THE BOARDROOM AFRICA

EGYPT 2023 EDITION

BOARD DIVERSITY INDEX

IN PARTNERSHIP WITH:

The American University in Cairo School of Business | EGYPT WOMEN ON BOARDS OBSERVATORY | The Egyptian Exchange البورصة المصرية | BOARD DIVERSITY CHARTER

This report covers data captured between July 2022 and July 2023.

CONTENTS

ABBREVIATIONS

TBrA – TheBoardroom Africa
WoB – Egypt Women on Boards
EGX – The Egyptian Stock Exchange
ESG – Environmental, Social and Governance
BoD – Board of Directors
BDI – Board Diversity Index
BDC – Board Diversity Charter
CFO – Chief Financial Officer
CEO – Chief Executive Officer
COO – Chief Operating Officer
MD – Managing Director
NED – Non-executive Director
S&P – Standard & Poor's
VP – Vice President
Co – Company
UN-WEP – United Nations Women Empowerment Principles

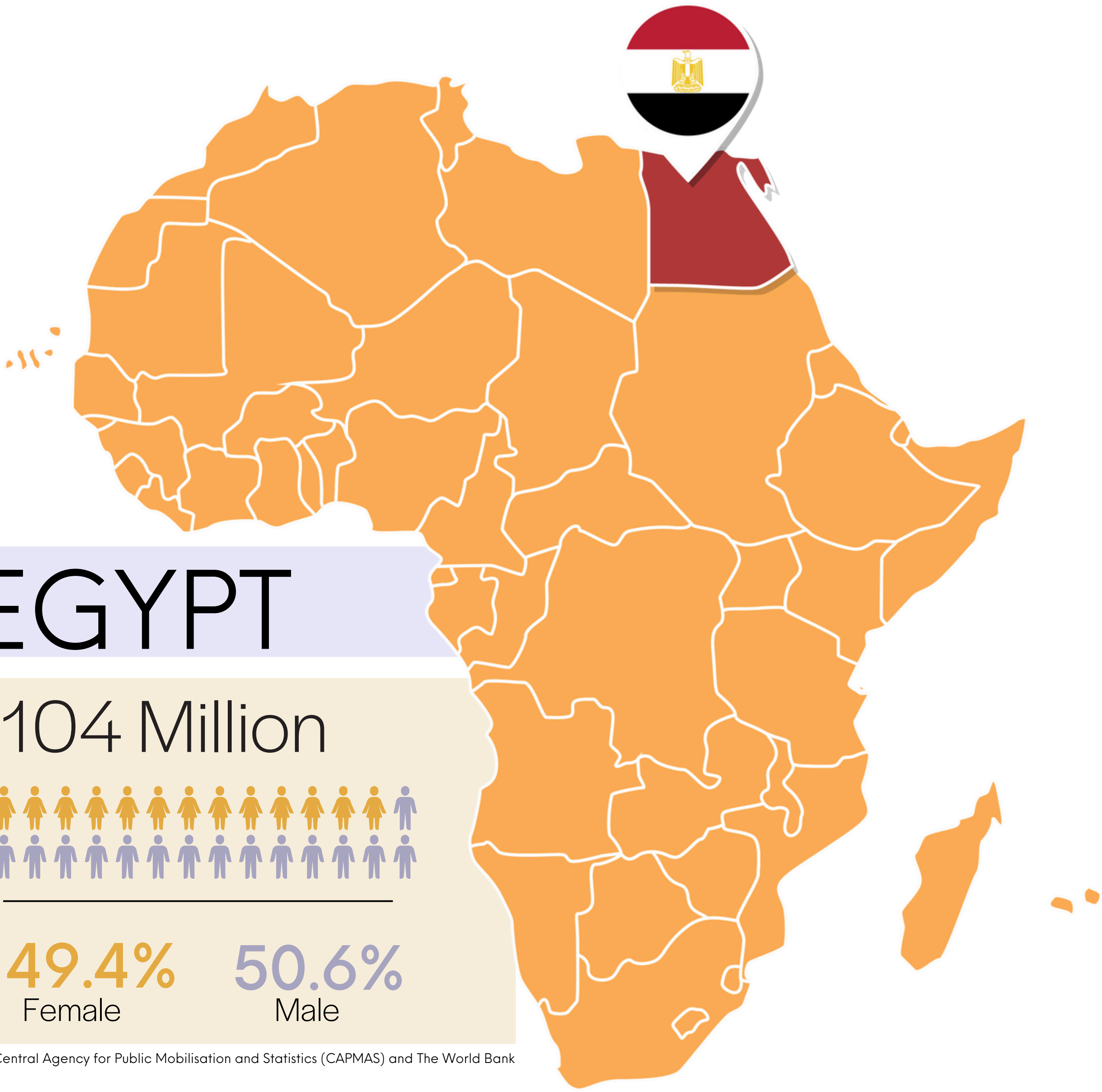
EXECUTIVE SUMMARY

In 2023, Egypt ranked 134th out of 146 countries in the Global Gender Gap Index, with a corresponding placement of 140th out of 146 countries in women's economic participation and opportunity. Despite women constituting nearly half (49.4%) of its population, only 21% of Egypt's working-age women are actively engaged in the economy, a stark contrast to the 75% participation rate observed among men.

Notably, the Financial Regulatory Authority issued decision number (50) in 2020, mandating at least one female representation on boards of Financial Regulatory Authority (FRA) companies by 31 December 2020. These rules were complemented with the issuance of the following decrees in 2021: Decree No. 109 of 2021: The necessity of having a women representation of 25% or at least two women members on the boards of EGX-listed companies. As well as Decree No. 110 of 2021: The necessity of having a women representation of 25% or at least two women board members on the boards of FRA.

