30% Club France Investor Group

2024 Annual Report

Contents

About the 30% Club France Investor Group

What is the 30% Club? Why 30%?

- The 30% Club is a business campaign aiming to boost the number of women in board seats and executive leadership positions in companies worldwide.
- We call on members to commit to at least 30% female representation on their boards and executive leadership teams because this is the critical mass at which minority voices become heard. It's a floor – not the ultimate goal.
- There are two pillars for a complete 30% Chapter: 30% Club CEOs and 30% Club Investor Groups.
- The first 30% Club Investor Group was established in the UK in 2010. Spread over six continents, the 30% campaign now has additional chapters in Australia, Brazil, Chile, Colombia, Ecuador, Eastern Africa, Hong Kong, Ireland, Italy, Japan, Malaysia, MENA, Mexico, Poland, Southern Africa, Turkey and the US. The 30% Club has had investor groups in France since November 2020 and in Germany since November 2023.
- All Clubs share the same objective but have varying timelines as they adapt to local situations.

The 30% Club France Investor Group

Our Ambitions and Objectives

As investors, we are stewards of our investee companies. Part of that responsibility includes the assessment of the companies' gender diversity strategies and their proper implementation. To illustrate the importance of this matter, supportive regulation has been put in place since 2017, thanks to the Copé-Zimmermann Law, which requires listed companies in France to have a minimum of 40% of women on their board of directors. In addition, the Rixain Law, adopted in 2021, also enforces that executive committees have 30% female representation by March 2026 and 40% by March 2029. This law provides the opportunity for French companies to rethink and reshape their attraction and retention practices, as well as their avenues for promotion, to ensure they mitigate the risk of 'leaky pipelines' (the population of women decreasing as you go higher up the career ladder) and offer equal career opportunities regardless of gender. In this context, the 30% Club France Investor Group does not solely address the visible part of the iceberg (women's representation) but has a more systemic approach. With this, we aim to contribute to the 2030 United Nations' Sustainable Development Goal (SDG) 5, related to gender equality.

Key Objectives of the 30% Club France Investor Group*

1

At Least 30% Women in the Executive Committee by 2025

As members of the French 30% Club France Investor Group, we expect executive management teams of SBF120 companies to appoint women to at least 30% of their seats by 2025. We encourage companies to develop an internal female talent pipeline from entry positions to the top.

2

Transparency from Investee Companies

We expect companies to be transparent regarding the procedures used to find and appoint new members to the executive management team and how that process ensures a diverse leadership committee. We call on companies to provide information on how diversity materialises at every management level.

The French Investor Group advocates for the establishment of a complete French chapter of the 30% Club, which implies having the CEO and Chair pillar in addition to the Investor pillar.

*Objectives have been shortened for length. Full objectives can be found in the appendix.

Its Members

In 2024, the 30% Club France Investor Group was comprised of 16 members holding approximately six trillion in assets under management (AUM).

- Marie-Sybille Connan, AllianzGI, Chair of the 30% Club France Investor Group
- Benjamin Chekroun, Candriam
- Lou Coppermann, Amplegest
- Molly Minton and Lorna Lucet, Amundi
- Anaïs El Kasm and Matthieu Firmian, Axa IM
- Coen Kleinegris, Columbia Threadneedle Investments
- Evan Frenkel, Comgest
- Elodie Chrzanowski, Credit Mutuel AM
- Richard Pandevant and Emilien Guilbaud, Exane AM
- François Humbert, Generali Investments
- Marine Dulon, Groupama AM
- Diane Moulonguet, La Banque Postale AM
- Camille Barre, Mirova
- Corinne Gaborieau and Sonia Berrejeb, Ostrum AM
- Jean-Marie Péan Sienna IM
- Claire Mouchotte, Sycomore AM

While Sienna IM and Exane AM joined, Legal & General IM left the French 30% Club Investor Group during the year due to changes in its team. Candriam will also leave in 2025.

Foreword from Hanneke Smits

Hanneke Smits
Chair of the Global 30% Club

In just four years since its establishment in 2020, the 30% Club France Investor Group has achieved remarkable progress. The results we celebrate today underline the transformative impact of collaborative action supported by effective regulatory frameworks. The 30% Club is a proponent of targets (as setting targets is in line with setting business objectives) rather than quotas; nonetheless, we recognise that initiatives such as the Copé-Zimmermann and Rixain laws have helped drive meaningful advancements within the SBF120. One standout achievement is the nearly 30% female representation at the executive committee level in French companies – a crucial milestone on the journey toward gender parity.

Critical to driving the next phase of progress will be the establishment of the CEO and Chair pillar. The support and active involvement of CEOs and Chairs are fundamental to embedding gender equity into corporate culture and strategy. Chairs and CEOs set the tone from the top and can ensure inclusivity and equality are prioritised throughout their organisations, fostering pipelines of diverse talent and setting the right long-term business goals. Evidence clearly suggests that diverse leadership gives a significant strategic advantage to businesses through enhanced decision-making and organisational performance. We encourage CEOs and Chairs across France to join us and lend their voices to amplify the benefits of diversity and secure a more equitable future for French businesses while delivering on key commercial objectives.

In 2025, we celebrate the 15th anniversary of the 30% Club. What began in the UK has grown into a global movement spanning six continents, with chapters in over 20 countries. Six chapters – the US, UK, Canada, Ireland, Australia and Malaysia – have already exceeded the original target of 30% board diversity and are now focusing on increasing diversity at the Executive Director level, with an emphasis on all women. France's progress toward establishing a full chapter is a significant step in our mission to create sustainable, systemic change.

"Together, we can continue to drive progress and ensure that the momentum achieved so far translates into lasting transformation"

My heartfelt thanks go to the members of the 30% Club France Investor Group for their dedication and its Chair for her leadership and commitment to advancing our cause. Your efforts are inspiring, and they show what can be achieved when collective advocacy and action are brought to bear on one of the most pressing issues of our time. Together, we can continue to drive progress and ensure that the momentum achieved so far translates into lasting transformation.

Foreword from Marie-Sybille Connan

Marie-Sybille Connan

2024 Chair of the 30% Club France Investor Group

> **"There is still some way to go before gender parity is achieved, and regression is a risk if attention and focus are diverted. Despite this, we are cautiously optimistic and will continue to challenge companies on the concrete impact of their gender diversity efforts to avoid 'gender-washing'"**

After four years of existence, the 30% Club France Investor Group is now widely recognised as a credible force by SBF120 companies. We actively and constructively followed up on several engagements and also opened dialogues with new companies for the first time. We observed the willingness of many companies to learn about best practices on how to foster a more inclusive and diverse corporate culture – they are increasingly convinced that their future success will be driven by their ability to attract and retain diverse talent and foster a more inclusive and creative corporate culture.

As we reflect on 2024, we are proud of what has been achieved over the past four years. However, we are aware that there is a long way to go. The 2024 Sustainable Development Report again showed that the world continues to lag in its pursuit of gender equality by 2030. It highlights that enhancing women's roles in leadership and decision-making alongside adequately scaling up investments in gender equality on national, regional and global scales are top priorities.

Navigating the path of gender diversity and equity is a gradual process, and while achieving balanced leadership roles demands patience, we truly believe in collective efforts. In this sense, we eagerly embrace this challenge as a collective and unified force. Our conviction lies in the belief that cultivating a healthy gender balance is not just an ethical imperative but also a strategic advantage, leading to improved decision-making and enhanced long-term performance. Moreover, we see investors as active stewards to move the lines for a more inclusive, more diverse and more successful society.

2024 was a challenging year for French businesses due to the uncertain political and economic environment. It was also challenging for the 30% Club France Investor Group, with the departure of the Chair for the 2024 campaign and several changes within our members. However, we managed to engage with 19 companies, and we continued our advocacy campaign for establishing our CEO and Chair pillar.

Unfortunately, we observed limited traction for this year. There is still some way to go before gender parity is achieved, and regression is a risk if attention and focus are diverted. Despite this, we are cautiously optimistic and will continue to challenge companies on the concrete impact of their gender diversity efforts to avoid 'gender-washing'.

In conclusion, 2024 was another eventful and insightful year for the 30% Club France Investor Group. In this report, we share with you the insights and learnings from this campaign. We hope that you will appreciate reading it as much as we are committed to promoting professional and financial gender equity.

Executive Summary

In its fourth year, the 30% Club France Investor Group conducted a wide variety of activities to engage with corporates, stakeholders and experts, enabling us to develop key observations regarding gender diversity in France.

