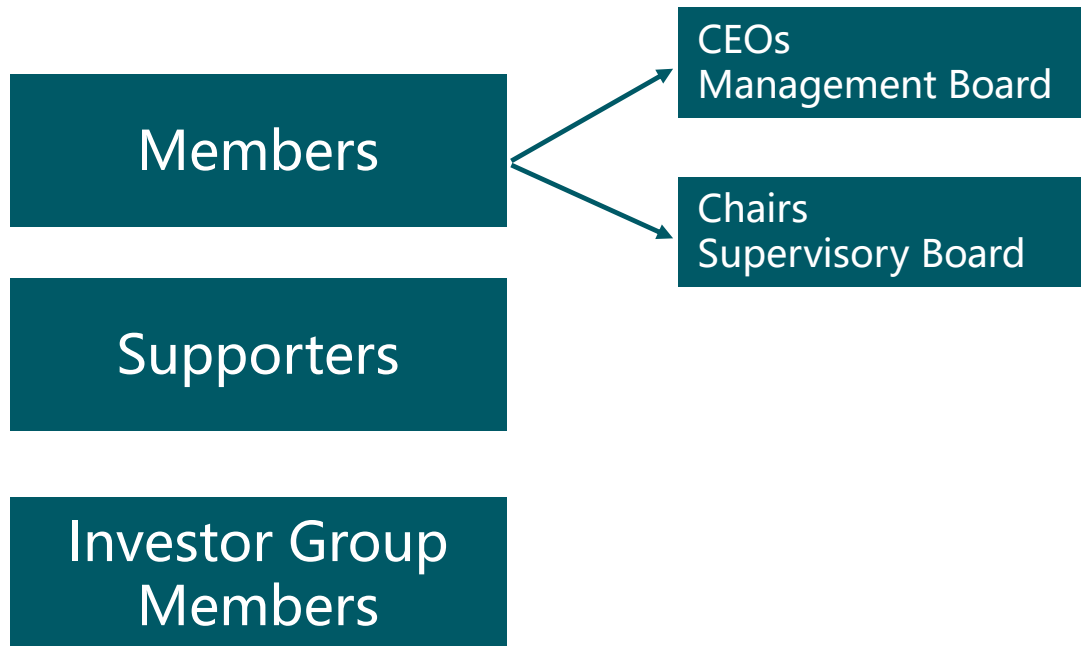
Statistically significant differences
between diversified and undiversified
groups of WSE companies over the last
5 years

50 most gender diverse companies
22.5%
average share of women on board

50 least gender diverse companies
2.8%
average share of women on board

Who are we looking for

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30% CLUB POLAND CHAPTER



Members:

CEOs and Chairs:

- who will be promoting the idea of women constituting at least 30% of boards,
- who will sign up to our targets with the aim of delivering these,
- men and women who would be willing to open the doors for women.

Who are we looking for

Supporters

Companies who would be willing to donate the time and resources to:

- support and host meetings of the 30% Club Poland Chapter,
- support the CEO's and Chairs with knowledge of how to drive changes, how to introduce and embed diversity&inclusion in their companies,
- support the secretariat i.e. daily operations of the 30% Club Poland Chapter,
- help organise conferences and events.

Investor Group

Asset owners and asset managers who would be willing to:

- sign up to the idea of board diversity and at least 30% women on board representation,
- take up the issue of gender diversity in their discussions with boards,
- appoint women within their capacity to nominate independent supervisory board members (non-executive directors).

What we offer



Participation

in a thought-leadership diversity campaign

Opportunity to join an **initiative that will shape** the boards in Poland

Possibility to **learn from global leaders** on diversity

Our value proposition:

- providing information and **support** for businesses trying to improve their diversity and inclusion at all levels,
- **engaging global leaders** and allowing them to benefit from their experience,
- **staging events** to develop momentum and to evolve thinking around diversity & inclusion,
- exchanging experiences with Chapters around the world.

Contact details



30% Club Poland Chapter



Milena Olszewska-Miszuris

CFA, ACCA, FSA Credential-holder

Founder, Chair 30% Club Poland Chapter

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Aleksandra Włodarczyk

CFA, Investment Advisor

Founder 30% Club Poland Chapter

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aleksandra.b.wlodarczyk@gmail.com

Women who made it possible

(alphabetical order)

Joanna Ałasa, CFA, ACCA

Ludmiła Falak-Cyniak, CFA, PRM, Investment Advisor

Anna Golec, CFA, PhD

Joanna Kwiatkowska, CFA, Investment Advisor

Iweta Opolska, CFA, PhD

Kinga Regulska-Hofses, CFA

Anett Szentesi, CFA, Investment Advisor

Beata Szparaga-Waśniewska, CFA, Investment Advisor

Małgorzata Żelazko, CFA, Investment Advisor

Thank you!

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