This decision played a pivotal role in catalysing and accelerating the placement of women on boards of EGX-listed companies. This report aims to document recent progress, highlight emerging trends, and identify areas for future growth and improvement to further advance boardroom gender equality in Egypt.

GENDER DEMOGRAPHICS



EGYPT

104 Million

49.4%
Female

50.6%
Male

Source: Central Agency for Public Mobilisation and Statistics (CAPMAS) and The World Bank

KEY FINDINGS

Continued Upward Trend in Women's Representation

The percentage of women holding board seats (both executive and non-executive directors) has risen to 21%, marking a 4.2% increase from 2022. Women now constitute 26.7% of non-executive director seats of listed companies, an increase of 3% since 2022.

Growing Presence in Boardrooms

The total number of women on boards of EGX-listed companies grew by 29.7% in 2023, increasing from 317 women directors to 411 women directors.

Commitment to the 30% threshold

Companies remain steadfast in their commitment to achieving gender diversity, with 31% of Egypt's listed companies ranked as top performers, as 30% or more of their board seats are held by women directors and non-executives. This percentage increased by 7% in 2023 compared to 2022.

Rise in Women's Leadership Roles

The percentage of women in leadership roles is on the rise, with 6.3% serving as Chairs, 5.9% as CEOs/MDs, 7.5% as CFOs, and 6.5% as COOs on Egypt's listed boards. Compared to 2022, there has been a 0.4%, 2.6%, 4.1% and 3.1% increase in the number of women Chairs, CEOs/MDs, CFOs, and COOs, respectively.