Despite the challenging political and economic context in France, we conducted 19 in-person engagement meetings and observed that:

- Companies are increasingly open to engaging and are better prepared for the meetings. The refusal to engage is more the exception than the rule, although we faced some refusals under the pretext of "we already have 30% women on our executive committee." However, we find this reasoning insufficient – we recognise that achieving gender balance at the executive level is crucial, but we also focus on ensuring comprehensive transformation within the organisation. On the other hand, we also observed notable improvements with companies where we had several interactions.
- Most companies we met are convinced of the value of gender diversity, but progress is still low and transparency insufficient.
    - The percentage of women on executive committees now stands at nearly 30%. However, this average percentage reflects very disparate situations, as the SBF120 is split between those companies that have less than 30% female representation and above 30% female representation. However, compared to last year, when the number of companies with less than 30% female representation equalled those companies that had more than 30% female representation, there were slightly more companies comparatively that had more than 30% female representation. In France, women are very engaged in the labour market and account for nearly half of the labour force (Source: World Bank). As a reminder, our initial target of 30% is just a floor, as our ultimate goal remains parity.
    - Nearly all the companies have targets and action plans in place, but these targets lack consistency in terms of scope (which executive body is being targeted) and granularity (how to get there). The gender pay gap is again the most contentious item, as it captures the poor performance of companies in the past and, in particular, leaky pipelines and glass ceilings. Companies are only beginning to recognise the importance of measuring the gender pay gap. The European Corporate Sustainability Regulation Directive (CSRD) that has already been transposed into national French law is acting as an accelerator of awareness.
- From a sector perspective, the financial and insurance sector and the consumer sector still have obvious glass ceilings despite their high female employment rates. On the other hand, the manufacturing and STEM sectors (science, technology, engineering and mathematics), which struggle to attract women, achieve strong female representation in leadership positions. Priorities are different across sectors, so it was interesting and critical to learn about the different blocking factors, which we discuss at length later in our report.
- This year, we engaged with more industrial companies and we appreciated their comprehensive disclosure of their action plans, but it was also obvious that the underrepresentation of women in technical and scientific fields was a structural bottleneck. It is also the role of the education system to encourage young women to pursue scientific and mathematical studies to enrich young talent pools for companies.

Continuing our efforts from 2023, we collaborated with experts seeking to address the secular question of gender diversity.

In this context, we had the pleasure of attending an inspiring event hosted by Marie-Pierre Rixain at the French Assembly. We also invited a systemic coach Marie de Abreu to discuss how to make sure that an organisation is, from a systemic perspective, set to ensure equal opportunities for women and men.

We continue to count the MEDEF among these stakeholders. For the fourth consecutive year, the MEDEF shared their data collection efforts, as gender diversity continued to be one of their priority topics. Key observations are aligned with learnings from our engagements and show where we need to continue to place emphasis:

- The majority of SBF120 companies have gender diversity targets. Of the 100 respondents, only one company has yet to commit to supporting female leaders in 2025.
- In 2024, the proportion of women in executive bodies remained stable at 29.98% (29.8% in 2023). On average, SBF120 companies are meeting our timeline (30% by 2025) and the first stage of the Rixain Law. The absence of improvement year over year shows that, if progress can only be gradual (as it is a matter of promotion and succession), we must stay vigilant and continue to demand that companies implement gender diversity and equity strategies.
- A more detailed analysis shows that 54% of SBF120 companies had at least 30% women in their executive committees and 22% had 40% or more women. This compares, respectively, to 51% and 23% of companies in 2023.
- The good news is that the 30% target in 2025 set by the 30% Club France Investor Group, is alive. However, this means that the second step of the Rixain law, reaching 40% by March 2029, is even more challenging. Of the respondents, 13% are above the 40% target and 9% have already achieved parity.
  - The SBF120 is split between companies with above and below 30% female representation at their executive levels. While last year the number of companies with less than 30% female representation and the number of companies with more than 30% female representation was equal, this year, it was slightly positively skewed, meaning more companies had more than 30% female representation than not.
  - Significant ambiguity on the scope of targets persists. While we acknowledge that there is no 'one-size-fits-all' approach and that targets should reflect the corporate structure, the lack of homogeneity doesn't help investors assess the level of ambition.

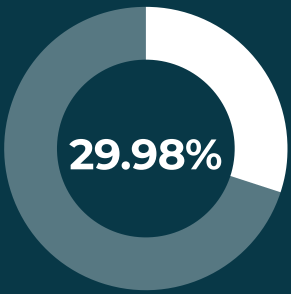
Lastly, we continued to advocate for the establishment of a complete French 30% Chapter with an Investor pillar and a CEO and Chair pillar working alongside one another. While we observed solid interest from companies after our in-person event in 2023, the momentum slowed down in 2024. In a challenging political and economic landscape, companies adopted a 'wait and see' stance, with some stating that they were already making significant efforts in this area and could not commit to another initiative at this time. This is undoubtedly disappointing given that France remains one of the few countries without a CEO and Chair pillar. Therefore, we believe that it is essential to remind CEOs and Chairs how gender diversity can influence companies' financial and stock market performance.

With the above observations, the 30% Club France Investor Group is well positioned to enter 2025, which is also the deadline for the first objective of our investor initiative.

As a result, our roadmap for 2025 continues to be articulated around:

- Moving the needle further with SBF120 companies.
- Advocating for the establishment of the 30% Chapter France by inviting more companies to join our CEO and Chair pillar.

It will also be an opportunity to reflect on our priorities beyond 2025.



In 2024, the proportion the proportion of women in executive bodies remained stable at 29.98% (29.8% in 2023)

2024 Engagement Campaign

Our Approach and Methodology

As outlined in the statement of intent, the 30% Club France Investor Group views engagement as a powerful tool to emphasise the importance of gender diversity and equity and to drive sustainable change in terms of attraction, retention and promotion to our investee companies.

Engagement Selection

To assess corporate performance on gender diversity, the 30% Club Investor Group uses the following ratio:

$$\frac{\text{\% female executive managers}}{\text{\% females employed}}$$

Executive management was chosen as the key indicator as it reflects the number of women in the top decision-making positions within the company, just below the board level. While companies have different names for the executive committee, we define it as the management level below the board. Data on the executive team is relatively straightforward to obtain and verify without relying on third-party data providers.

Comparing the % of female executive managers (FEM) to the % of women in the company allows us to assess performance between companies in the same sector but also to take into consideration the differences in terms of female representation and attraction for some industries. While it is important to push for gender balance in all sectors, we acknowledge that certain sectors (such as construction and extractives) do not have as many women in the workforce. Broader female participation in certain sectors is a more complex challenge that needs to be jointly addressed with public policy, especially in STEM fields. Other sectors, such as consumer and luxury, have higher rates of female employment. However, this is often not reflected in the composition of the executive management team, even when there is a strong representation of women in the talent pipeline, highlighting the issue of the glass ceiling. Comparing the % FEM to the total % of women provides additional sector insights and peer-to-peer practices.

In our fourth year, we conducted

19

in-person engagement meetings

Active Engagement Campaign

We started the year by sending the annual report to all the companies in which we had a lead investor to show our commitment to the matter. We want to steer investee companies in their direction of travel but also believe that we have a duty to report on our engagement activities.

In our fourth year, we continued our engagement campaign and conducted 19 in-person engagement meetings (compared to 25 in 2023 and 18 in 2022).

Throughout our dialogue, companies demonstrated overall commitments and aspirations to achieve gender equity, but it is too early to determine whether these verbal commitments will translate into tangible actions and meaningful change. Over the past four years, we have established a baseline for under-engaged companies and set specific next steps to track company momentum going forward. This year, declining our invitation for engagement was more the exception than the rule and concerned companies with poor governance practices. We also observed some notable improvers where we had several interactions.

MEDEF Study on Gender Equality Commitments in the SBF120

MEDEF is the leading network of entrepreneurs in France and a social partner for entrepreneurs helping to establish social dialogue. Over 95% of MEDEF members are small- and medium-sized enterprises (SMEs) representing various economic sectors. The organisation promotes entrepreneurship and defends free enterprise, with one of its key focuses being job creation and sustainable growth as part of the long-term economic development of businesses.

Sustainable development and social aspects of businesses are among the main topics on which MEDEF is continuously working. The organisation has conducted various studies and regularly sets up surveys to gather relevant information on social, sustainability and economic trends, such as the socio-eco impact of digitalisation, employment of disabled people, employee health and safety, and diversity and inclusion.

Gender diversity continued to be one of the priority topics for MEDEF in 2024. For the fourth consecutive year, MEDEF experts conducted a data survey to identify gender diversity (feminisation) levels in the composition of SBF120 companies' executive bodies.

Given that the 30% Club France Investor Group's aim is to engage with SBF120 companies, the MEDEF was a natural partner for us, and we are grateful to the MEDEF for sharing the results of the survey with us.

"Sustainable development and social aspects of businesses are among the main topics on which MEDEF is continuously working."

In 2024,
54%
of the SBF120 companies had at least
30%
women in the executive committees

Key Takeaways

SBF120 companies are making modest progress towards achieving a better gender balance in their leadership. 20 companies have yet to respond to the gender diversity survey.

In 2024, 54% of the SBF120 companies had at least 30% women in their executive committees, while 22% had 40% or more women. This is a slight increase compared, respectively, to 51% and 23% of companies in 2023.

The positive news is that the 30% target for 2025 set by the 30% Club France Investor Group is alive. However, this means that the 40% target by March 2029 is even more challenging and is the next frontier. 13% of the respondents are above the 40% target and 9% have already achieved parity.

Observation 1

The majority of the SBF120 has targets on gender diversity, with four new companies committing to support women leaders.

Out of the 100 companies referring to the AFEP-MEDEF Code, 99 (versus 101 in 2023 and 97 in 2022) have committed to gender diversity targets for their executive committee. Only one of the responding companies still has no gender diversity targets and four of them have zero women in their governing bodies. The application of the Rixain Law on gender equality in the workplace certainly had an accelerator effect, and companies with no target or no women at the executive level are now outliers.

Observation 3

High degree of variability in the timelines to reach targets but a growing ambition to reach 40% female representation and even gender parity.

We noticed that some targets are set with multiple deadlines to allow for gradual progress and stronger follow-up at each stage, with the first level of targets to be reached by some companies in 2024 and 2025. We also see some companies engaging over the long term, with the longest commitments going to 2027, 2029 and 2030, or even 2050 (the latter is exceptional).

However, gender diversity targets, on average, are set to be reached by 2030 at the latest to comply with the second quota requirement of the Rixain Law.

As the trend toward gender equality continues, some SBF120 companies are aiming to go beyond female representation and achieve gender parity by 2030 at the latest.

Observation 2

Significant ambiguity on the scope of targets persists.

The scope of the gender diversity targets (i.e. which executive body is targeted) too often lacks clarity and homogeneity, also because no clear definition exists.

Similarly to 2023, we continued to see SBF120 companies targeting different levels of senior and top management positions under their gender diversity policies. Those positions are described variously as ‘executive committee,’ ‘executive positions,’ ‘global management board,’ and ‘leadership team’. There is also a variety of other denominations to set diversity targets below the governing bodies. Among these, we see ‘top 100 managing positions,’ ‘global leadership network,’ ‘global partners,’ ‘10% of the most senior responsibilities’ or generally ‘managers and ‘experts’.

While we acknowledge that there is no ‘one-size-fits-all’ approach, and targets should reflect the corporate structure of the underlying company, the lack of homogeneity doesn’t help investors to assess the level of ambition. This could reflect a lack of maturity and consensus despite some rapid progress in target-setting highly driven by the regulatory context.

We also acknowledge that targets at lower management levels are useful to build the talent pool, but they can’t ensure that women are influencing key leadership dynamics at the very top.

In conclusion, we still need to define what can and should be done at each level of management up to the highest positions. Greater consistency would be beneficial to assess the strategy and the level of ambition.

Our Thought Leadership and Ecosystem of Friends

Economic and Professional Equality: The Challenges and Opportunities for Women in Finance, conference arranged by Marie-Pierre Rixain

When we launched our 30% Club France Investor Group activities in 2021, we envisioned uniting industry stakeholders around a common objective: achieving gender parity through the exchange of knowledge and best practices. This involves navigating potential cultural and market constraints. We have facilitated discussions to share valuable information and data with various industry stakeholders. We sincerely thank them for their collaboration and commend them for their unwavering conviction.

Marie-Pierre Rixain, the Member of the French Parliament who gave her name to the Rixain Law, arranges regular conferences on economic and professional equality to help tackle women's risk aversion to the financial sector. The 30% Investor Club France attended the fifth conference in October 2024. The conference was divided into two roundtables, with the first session dedicated to the inclusion of women in society as an economic lever, and the second to the role and challenges faced by women in financial organisations.

The President of the AMF introduced the event by highlighting her professional journey through the quotation of numerous studies (Harvard Business Review[1], IMF[2]). These studies show that women's participation on company boards results in better economic performance and greater resilience to economic crises. In addition, there is also evidence that a country's development rate depends on the participation of active women in the workplace.

Financial autonomy is a prerequisite for economic parity among women and men. Nevertheless, the barriers to investing are higher for women than for men, the latter having a lower aversion to risk. Women with a higher risk aversion invest little in financial markets (11%) while they save more than men. Only 17% of women invest their savings in the stock market (compared to 40% of men) due to a lack of financial knowledge[3]. The speakers also elaborated on the key role of financial education in the inclusion of women in the economy throughout the major stages of life (marriage, which can be a factor in equalising assets, bringing up children, etc.).

1 Research: Firms with Diverse Boards Achieve Higher ESG Ratings (**hbr.org**)
2 Ce qu'il faut savoir sur le FMI et la problématique de genre (**imf.org**)
3 Baromètre AMFLes femmes et l'investissement en bourse_Mars2023_version publiable.pdf (**amf-france.org**)

It was also pointed out that the financial world itself must evolve to facilitate the integration of women. The roundtables provided key considerations in that regard:

- **While we are close to a gender balance overall in retail banking, women are very few in executive roles.** Women are also significantly less represented among key roles in investment and pension funds and the fintech sector (both as entrepreneurs/founders and investors). France Invest, a non-listed investors association, after observing that women were underrepresented in private equity developed a toolkit covering elements of correlation between financial performance and the presence of women. France Invest also elaborated the Parity Charter/Charte de Parité,[4] which comprises 30 commitments and sets targets for management companies and their holdings. Objectives can be set, such as those made by Bpifrance, targeting 40% women on investment committees by 2030.
- **Women still face unconscious biases, which hinder their career progression.** Examples shared by the speakers were: strong technical skills associated with lower social intelligence and women with the same performance as men evaluated as having a lower potential. These biases often come in addition to contradictory injunctions, such as 'act like a man to fit in, but be visible' or 'be fully engaged at work, but also at home'. A study on gender stereotypes in entrepreneurial projects presented to business angels was also highlighted. One conclusion was that when female entrepreneurial teams pitch their projects to a mixed group (as opposed to an all-male group), women are more successful in the pitch and get better marks, outlining the importance of creating a favourable environment for the representation of women in the world of investment.

Actions identified by the speakers to create more opportunities for women in the financial sector were:

- **Challenge the education system:** more financial education should be provided, and girls should be encouraged to follow related curriculums such as mathematics.
- **Improve recruitment processes by being transparent about the required skills for the job and request a minimum representation of women among candidates,** including women within recruiting teams/interviewers.
- **Improve work-life balance and establish equal parental leave:** for instance, via state-sponsored programs such as in Spain or Sweden (where 'under majority' care leave is provided instead of maternity leave).

Key practices identified during the conference

Promoting gender diversity in companies and civil society is based on structured initiatives and concrete commitments. In addition to legislative measures that establish quotas for boards (the effectiveness of which is recognised), several good practices were relayed:

- Mentoring programs were deemed essential for supporting women in their careers, as they help to remove obstacles linked to stereotypes and self-censorship.
- Advocacy by business associations in finance to promote gender diversity and inclusion in sectors that are largely unbalanced is also important.
- In the entrepreneurial field, encouraging the feminisation of business angels or the diversity of pitch juries, as this has a demonstrable effect in reducing inequalities in access to financing.
- Raising awareness among women of the importance of building up personal savings with riskier financial investments. This also represents significant potential for the real economy.
- Education is fundamental.

[4] https://www.franceinvest.eu/boite-outils/parite/charte-parite/

Fireside Chat with Marie de Abreu, Systemic Professional Certified Coach (Coach IN You)

Our objective

Although mentoring is important to encourage women to thrive and develop, we are also convinced that women need more opportunities for promotion. As a systemic coach, we asked Marie de Abreu how to make sure that an organisation is, from a systemic perspective, set to ensure equal opportunities for women and men.

Our rationale

We are aware that focusing only on individual coaching to foster women's empowerment, without giving women the opportunity for promotion, may keep the myth alive that women do not have the same potential as men.

It's integral to coach the whole system and encourage systemic change, not just individual change, so that women feel empowered and men view their promotion as normal.

By focusing only on individual coaching rather than on systemic coaching, the myth may be entertained that women are not naturally eligible for promotion – when there is no issue of this sort.