Decline in Male-Only Boards

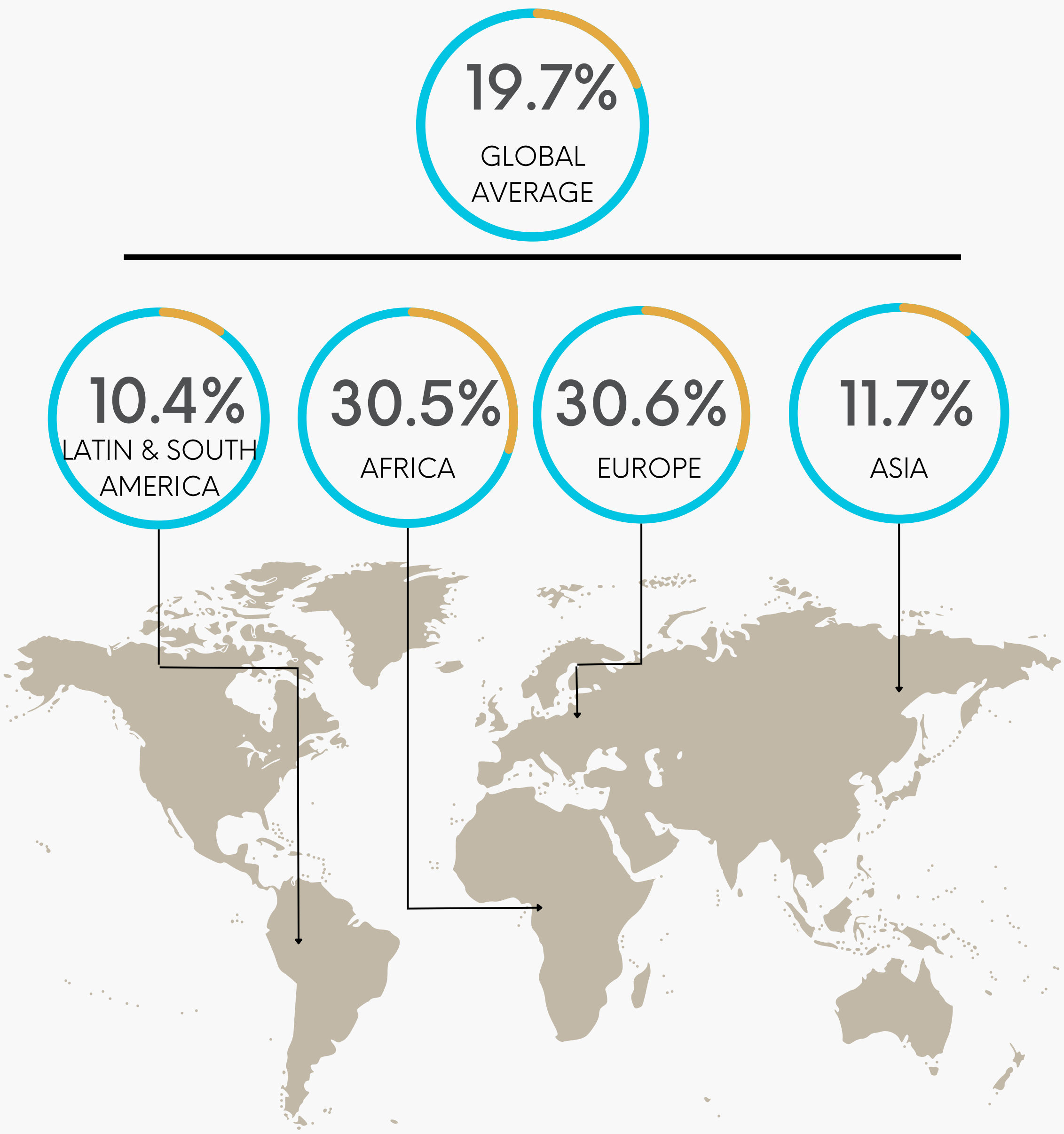
The prevalence of male-only boards has decreased, with only 13 companies (5% of all EGX-listed companies) with zero women board directors, compared to 26 companies (10.9%) in 2022.

Rising Adoption of placing more Women Board Directors

EGX-listed companies with at least one woman on their boards accounted for 95% in 2023, showcasing a notable increase from 89.1% in 2022.