Insights and Tools to Drive Structural Change

1. How to implement the drivers of systemic change

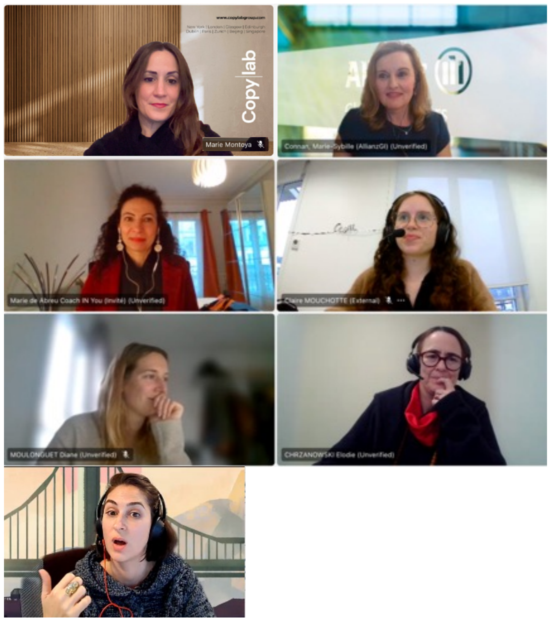
To drive systemic change, you don't necessarily need to take actions that are massive, time-consuming or difficult. A professional systemic change coach can draw and set up an action plan that considers the most efficient change leverages and includes guarantees of proper ownership by the organisation.

2. What are the pre-required conditions (audit, due diligence)

Systemic organisational coaching generally takes place in three phases. The first phase allows the coach to quickly gather elements of the system's functioning while clarifying the organisation's objectives. Then, the coach can build a coaching program to enable and support the change. Finally, the coach will facilitate the implementation of the change towards the desired objectives through a tailored coaching program.

3. How does systemic analysis/systemic coaching work and what are the main advantages of a systemic approach in the context of change management

The systemic approach implemented by a professional certified coach offers assurances of success and rapid progress toward the solution, by helping leaders navigate through change – it ensures an effective and sustainable transformation.



Tips for the 30% Club France Investor Group

It is difficult to identify questions we can ask companies as investors that will help provoke change, as company approaches to gender equality can vary greatly. However, here are three thought-provoking questions that the 30% Club France Investor Group can use to instigate change in an organisation:

1) How many men have you included in your actions to achieve gender equality in leadership positions?

2) What main action could you support if you had no other choice but to create, in the next 6-12 months, five female candidates for leadership positions by 2026?

3) How could you convince the male members of your executive committee that they have everything to gain from gender-equal executive committees?

Our Ecosystem of Friends

Advocating for the creation of a 30% Chapter France with the establishment of the CEO and Chair pillar

Investors play a crucial role in the 30% Club campaign, serving as a key pillar that coordinates the investment community's efforts toward gender equity. Their ability to exercise ownership rights means they can bring about meaningful change. However, to achieve the status of a 'full chapter,' the 30% Club France also requires the creation of the CEO and Chair pillar, a component that remained part of our 2024 roadmap.

The 30% Club originated as a business-driven initiative with the goal of increasing globally the representation of women in board seats and executive leadership roles. Currently, over 1,000 board chairs and CEOs from more than 20 countries have joined as members, committing to achieving at least 30% female representation at both levels. It is very important for us, as a business campaign and as engaged investors, to be supported in our ambition by CEOs and Chairs who are committed to responding to these societal and social imperatives.

While we observed a solid interest from companies after our in-person event in 2023 (see our 2023 Annual Report) evidenced by the confirmation of three founding members, the momentum slowed down. Companies were more in a 'wait and see' mode and some of them explained that they could not commit to another initiative.

This is certainly disappointing given that France is one of the few countries lacking a CEO and Chair pillar. Therefore, we believe it is important to remind CEOs and Chairs of the impact that gender diversity can have on companies' financial and stock market performance.

How does gender diversity influence companies' financial and stock market results?

The existence of distinct behaviour patterns between men and women remains a subject of debate in business circles. However, several recent social science studies have revealed that men and women behave differently within organisations. These differences can be seen in their risk management, managerial practices, interest in competition, decision-making processes and motivations. These differences can potentially lead to profound changes in organisational dynamics and consequently affect companies' financial and stock market performance. Some studies suggest that a threshold of 30% female representation within a group is necessary to observe a significant influence on the behaviour of the majority group.

With this in mind, we have chosen to analyse the impact of the proportion of women on executive committees on the stock market and the economic performance of SBF120 companies. Our data is based mainly on company financial reports, in particular Universal Registration Documents (URDs). Four performance criteria have been selected: growth in total return (TR) over 1, 3 and 10 years; growth in adjusted earnings per share (EPS) over 1 and 3 years; operating margin for the 2023 financial year; and the company's beta (compared with the SBF120). This study compares the companies making up the SBF120 as of 31 December 2024 with the historical performance of the SBF120, which may therefore include some biases given that some of the companies currently making up the index were not in the SBF120 3 or 10 years ago. The data used comes from Bloomberg.

Our sample shows a wide dispersion of the two variables linked to feminisation. On average, 27% of the top management of the companies studied are women, with a minimum of 0% and a maximum of 67%. If we consider the 30% threshold, defined by the Rixain law for 2026, as the critical threshold for significant influence within the group, 49 companies meet the criterion. This also indicates that 71 companies do not comply. However, it is interesting to note that these 49 companies represent 49.7% of the market capitalisation of the SBF120, which suggests that companies with a high market capitalisation are more advanced in their efforts to increase the number of women in their executive committee.

For the year 2023, removing the outliers, the first observation is that there is a clear correlation between operating margin and feminisation, with an R2 of 0.59.

This becomes even more evident when we compare the 10 companies with the lowest proportion of women on their boards with the 10 companies with the highest. The operating margin for the latter group is more than double that of the former.

OPERATING MARGIN 2023	
SBF120	13.10%
Worst 10	8.40%
Top 10	18.90%

*Restated for outliers

In terms of total return performance and EPS-adjusted growth, companies with more women in their management team experienced a greater increase in share value over all the time horizons observed (1, 3 and 5 years), with a very strong upward trend over 1 sliding year (12.6% vs 0.1%).

	COMPANIES	WEIGHT IN THE SBF120	TR GROWTH			BETA
			1Y	3Y	10Y	
SBF120	120	100%	0.7%	10.3%	122.4%	1
<30% of women in the executive committee	71	50.3%	0.1%	23.3%	224.1%	1.07
>= 30% of women in the executive committee	49	49.7%	12.6%	27.7%	241.9%	0.88

*Data at 31/12/2024, weighted averages within the SBF120.

Nevertheless, it is particularly interesting to note that companies with a higher proportion of women in the executive committee have a much lower beta than other companies and yet perform better on the stock market. In other words, these companies can deliver over time while maintaining lower volatility. It shows that a strong female presence tends to create a counterculture of risk aversion and more balanced forecasts.

The only downward deviation is seen in EPS-adjusted growth over 3 years, where feminised companies do less well than less diversified companies and the SBF120.

	EPS ADJ GROWTH	
	1Y	3Y
SBF120	0.9%	36.2%
<30% of women in the executive committee	-6.3%	39.6%
>= 30% of women in the executive committee	9.5%	32.2%

*Restated for outliers

When carrying out statistical analyses, it is, however, essential to remember that correlation does not necessarily mean causation. It is essential to analyse the results relative to the sector of activity, company size or other relevant variables. The sample used in this study does not allow the application of statistical regression methods, which would strengthen the robustness of the conclusions drawn. However, certain intra-sectoral factors support the hypothesis that gender diversity has a positive impact on company performance, as is shown in the table below:

Sector	% of women in the executive committee	10 Y annualised TR of companies with >= 30% of women in the executive committee	10 Y annualised TR of companies with < 30% of women in the executive committee	Spread
Consumer Services	38.1%	5.9%	-12.4%	18.3%
Real Estate	37.6%	3.3%	-2.0%	5.3%
Transportation Infrastructure	35.0%	5.6%	2.8%	2.8%
Household Products	33.0%	11.0%	18.6%	-7.6%
Textiles & Apparel	31.8%	22.2%	19.0%	3.2%
Diversified Financials	30.3%	6.4%	16.4%	-10.1%
Healthcare	30.3%	11.5%	-23.5%	35.0%
Pharmaceuticals	30.2%	17.4%	6.3%	11.1%

*Data at 31/12/2024, weighted averages within the SBF120.

To create this table, we have only kept the sectors with an average of more than 30% women on the executive committee and compared their annualised performance over 10 years. It is important to note that we have also removed the sectors where there is no company with less than 30% women on its executive committee. Thus, it is interesting to note that for sectors with an average female presence on the executive board that is greater than or equivalent to the prerogatives of the Rixain law, companies with more women on their boards have a higher annualised performance over 10 years than their competitors with fewer women.

In our view, there are several reasons for these economic and financial conclusions:

- Recruiting both women and men expands the talent pool, increasing the chances of attracting more qualified and skilled candidates.
- The diversity of women's profiles, experiences and convictions helps to improve decision-making processes and creativity within organisations.
- Women account for around half of all consumers. Their presence in a company helps them to better understand the expectations of women consumers and to improve customer relations (B to B and B to C).
- The promotion of women managers is a motivating factor for all women within the company, who see it as an opportunity for professional development.
- Diversity is perceived as a sign of openness by the company's stakeholders (customers, public authorities, shareholders, media, etc.), which strengthens the company's credibility and image.