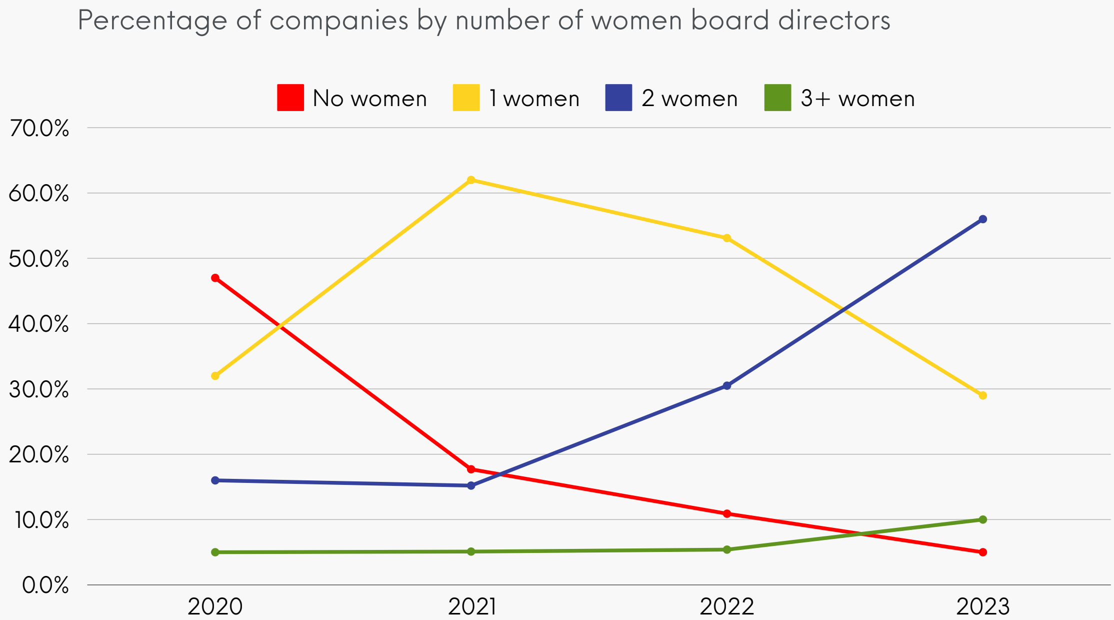
BACKGROUND
The Global State of Gender Equity

Africa outperforms the global average of women directors in the boardroom (2022, Deloitte, "Women in the boardroom: A Global Perspective"). One in four board directors in Africa is a woman. This aligns with our Board Diversity Index findings, which focus on listed boards and indicate an average of 22% women representation on boards across the 11 countries surveyed.



2023 FINDINGS

Representation of Women in Executive Leadership on Egypt-Listed Companies



95%

of companies have at least one woman on their board compared to 89.1% recorded in 2022

21%

Continued upward trend in women's representation. The percentage of women holding board seats (both executive and non-executive directors) has risen to 21%, marking a 4.2% increase from 2022

238 LISTED COMPANIES

1957 TOTAL NO. OF DIRECTORS

0.4%

Number of listed companies decreased by 0.4% since 2022

30%

The total number of women directors increased by 30% from 317 in 2022 to 411 in 2023

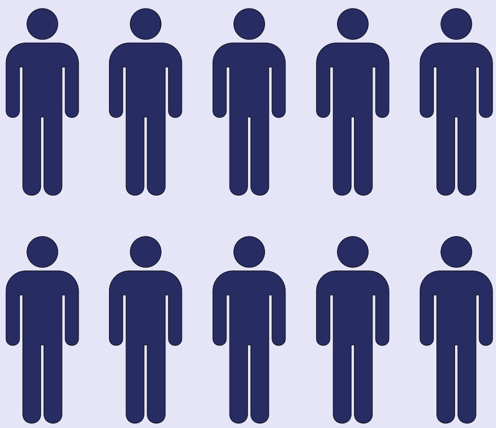
4%

There has been an 4% increase in the total number of board directors from 1886 in 2022 to 1957 in 2023

2023 FINDINGS

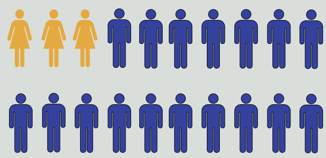
Representation of Women in Executive Leadership on Egypt-Listed Companies

KEY TAKEAWAY:
Women Board Directors hold 21% of total board seats and 26.7% of non-executive director seats of listed companies, with an increase of 4.2% and 3%, respectively, from 2022.