Learnings from the 2024 Engagement Campaign

Sharing Best Practices

Please find a few examples of the best practices we observed that were identified as evidence of a genuine strategy toward gender equity. Other examples of good practices can be found in the 2023 Annual Report.

GOVERNANCE AND OVERSIGHT OF THE GENDER DIVERSITY STRATEGY	
What we observe: - While we asked to engage with members of the executive committee and/or a board member, only a very few companies gave us this opportunity. - With the application of the Rixain law, gender diversity targets are now included in executive compensation, but we observe that there is not always a clear link between the disclosure of gender targets and those applied to the compensation of the CEO. It's not clear which governing bodies/leadership positions are covered under the scorecard. - The "true" power of influence of the chief diversity officer and any diversity, equity and inclusion (DEI) ambassadors and their rights and duties as well as accountability for driving real change (beyond a communications' effect) can vary. **What we would like to see:** - Commitment from the governing bodies (the CEO and the board), with the CEO incentivised on the gender diversity and parity strategy and the board overseeing its application and progress. - Incentivisation of top management and relevant team managers, with gender diversity a key performance indicator of their annual remuneration. Targets must be ambitious but achievable. - Dedicated resource(s) – a chief diversity officer rather than just an add-on to human resources functions, plus other dedicated people. Also, that the chief diversity officer is incentivised on relevant KPIs. It's not solely a matter of communication and budgets, it's above all a question of effectiveness and impact. - Channels of communication (bottom-up and top-down). The top management sets the tone and provides the strategy and objectives, but this roadmap must be implemented by taking account of feedback from the field. This is no easy task, given the societal and cultural barriers that exist in different countries. - A clear strategy with targets at each relevant job grading and the rationale to get there. - A CEO that requires that women managers be appointed to boards of affiliates.	**Société Générale** had one of the most structured examples of governance when it came to gender diversity. We appreciated these initiatives: - Its high-level Diversity, Equity and Inclusion (DEI) Steering Committee, made up of 12 members from the Group Management Committee and a DEI expert to guide discussions and proposals. - The gender equality target of increasing the number of women in the top 250 positions to 35% by 2026. - The concrete results of: - 40%+ of women at the board level - 30%+ of women at the top 250 level as at the last reporting for 2023 Over the last few years, Société Générale has implemented concrete actions to promote gender diversity within the organisation. The company has dedicated governance and set up targets and KPIs that are reviewed regularly by the top management. **Saint-Gobain** had one of the most comprehensive disclosures, with granularity of its KPIs, targets at every key hierarchical layer of the company and detailed disclosure on the gender pay gap again for each layer. We appreciated the following aspects: - A comprehensive gender diversity strategy articulated around three pillars: 1) proactive promotion; 2) change in the rules of the game; and 3) ensuring that decisions are followed with actions and outcomes. - Continuity and consistency in the application of the diversity strategy over the past ten years. The HR Director has overseen the strategy since its inception, and we can observe the concrete results of this strategy. - Gender diversity is embedded in the company's strategy and its corporate DNA. The strategy has been shared and communicated to its employees, and the values of the strategy are lived. Gender diversity is an item/topic of the annual appraisal to make sure that women who feel discriminated against for their gender have the opportunity to raise their voices. - Gender diversity objectives are monitored each quarter by the Executive Committee. They have been developed by country and business units and are integrated into the performance criteria that determine the annual variable compensation of senior executives. At a group level, each monthly meeting of the Human Resources Committee has a section dedicated to women to boost career opportunities. - Commitment from the top. The CEO and Chairman has been instrumental in this strategy and the board is informed on the progress of this strategy, in particular with respect to the promotion of female managers to board roles in Saint-Gobain's subsidiaries. Twice a year, the Executive Committee has the gender diversity and inclusion topic on the agenda of an executive session. There has been great support from the top over the past ten years and with success achieved.

GOVERNANCE AND OVERSIGHT OF THE GENDER DIVERSITY STRATEGY (C0NTINUED)

What we observe:

- While we asked to engage with members of the executive committee and/or a board member, only a very few companies gave us this opportunity.
- With the application of the Rixain law, gender diversity targets are now included in executive compensation, but we observe that there is not always a clear link between the disclosure of gender targets and those applied to the compensation of the CEO. It's not clear which governing bodies/leadership positions are covered under the scorecard.
- The "true" power of influence of the chief diversity officer and any diversity, equity and inclusion (DEI) ambassadors and their rights and duties as well as accountability for driving real change (beyond a communications' effect) can vary.

What we would like to see:

- Commitment from the governing bodies (the CEO and the board), with the CEO incentivised on the gender diversity and parity strategy and the board overseeing its application and progress.
- Incentivisation of top management and relevant team managers, with gender diversity a key performance indicator of their annual remuneration. Targets must be ambitious but achievable.
- Dedicated resource(s) – a chief diversity officer rather than just an add-on to human resources functions, plus other dedicated people. Also, that the chief diversity officer is incentivised on relevant KPIs. It's not solely a matter of communication and budgets, it's above all a question of effectiveness and impact.
- Channels of communication (bottom-up and top-down). The top management sets the tone and provides the strategy and objectives, but this roadmap must be implemented by taking account of feedback from the field. This is no easy task, given the societal and cultural barriers that exist in different countries.
- A clear strategy with targets at each relevant job grading and the rationale to get there.
- A CEO that requires that women managers be appointed to boards of affiliates.

Legrand stood out as one of the few companies where the CEO was available to discuss with us, demonstrating his profound understanding and knowledge of the matter. This transparent dialogue underscores a genuine openness and commitment from the top management towards diversity issues. Notably, Legrand integrates social considerations into the company's targets as well as in its executive remuneration, exemplifying a holistic approach to corporate responsibility.

Of particular interest are the company's ambitious targets to improve gender diversity: Legrand aims to increase women in the workforce to 50% by 2030 (from 35% at the end of 2023) but also to increase women in management to 30% by 2024 (from 26% in 2021). The company is on track to achieve these targets thanks to a well-rounded strategy, encompassing diverse perimeters, such as talent review sessions, to increase the pipeline for recruitment and internal promotions; assigning sponsors within the company; and diligently monitoring compensation packages. The concerted effort and the CEO's commitment and close oversight demonstrate an effective approach to advancing gender diversity within the organisation. It is also worth mentioning that Legrand is one of the very rare companies to have a chairwoman at the head of the board of directors.

Forvia. Forvia's strategy was initiated in 2016 by the Chief Human Resources Officer (CHRO) and CEO and endorsed by its Executive Committee and the top 300 leaders.

The automotive suppliers' industry has undergone a major transformation since 2017 but there has been continuity in the gender diversity strategy, with the CHRO and the business units meeting once a month and with a review from the top at every quarterly strategic committee. The company's gender diversity strategy is set over five years and aligned with the anticipated transformations of the company. The goal is to build high-quality teams with the ability to work effectively together. This is done by objectifying the actions without ever putting men and women in opposition. To spread this corporate culture, the group relies on 40 ambassadors.

The succession strategy to get women to top management positions (including within its Executive Committee) is precisely established: each leader is trained to identify potential talents and successors. Each member of its Executive Committee meets six people from the pool every year.

Since 2019, the management teams have been trained to develop pools of candidates for promotion to key positions. In 2023, there were 5 appointments of women to positions in charge of P&L. In the company's Executive Committee talent pool, there are 46% women, 35% of whom have the potential to be appointed in the next five years.

Examples available in the 2023 Annual Report: Michelin, Pernod Ricard.

TALENT PIPELINE BUILDING AND MITIGATING LEAKY PIPELINES

What we observe:

- The concept of 'glass ceilings' is frequently discussed, yet it's essential to recognise that women often progress at slower rates than men on the corporate ladder. Leaky pipelines illustrate the loss of talent at various career stages, with key impediments to advancement being the absence of family-friendly policies, a scarcity of relatable female role models, limited visibility of opportunities and a lack of sponsorship.
- Many companies emphasise having training targeted specifically for women and other courses for managers to avoid unconscious biases. While education is highly appreciated, the efficacy of such training efforts needs to be translated into tangible actions: women getting promoted.

What we would like to see:

- Provide clear career paths and progression guidelines, fostering transparency regarding the level of responsibility associated with each position. Ensure diverse top candidate pools and eliminate gender-biased language in job offers. Diversify hiring managers to combat unconscious biases.
- Flexibility remains a top priority but also equal conditions for parental leave. Only by including a paid paternity/second caregiver with equal length as that for maternity/first caregiver will we enable more participation of men and fight against the motherhood penalty.
- Find efficient channels to promote open positions internally and promote mobility. This not only aids retention but also encourages diverse talent to envision long-term growth within the organisation.
- While mentoring programs are valuable for guidance and coaching, organisations must prioritise sponsorship. A sponsor, unlike a mentor, actively leverages their position of power to advocate for women. Ideally, line managers should act as natural sponsors of their own team members.
- Encourage women to take on impactful projects for visibility, and foster a culture where superiors act as sponsors, propelling careers forward.