1381

TOTAL NO. OF NON-EXECUTIVE DIRECTORS



26.7% **WOMEN NON-EXECUTIVE DIRECTORS**

369 **WOMEN NON-EXECUTIVE DIRECTORS**

Total no. of Women Non-Executive Directors - 369 (vs 1012 male NEDs)

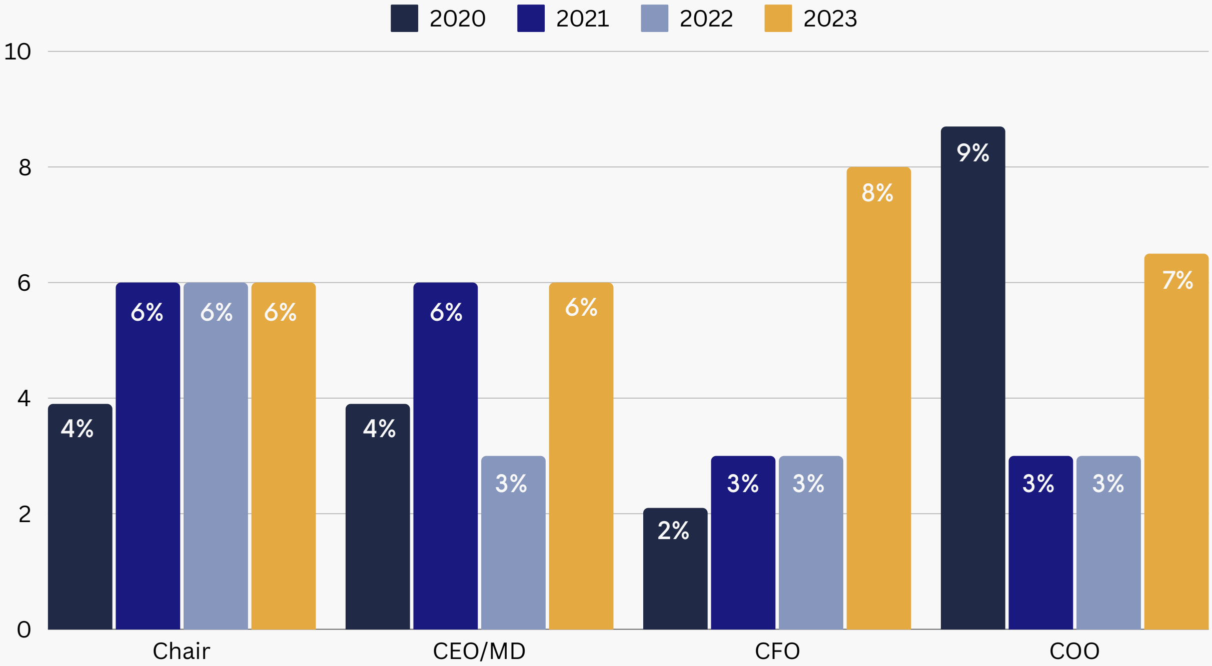
4.2% **Percentage increase of women Board Directors from 2022 to 2023**

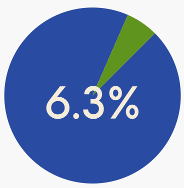
3% **Percentage increase of women Non-Executive Directors from 2022 to 2023**

2023 FINDINGS

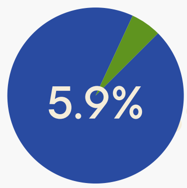
EGX-listed companies have experienced consistent growth in the representation of women in C-suite and Chair roles. Although these figures remain relatively low, they are nearly double what they were 3 years ago. This upward trend in Egypt aligns with global patterns. According to a report by S&P Fortune, it is projected that women will constitute half of C-suite leaders by 2030.

Representation of Women in Executive Leadership on Egypt-Listed Companies

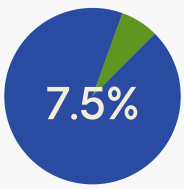




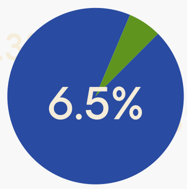
Women occupied 6.3% of all Chair roles in 2023, signifying an increase of 0.4% from 2022



Women occupied 5.9% of all CEO/MD roles, signifying a 2.6% increase since 2022



Women occupied 7.5% of all CFO roles in 2023, signifying an increase of 4.1% from 2022



Women occupied 6.5% of all COO roles in 2023, signifying an increase of 3.1% from 2022

Note: CFO and COO related data and information were cited from company websites.

2023 FINDINGS

EGXSMEs

KEY TAKEAWAY:

- The total number of EGXSMEs companies in 2023 was 24, remaining unchanged from 2022.
- The number of women on boards totalled 38 in 2023, marking an increase in comparison to 29 women in 2022.
- The percentage representation of women on EGXSME boards significantly improved, from 19.9% in 2022 to 26.2% in 2023.
- 95.8% have at least one woman on boards of EGXSMEs in 2023 realising no change in comparison to 2022.

About EGXSMEs

EGXSMEs is the first platform for growing small and medium enterprises (SME) in the MENA region and Africa. The EGX established this market to provide a conducive environment to develop and maximise their contribution to the economy

Percentage of EGXSMEs by number of women board directors

Number of women board directors	2020	2021	2022	2023
0	65.5%	4.2%	4.2%	4.2%
1	19.2%	75.0%	70.8%	37.5%
2	11.5%	20.8%	25%	54.2%
3 or more	3.8%	0%	0%	4.2%

2023 FINDINGS

The S&P/EGX ESG Index

The S&P/EGX ESG index exhibits the 30 best-performing companies in Egypt based on these three parameters: environmental, social, and corporate governance (ESG) responsibilities.

Linking stock market performance to ESG is the most effective way to highlight corporate-level ESG responsibilities. The S&P/EGX ESG index raises the profile of these companies that perform well along the three parameters.

There were 30 companies under S&P/EGX ESG in 2023.

- The total number of women board members on S&P/EGX ESG boards increased from 46 in 2022 to 52 in 2022, achieving a 13% incline.
- The percentage of women board members among S&P/EGX ESG slightly increased from 15.2% in 2022 to 16.3% in 2023.

KEY TAKEAWAY:

- 93.3% of S&P/EGX ESG boards have at least one woman in 2023, compared to 96.6% in 2022.
- The percentage of women board members among S&P/EGX ESG slightly increased from 15.2% in 2022 to 16.3% in 2023

Percentage of S&P/EGX ESG by the number of women board directors

No. of women board directors	2020	2021	2022	2023
0	23%	3.3%	3.4%	6.7%
1	37%	66.7%	37.9%	20%
2	33%	26.7%	55.2%	66.7%
3 or more	7%	3.3%	3.4%	6.7%

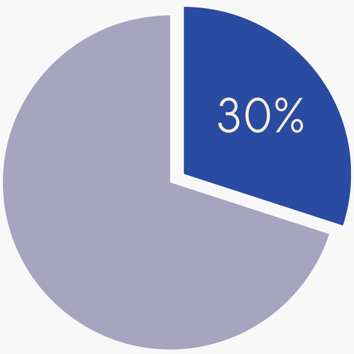
SECTOR FOCUS

Women are steadily claiming their seats at the boardroom table in Egypt.

Across the 18 sectors on Egypt's Stock Exchange, 16 sectors include at least one company with a board composition of 30% or more women directors. Among all companies studied, 45 listed companies have achieved more than 30% women representation in the boardroom.

Notably, the education services sector emerges as the top-performing sector in terms of the percentage of women serving as board directors, with two out of five companies in the sector exceeding the 30% mark. In terms of aggregate value, however, the real estate sector leads in the number of women board directors in Egypt, with a total of 37 women directors.

Remarkably, 19% of all EGX-listed companies have reached the 30% threshold of women board directors, a substantial increase from the 10% recorded in 2022.



WHY 30%:Research suggests that 30% is the minimum bar to reap the benefits of boardroom diversity. 81% of listed companies in Egypt have not met this minimum target yet, though there is a decline of 9% compared to the previous year.

METHODOLOGY:
Listed companies were categorised into sectors based on their operations. Within each sector, companies meeting 30% or more women director threshold were individually profiled. The subsequent analysis, depicted below, outlines the number and percentage of companies with 30% or more women directors.

SECTOR FOCUS

Percentage of companies with more than 30% women board directors by sector.