Société Générale has implemented several best practices to promote women, such as:

- Rolling out a range of awareness-raising and training initiatives around diversity. These include the launch of an e-learning course on understanding and preventing discrimination in the hiring process; an in-house resource hub, which includes the Diversity and Inclusion SharePoint, available to all Group employees; a high number of mentoring and working groups for women; dedicating €100 million in three years to reduce the gender pay gap; and creating the employee survey, so employees can feedback on how inclusive they feel their work environment is.
- These initiatives have concrete results on women. At the last reporting for 2023:
    - 53% of recruitments are held by women.
    - 58% of promotions are held by women.

Valeo has managed to get 33% women's representation in its global workforce, which is worth highlighting for the industrial sector. To aid managers in doubling the number of women on management committees from 16% in 2018 to 32% in 2030, a gender-related KPI has been integrated into its Long-Term Incentive Plan (allotment of performance shares) of the top 400 people. It is calculated in a binary way as follows: "If the number of women on the Group's related management committees at 31 December of the last year of the reference period is greater than or equal to the target rate set for the reference period, this gives 100% award on this KPI, 0% otherwise".

Furthermore, Valeo has decided to extend the French Gender Equity Index to all its entities worldwide, ambitioning a complete strategy of equal opportunities between men and women, including gender equity in salary, performance and promotion, number of employees that have received a pay rise following maternity leave and the number of women among the 10 highest compensation of the entity (related KPI is integrated into the Variable Remuneration plan of the top 1700 people). It is also calculated in a binary way by applying the same rule.

Among specific aspects of its gender equality strategy, we noticed:

- As it is very difficult to recruit women for engineering roles, the focus must be given to upskilling and training so that women working on industrial sites are trained to run projects and mental biases are demystified. The role of local management in identifying women's talents and giving them the opportunity to take on engineering responsibilities is instrumental.
- Valeo looks to have a proactive internal mobility strategy, encouraging talents to take bold moves. There is the conviction that someone who has 70% of the required competencies is very often more motivated to get a promotion and to succeed than someone who has 100% of the required skills. This conviction works for women and men but it's very relevant for women who tend to believe that they need to tick all the boxes of the job position before applying for it.

At **Saint-Gobain**, we identified a best practice for mitigating stereotypes and ensuring equal chances. In 2020, Saint-Gobain launched a program to use big data to identify differences in the situation between women and men in the Group's organisational structure. The initial objective was to understand the female turnover rate. In addition to the quantitative indicators available in non-financial reporting, Saint-Gobain realised that it could identify underlying stereotypes that hinder the integration of women into management bodies or create systematic gaps in the situation. The tool turned out to be useful in predicting trends and helped to implement mitigation measures. In accordance with the human resources policy, each country has implemented an action plan.

A mental well-being program was rolled out to all of the Group's managers and concerns all employees. The program takes the form of an interactive app nurtured by real experiences and was designed to clarify the approach to preventing mental health issues and help managers optimise the psychological well-being of their teams. Each manager can build a tailored program for his or her team, monitor it and exchange it with other managers or share relevant best practices drawn from their experience. There are six action areas: management practices, change management, interpersonal environment, physical working environment, work/life balance and personal wellbeing skills.

Examples available in the 2023 Annual Report: Aperam, L'Oréal, Soitec

OVERCOMING THE GENDER CARE GAP

What we observe:

- France is leading the pack but many countries where SBF120 companies are active are lagging well behind in terms of childcare. This doesn't help in the application of group-wide policies, as companies must strike a balance between the level of ambition and the local societal and cultural context.

What we would like to see:

- The commitment to consider a global minimum for maternity leave to address differences in standards across the globe.
- The application of a paid paternity and measures taken to encourage it (such as ensuring 100% pay coverage for paternity leave).
- The possibility for parental leave, whatever the career. This would also cover adoption processes.
- Support in work-life balance (including flexible work options).

Hermès actively seeks to create an environment that supports the career advancement of women with children/families. Since 2019, the Group has decided to roll out a common maternity leave policy for all its subsidiaries and there is no minimum tenure required for employees to benefit from this policy. This includes full maintenance of basic compensation for a minimum period of 16 weeks' leave and full coverage of standard medical expenses related to childbirth through local healthcare schemes. The effective application of this policy is monitored as part of the Group's procedures.

In 2022, a new policy was introduced for French subsidiaries (63% of Group headcount) comprising 4 weeks of paid paternal/second carer leave also without a minimum tenure requirement. This policy will be gradually implemented at the Group level. Additional measures being implemented to overcome the gender care gap include recommendations for no meetings before 9 am or after 6 pm, child's sick days, partnership with reserved slots at childcare networks and supplemental retirement contributions on a full basis for employees who are on a part-time parental leave. Finally, the Group has taken several measures that came into force in 2024 in France (and gradually internationally) to better support employees with personal circumstances that impact their daily life in the workplace, whether they are caregivers, parents or are directly affected by a situation of vulnerability. Their internal women network also helps identify employees' expectations to build this program.

Examples available in the 2023 Annual Report: Safran

SAFETY AT WORK

What we observe:

- When talking about workplace safety, the predominant focus for most companies revolves around minimising accidents at work. While this is crucial, there is a significant gap in addressing a more nuanced aspect of safety: sexual and moral harassment.
- A notable trend is the reluctance of many companies to openly report on such incidents, often categorising data as internal and/or confidential.
- Furthermore, the limited transparency provided (not only publicly but internally) coupled with an emphasis on reporting minimal to zero cases, inadvertently may discourage victims from coming forward.

What we would like to see:

- An anonymous ethical hotline reviewed not only by a proper legal internal structure but also by an independent external third party.
- Ensure that all employees 1) clearly understand what is considered discrimination, abuse, bullying and all types of harassment, and 2) are aware of the reporting procedure and the available alert systems and channels of communication.
- Addressing the fear of retaliation. While the severity of the allegations should also be thoroughly scrutinised, it is equally important to foster a culture of openness and accountability in reporting to create truly safe and inclusive work environments. A low ratio of reported cases may signify either a lack of awareness that these channels exist or a reluctance to use them out of fear. Open communication is vital to cultivating an environment where employees feel empowered to speak out. Sharing examples of solved cases (internally) can reassure employees that their voices are not only heard but that there are tangible consequences for unacceptable behaviour.

Legrand was very open to discussing approaches to fight sexual harassment. Notably, the company has implemented a robust whistleblowing platform, accessible to both employees and external parties, covering issues from discrimination and overall harassment to anti-competition breaches and labour law violations. In 2023, the company received 109 ethics alerts, with only a very limited number pertaining to sexual harassment (where the following was carried out: a thorough investigation, interviews and a process supported by a legal advisor, leading to decisive actions). What was particularly noteworthy was the CEO's honesty in acknowledging that the reported alerts might be too low. A higher number should be more reflective of effective alert systems and a proactive reporting culture, particularly aligned with the company size.

We applaud the opportunity to open this taboo topic, as indeed, very few cases of discrimination or harassment can be indicative of employees either unaware of the reporting systems, not feeling secure using them, fearing retaliation or believing that raising concerns won't lead to meaningful action. A low reporting rate raises concerns about the effectiveness of the company's grievance mechanisms for addressing and preventing workplace misconduct.

L'Oréal Groupe. Addressing the pressing issue of domestic violence, and in line with the discussions with the ILO and the adoption of the first international convention against violence and harassment in the workplace, L'Oréal showed its commitment by creating a dedicated HR policy on domestic violence in 2021. This policy is deployed through Share & Care, the Group's social innovation and employee benefits program, and nearly 90% of subsidiaries had deployed it in 2024. The activation of the policy varies according to local context to best provide comprehensive support, ranging from providing lodging, day care, legal counsel, specialised advice, a dedicated phone line, secure lockers for important documents, an employee assistance program, and financial support. The policy can also support physical movement for survivors, allowing affected employees to change locations within the workplace, ensuring a secure environment.

This holistic approach actively assists domestic violence survivors in overcoming these challenging situations. By providing a range of resources and actively fostering a safe workspace, the program stands as a beacon of support, enabling those affected to feel accompanied, protected and equipped with the necessary tools to navigate and overcome domestic violence.