40%

EDUCATION SERVICES

40% of companies in the Education Services sector have 30% or more women directors

The Egyptian Modern Education Systems
50% women BoDs
66.7% women NEs

25%

ENERGY & SUPPORT SERVICES

25% of companies in the Energy & Support Services sector have 30% or more women directors

Marine & Oil Services (SAE)
41.67% women BoDs
44.40% women NEDs

25%

SHIPPING & TRANSPORTATION SERVICES

25% of companies in the Shipping & Transportation Services sector have 30% or more women directors

Egyptian Transport (EGYTRANS)
33.3% women BoDs
28.6% women NEDs

37.5%

TRADE & DISTRIBUTORS

37.5% of companies in the Trade & Distribution sector have 30% or more women directors

International Company For Fertilisers & Chemicals
33.3% women BoDs
50% women NEDs

35%

HEALTH CARE & PHARMACEUTICALS

35% of companies in the Health Care & Pharmaceuticals sector have 30% or more women directors

Integrated Engineering Group S.A.E
60% women BoDs
66.7% women NEDs

23%

TRAVEL & LEISURE

23% of companies in the Travel & Leisure sector have 30% or more women directors

Marsa Marsa Alam For Tourism Development
50% women BoDs
50% women NEDs

25%

TEXTILE & DURABLES

25% of companies in the Textile & Durables sector have 30% or more women directors

Golden Textiles & Clothes Wool
36.4% women BoDs
33.3% women NEDs

5.9%

BASIC RESOURCES

5.9% of companies in the Basic Resources sector have 30% or more women directors

Kafr El Zayat Pesticides
30% women BoDs
37.5% women NEDs

SECTOR FOCUS

Percentage of companies with more than 30% women board directors by sector.

100%

UTILITIES

100% of companies in the Utilities sector have 30% or more women directors

Natural Gas & Mining Project (Egypt Gas)
33.3% women BoDs
40% women NEDs

16%

FOOD, BEVERAGES & TOBACCO

16% of companies in the Food, Beverages and Tobacco sector have 30% or more women directors

Northern Upper Egypt Development & Agricultural Production
80% women BoDs
66.7% women NEDs

22%

INDUSTRIAL GOODS, SERVICES & AUTOMOBILES

22% of companies in the Industrial Goods , Services and Automobiles sector have 30% or more women directors

International Business Corporation For Trading and Agencies
40% women BoDs
50% women NEDs

7.7%

BUILDING MATERIALS

7.7% of companies in the Building Materials sector have 30% or more women directors

The Arab Ceramic CO.- Ceramica Remas
37.5% women BoDs
60% women NEDs

18.9%

REAL ESTATE

18.9% of companies in the Real Estate sector have 30% or more women directors

A Capital Holding
42.9% women BoDs
40% women NEDs

13.3%

CONTRACTING & CONSTRUCTION ENGINEERING

13% of companies in the Contracting & Construction Engineering sector have 30% or more women directors

Egyptians For Investment & Urban Development
40% women BoDs
66.7% women NEDs

13.8%

NON-BANK FINANCIAL SERVICES

13.8% of companies in the Non-Bank Financial Services sector have 30% or more women directors

Beltone Financial Holding
50% women BoDs
50% women NEDs

37.5%

IT, MEDIA & COMMUNICATION SERVICES

37.5% of companies in the IT , Media & Communication Services sector have 30% or more women directors

Orascom Investment Holding
33.3% women BoDs
33.3% women NEDs

GENDER CHAMPIONS

2023 Top Performers: Board Gender Diversity

KEY TAKEAWAY:

In 2023, 74 out of 238 EGX-listed companies (31%) ranked as top performers owing to their board composition of 30% or more women. Comparatively, 57 companies achieved same in 2022.