Examples available in the 2023 Annual Report: Michelin

OVERCOMING THE GENDER PAY GAP

What we observe:

- Companies publish the Gender Equality At Work Index (or Indice Penicaud) which, based on a score of 100, reflects five indicators: wage differentials, pay raise differentials, promotion rate differentials, percentage of female employees who received a pay raise in the year they returned from maternity leave and the number of employees of the under-represented gender among the ten employees who received the highest compensation. This index provides limited insights given that the scope of the reporting varies from one company to another.
- We feel there is some confusion with "equal pay for same work" or some discomfort in discussing this notion, as it captures the glass ceiling prevailing in many industries and the disproportionate use of partial employment by women who have still to deal disproportionately with house care.

What we would like to see:

- As per the SFDR regulation and its Principal Adverse Impact PAI 12, we would like companies to disclose the Unadjusted Gender Pay Gap as a minimum requirement and ideally the Adjusted Gender Pay Gap with the adjustments realised. The methodology used must be explained.
- Dedicated envelopes to mitigate the gender pay gap if material.

Kering is well known for its proactiveness and innovation in terms of environmental, social and governance (ESG). In a female-dominant industry, the company has decided to tackle the gender pay gap and has implemented best practices in the last few years:

- Involvement of the top management by the inclusion of a criterion relating to the gender pay gap in the determination of the Chairman and Chief Executive Officer's annual variable remuneration. Indeed, the company's Board of Directors proposed to include a new criterion aimed at reducing by more than a third the unexplained fixed pay gap between men and women. The target would account for 6% of the Chairman and Chief Executive Officer's annual variable remuneration.
- Initiation of a study with an independent consulting firm to calculate the gender pay gap that cannot be explained by factors that legitimately influence pay (experience, responsibility, work location, etc.). The study revealed a 1.6% unexplained gender pay gap in favour of men. The company is working on an action plan to reduce it.
- Creation of the Kering Parity Index to allow Houses to evaluate and monitor their parity performance over time. This Index allows Houses to identify areas for improvement and implement a remediation plan. It is made of five components:
    - Gender parity at the highest level of hierarchy (the Board, Executive Committee, management): 30 %
    - Salary gap by job band: 30 %
    - Equal opportunity to receive a promotion: 10 %.
    - Equal opportunity to receive a job development (i.e. taking a new role in a new professional field or moving to a new House or new country): 10 %
    - Opportunity to receive a salary increase: 20 %
    - Calculation of the unadjusted gender pay gap, which is 14.2% in favour of men.

These initiatives show 1) a desire to understand the issue and to have concrete statistics and 2) that a remediation action plan is implemented, with the top management being held responsible for its success with the integration of a gender pay gap criterion in the variable remuneration.

Publicis is committed to ensuring pay equity across genders. As such, Publicis conducts regular audits to ensure that men and women are paid equally for equal work. Publicis emphasises the importance of addressing any gender-based wage gaps and has taken proactive steps to close them.

To achieve this objective, the Syndio tool has been rolled out by the HR departments in several countries. This tool, aligned with local regulations, enables comprehensive analysis of various diversity criteria (gender, age, ethnic origin when legally applicable, disability, etc.) to serve as a support for mandatory declarations, to support managers in their recruitment decisions and compensation, and to guarantee equal pay for equal position.

We appreciate the use of the Syndio tool as the underlying methodology is recognised. We view it as evidence of the company's commitment to reducing the gender pay gap in the organisation as a step towards transparency and disclosure of the Adjusted Gender Pay Gap.

Saint-Gobain provides the most comprehensive disclosure on the salary treatment per gender at every management layer. We also appreciate the coherence of disclosure of its targets for its management positions, where it has identified and monitored its gender diversity and parity path with the disclosure of pay treatment. As such, the company discloses the unadjusted gender pay gap (based on the basic wage) per quartile and it also discloses the gender pay gap based on total compensation per quartile. Saint-Gobain also discloses the percentage of women in the top pay quartile, the upper middle pay quartile, the lower middle pay quartile and the lower pay quartile.

Examples available in the 2023 Annual Report: Orange, TotalEnergies

Overcoming Blocking Factors for Advancing Gender Equality: Challenges and Solutions

During our 2024 engagement campaign, we identified several impediments hindering a progression towards gender parity:

Talent attraction:

This challenge was particularly evident in more industrial sectors such as automotive and manufacturing – industries that have been historically male-dominated. The heightened awareness of the need for increased female recruitment has created a more competitive environment for attracting female talent. Additionally, these industries face difficulties in attracting women, as there is a perception that they are more likely to pursue careers in luxury firms, consumer brands or industries deemed more "appealing" rather than considering positions in fields like construction and manufacturing. Furthermore, blue-collar jobs within these sectors pose a distinct challenge in achieving diversity. With the manufacturing industry going greener, there is the opportunity for women who pay high attention to purpose and sustainability topics to play a role in the transition to low carbon for manufacturing industries.

a. Advice: Implement targeted recruitment strategies that emphasise the positive aspects of working for those companies, as well as the opportunities for career progression, impactful projects and supportive work environments. Showcase successful women within the organisation to act as role models. Additionally, consider improving the benefits and workplace culture to make the environment more attractive for women.

b. Advice: An increasing number of companies are actively pursuing sustainable transitions, a field of work that inherently attracts a diverse pool of female talent. This trend is noteworthy because it offers a fertile ground for enhancing the pipeline of female professionals. In addition to the industry-wide shift, the impending retirement of certain individuals from corporate boards provides a strategic opportunity for renewal. Leveraging this moment, companies can intentionally and meaningfully integrate more women into leadership roles, fostering a more inclusive and diverse representation at the highest echelons of decision-making. This dual emphasis on sustainable transitions and board renewal not only aligns with broader societal expectations but also positions organisations to thrive in an era where diversity and sustainability are integral to long-term success.

"This dual emphasis on sustainable transitions and board renewal not only aligns with broader societal expectations but also positions organisations to thrive in an era where diversity and sustainability are integral to long-term success."

Resistance to change:

In certain organisations, progress has been made beyond the foundational steps of establishing a diverse workforce. However, as they transition into the inclusion phase, challenges emerge, notably in dealing with resistance and frustration from male employees. The establishment of a new corporate culture becomes a demanding task, contributing to resistance and a deceleration in the pace of progress.

c. Advice: Encourage open dialogue about the benefits of diversity and provide platforms for employees, especially men, to express their concerns. Leverage experts on the topic to address those fears or threats. Involving men in decision-making processes and diversity initiatives is paramount. We will not reach equality if we don't have men as allies. We should develop mentorship programs that pair employees with diverse mentors, fostering understanding and collaboration. Leadership should actively support and champion diversity initiatives to set the tone for the entire organisation. Change must lead from the top.

Meritocracy concerns:

The notion that women are perceived to be in positions solely to meet quotas challenges the principles of merit-based advancement.

a. Advice: Meritocracy is often used as an excuse to protect the status quo, as people utilise overly narrow definitions of merit to hire candidates like their predecessors. No evidence suggests that women obtain their positions solely because of their gender and not their skillset and merit. On the contrary, hiring from a more diverse pool will help ensure a company finds the best talent based on skills.

b. Advice: Implement transparent and objective performance evaluation systems that focus on skills, achievements and qualifications. Encourage a culture of feedback and recognition, emphasising that promotions are earned through demonstrated competence.

Global implementation of social guarantees:

Many of the companies we engaged with operate on a global scale, presenting challenges in implementing non-cash compensation elements, such as social insurance or parental benefits. The diverse legal standards across countries contribute to complications, especially in navigating the intricate landscape of legal and administrative considerations. Furthermore, the search for local partners is intricate, as insurance companies in some countries may not offer the same coverage as those in others, intensifying the complexity of the implementation process. In addition to the challenges, companies with successful gender policies in one country may encounter hurdles when attempting to implement similar policies in other countries. This difficulty arises due to entrenched social or cultural biases that prove more resistant to change. Breaking down these biases becomes a complex task, requiring nuanced strategies tailored to the specific cultural contexts in which companies operate.

a. Advice: Establish a global task force that collaborates with local teams to adapt and implement effective gender policies. Leverage successful policies from one country as case studies, providing clear success metrics that demonstrate positive impacts on the business. This approach helps build support for implementation in other countries, fostering a consistent and adaptable approach to social guarantees across diverse global operations.

Future Plans

After four years of a dedicated campaign, the 30% Club France Investor Group has established itself as a recognised force in promoting gender diversity and equity within corporate leadership. The campaign has successfully earned a place in the minds of companies, positioning itself as a catalyst for driving sustainable change in boardroom compositions and in the way companies attract, retain and promote women to the top.

However, we also believe that nothing is granted, and we were surprised by the lack of interest from companies in establishing the CEO and Chair pillar. This raises concerns about their willingness for a genuine move towards gender equity. As investors, we are convinced that gender diversity is not just a goal but a fundamental aspect of thriving and sustainable business practices.

Having the C-suite executives on board is instrumental in driving awareness of gender diversity for several compelling reasons:

01

Top-Down Influence:

The CEO, as the highest-ranking executive, sets the tone for the entire organisation. When the CEO prioritises and champions gender diversity, it sends a clear message that diversity and inclusion are integral values of the company. While the CEO is often the ultimate decision-maker, we also acknowledge the pivotal role of any member of the executive committee, as this person can leverage their influence to advocate for gender diversity, encourage inclusive practices and pursue a culture where diversity is a strategic imperative.

02

Cultural Transformation:

Whether it's the CEO or another executive committee member, having a high-ranking executive actively supporting and encouraging gender diversity is a potent force for meaningful change in the corporate structure.

03

Accountability:

C-suite executives are accountable for the overall success of the organisation. When they are directly involved in initiatives related to gender diversity, there is a higher likelihood of effective implementation. High-ranked executives can allocate resources, establish goals and monitor progress towards achieving inclusion objectives.

04

Role Modelling and Talent Attraction:

CEOs serve as powerful role models within an organisation. Having a CEO who champions gender diversity inspires employees at all levels, especially aspiring leaders. It demonstrates that gender diversity is not just a policy, but a fundamental value embraced by the highest echelons of leadership. Moreover, in today's world, inclusive leadership and diverse corporate culture are crucial factors for attracting and retaining top talent.

Ahead of 2025, the 30% Club France Investor Group is aware of these challenges and ready to move the needle further towards gender diversity and equity at SBF120 companies.

2025 is also the deadline for our first objective of getting to 30% at the executive body level. 2025 will be the opportunity to reflect on priorities beyond 2025.

Appendix

Becoming a Member

All investors are welcome to join the 30% Club France Investor Group. We are more than happy to welcome members of any size – both small and large. Investor members do not have to be French in origin, they simply must have an interest in pushing for improved practices regarding gender diversity for the French SBF120.

Any investors who are interested in becoming a member can contact us through our LinkedIn Page.

In terms of time commitment and level of involvement, we require that investor members lead engagement with at least one company. While many investors may choose to lead on more than one company, any additional involvement is optional.

Members of the group may choose to be more highly involved in the annual activities, including participating in research, methodology creation and proposing or participating in additional 30% Club activities, such as guest speaker events.

30% Club Investor Group KPI List – Our Reporting Expectations for Corporates

Our KPIs focus on 11 themes:

- Governance
- Talent Attraction
- Job Quality
- Promotion
- Retention
- Work-Life Balance
- Equal Pay
- Sexual Harassment
- Supply Chain
- Certification/Audit
- Women's Empowerment Principles

The KPI list is a mix of indicators that are commonly – or should be commonly – reported, as well as indicators that are a "tougher ask" for investee companies, yet essential to better understand underlying practices that could ultimately be preventing women from reaching top management positions (such as the gender breakdown of the % of return to work following parental leave).

State of Play and Targets	
What is the gender breakdown of the workforce at different hierarchical levels?	
- % of women in your global workforce	
- % of women in management positions	
- % of women in senior executive positions	
- % of women in the executive committee	
Has the company set ambitious but achievable targets for each of them?	
Governance and Oversight of the Gender Diversity Strategy	
Are the company leaders accountable to drive gender diversity? If yes, who is accountable for gender diversity within the company (the board, executive committee, HR, any other relevant person)?	
Are gender diversity targets Key Performance Indicators used to assess the variable remuneration of executives and senior managers? If yes, can you elaborate?	
Quality of Work and Ability to Retain	
Gender breakdown of employment type:	
- % of female workforce in part-time employment and how does it compare to male workforce	
- % of female workforce in temporary contracts and compared to the male workforce	
Gender breakdown of the staff turnover/attrition rate	
Gender breakdown of absenteeism rate	
How the Company Plans to Deliver on Its Ambitions	
Gender breakdown of the internal promotion rate	
Commitment to consider at least one candidate from each gender for every succession and/or new managerial position appointment (whether internally or externally through headhunters)	
Implementation of trainings on unconscious bias and scope of the beneficiaries (HR functions, management, global workforce)	
Mentoring programs in place to help develop talent for managerial and leadership levels	
Work-Life Balance/Flexible Work	
Is there a global minimum for Maternity Leave to address differences in standards globally?	
Is there a Paid Paternity Leave in place and, if yes, which measures are taken to encourage it (such as ensuring 100% pay coverage for paternity leave)?	
Flexible work options in place (covering both working locations and hours)	
Equal Pay (not only on the base salaries but also including discretionary pay)	
Does your Company report the Gender Pay Gap? If yes, can you elaborate on the reference methodology?	
Median gender pay gap	
Average gender pay gap	
Pay gap by quartile	
% of female in Top 10 remunerations	
Does your Company have in place measures to address any gender pay gap, such as salary envelopes to rebalance pay gaps? Any other effective tool to remediate the situation?	
Health & Safety – Moral and Sexual Harassment	
Does your company have an anti-harassment policy in place? Can you elaborate on if and how it covers both social and sexual harassment?	
Does your company monitor the number of harassment cases? If yes, what remediation steps are enforced? Does your company report on them?	
Role Model for Supply Chain	
Does your company have any policies and programs to address gender-based discrimination and violence as well as female empowerment in global supply chains?	
Implementation of the Gender Diversity strategy	
Has your company undertaken a gender diversity audit process?	
Has your company undertaken a gender diversity certification process? If Yes, please specify both certification type and level reached.	
Is your company a signatory of the Women Empowerment Principles?	

Appendix: Establishing a French 30% Chapter – Example of letter sent to CEO and Chair

Invitation to join the CEO and Chair pillar of the 30% Chapter France

Dear Sirs,

We are excited to reach out to you with a unique opportunity that we believe aligns with your values and commitment to fostering a diverse and inclusive workplace environment.

The 30% Club is a global initiative that aims to increase female representation at the board and executive level of companies across the world. The campaign started out in the UK back in 2010, with the goal of reaching 30% female representation on the boards of the FTSE100 companies, at the time when there were just 12%. Today, the UK is at almost 40% female representation and the 30% Club campaign has gone global (with a presence in 20 countries across the world)

From our side, the 30% Club France Investor Group was established in November 2020 when six asset management companies representing nearly €3 trillion in assets under management (AUM) came together to promote better gender diversity within the SBF 120's executive management teams. Today, the Investor Group now boasts 16 investors holding nearly €6 trillion in AUMs.

As we move forward, we want to extend our reach, and build the second leg of our initiative, by launching our CEO and Chair pillar. We believe that by bringing together influential Chairs, CEOs and directors, we can drive a business-led approach to increasing gender balance at French companies.

At this significant moment for the 30% Club France Investor Group, we would like to invite you to be one of the founding members of the CEO and Chair pillar. We believe your involvement as a highly respected leader of a renowned company in France would demonstrate the importance of gender equity to the corporate community and the broader society as a whole.

The CEO and Chair pillar will complement our Investor Group pillar and form the French Chapter, with investors and corporates committed to gender diversity and parity.

We are convinced that [INSERT COMPANY NAME]'s impressive commitment to diversity and equity as well as your expertise and extensive business network will encourage CEO and chair members to follow your lead by establishing the CEO and Chair pillar. Time and again, research prove companies with more diverse leadership teams outperform their less diverse peers. Gender diversity is good for business.

We would be delighted if you consider this opportunity, and we hope you will consider joining our Club as one of our founding champions and Chairs.

We look forward to hearing from you.

Yours sincerely,

Marie-Sybille Connan

Chair, 30% Club France IG
Senior Stewardship Analyst
Allianz Global Investors

Our ask in case you decide to join as a CEO and Chair member:

Advocate	Lend your name to the 30% Club campaign in your corporate capacity and signal to both the local business community and to your organisation that you support gender balance as a business imperative and explicitly commit to beyond 30% female representation at a board and executive committee level
Influence	Embed gender balance as integral to your business strategy and use your influence to bring about change across your senior leaders, your organisation, and your business sector
Measure	Implement transparent reporting on gender diversity at senior management level and actively consider setting and publishing voluntary gender targets
Feedback	Provide feedback on issues of policy to us so that we may best represent the voice of business at a national level
Be involved	Attend and/or nominate a senior business leader to actively represent you and your organisation at our local events, contributing to progress and embedding the message within your organisation

Our offer in case you decide to join as our founding CEO and Chair member:

Visibility	Accepting to join our campaign will increase the visibility of [INSERT COMPANY NAME], as you and your company will be portrayed on our website, annual reports and potential interview or ad hoc press releases opportunities.
Recognition	As a founding member of our CEO campaign, you will position yourself as a distinguished ally for gender diversity, committed to moving the needle in terms of equality.
Talent attraction	With a heightened awareness of social justice issues, young professionals are more inclined than ever to seek out organisations that prioritise equality and inclusivity, while also looking for meaningful work experiences where they can thrive. The importance of actively promoting and championing equality withing the workplace can lead to attracting and retaining talent and becoming an employer of choice.

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