Rank	Company	Women BoDs	Women NEDs
01	NORTHERN UPPER EGYPT DEVELOPMENT & AGRICULTURAL PRODUCTION	80%	66.7%
02	INTEGRATED ENGINEERING GROUP S.A.E	60%	66.7%
03	THE EGYPTIAN MODERN EDUCATION SYSTEMS	50%	66.7%
04	EGYPTIANS FOR INVESTMENT & URBAN DEVELOPMENT	40%	66.7%
05	MIDDLE EGYPT FLOUR MILLS	40%	66.7%
06	BELTONE FINANCIAL HOLDING	50%	50%
07	MARSA MARSA ALAM FOR TOURISM DEVELOPMENT	50%	50%
08	EL OROUBA SECURITIES BROKERAGE	33.3%	66.7%
09	THE ARAB CERAMIC CO.- CERAMICA REMAS	37.5%	60%
10	EL OBOUR REAL ESTATE INVESTMENT	28.6%	66.7%

METHODOLOGY:

This analysis was ranked based on a composite index consisting of both women percentage of board members and NEDs.

ABOUT THEBOARDROOM AFRICA

TheBoardroom Africa (TBrA) is the largest regional network of women executives in Africa. Our goal is to improve access to board opportunities for women and accelerate the presence of women on boards.

We bring together businesswomen of diverse occupations and provide opportunities for them to grow personally and professionally through various initiatives, including but not limited to board effectiveness programmes, personal development programmes, and connections to board opportunities.

Through events, research, and publications, TBrA inspires and educates the business community on the power of diverse leadership—and raises the bar for board service and diversity in Africa. We're driving the movement to recognise that when women and men lead side by side, business succeeds and society thrives. Our members include C-Suite, VP, and director-level executives from every major industry spanning more than 65 countries across Africa.

ABOUT AUC EGYPT WOMEN ON BOARDS OBSERVATORY

EGYPT WOMEN ON BOARDS OBSERVATORY

Egypt Women on Boards Observatory was founded in 2017 by a consortium initiated by the American University in Cairo, School of Business.

The Egypt Women on Boards Observatory is recognised as a specialised observatory within the framework of the National Council for Women, Egyptian Women Observatory advocates for the presence of 30% women on boards in Egypt by 2030.

Partners of Egypt Women on Boards Observatory represent a unique partnership, bringing together government, business associations, research institutions, international organisations, non-government organisations, national and regional networks.

The flagship activities of Egypt WoB Observatory include producing the Women on Boards annual monitoring report to provide an indicator for women on boards in Egypt and to identify the gap to reach the target of the 2030 strategy; developing the Egyptian Board Ready Women database to support the placement of women on company boards based on their expertise; offering board placement services to companies to help place and promote female talents on boards and connect board-ready women with CEOs and Board Executives; capacity building of women in line and mid-level management to be fairly promoted within their respective corporates and conducting awareness, and advocacy activities.

The Observatory also received the 2022 Innovations That Inspire Award from the Association to Advance Collegiate Schools of Business (AACSB), and the Association of MBAs (AMBA) and Business Graduates Association (BGA) Excellence Awards 2022/23.

ABOUT THE EGYPT STOCK EXCHANGE

The Egyptian Exchange (EGX) provides a well-regulated and efficient market by keeping abreast with international standards, which enables the listed companies to get the required finance and expand their businesses. It is always working to meet the needs and requirements of various market participants, investors, and issuers, thus becoming a financing gateway for the issuing company through a wide base of local and international investors.

EGX is a pioneering exchange in sustainability and ESG efforts, believing that ESG factors play an increasingly important role in creating shareholders' value. Leading by example, EGX encourages listed companies to embed ESG factors into their business activities to build their corporate image and manage ESG related-risks.

Fully aware of the importance of gender equality and women empowerment, the Egyptian Exchange signed the UN Women Empowerment Principles (UN-WEPs) in 2016, in line with EGX's effective participation in sustainability initiatives and working groups in the capital market since 2012.

ABOUT THE BOARD DIVERSITY INDEX

Since 2017, TheBoardroom Africa has monitored gender diversity on Africa's listed boards. This index evaluates the composition of boards by country, documenting the count of women occupying board seats and tracking their presence in Chair and other executive roles. Research to-date encompasses publicly listed boards in EGYPT and 11 other African nations.

BOARDROOM DIVERSITY IS A BUSINESS IMPERATIVE

Companies that embrace diversity and inclusion will be more competitive in the coming decades and outperform those that fall behind. The Fourth Industrial Revolution will not only be driven by advances in innovation but also by human expertise.

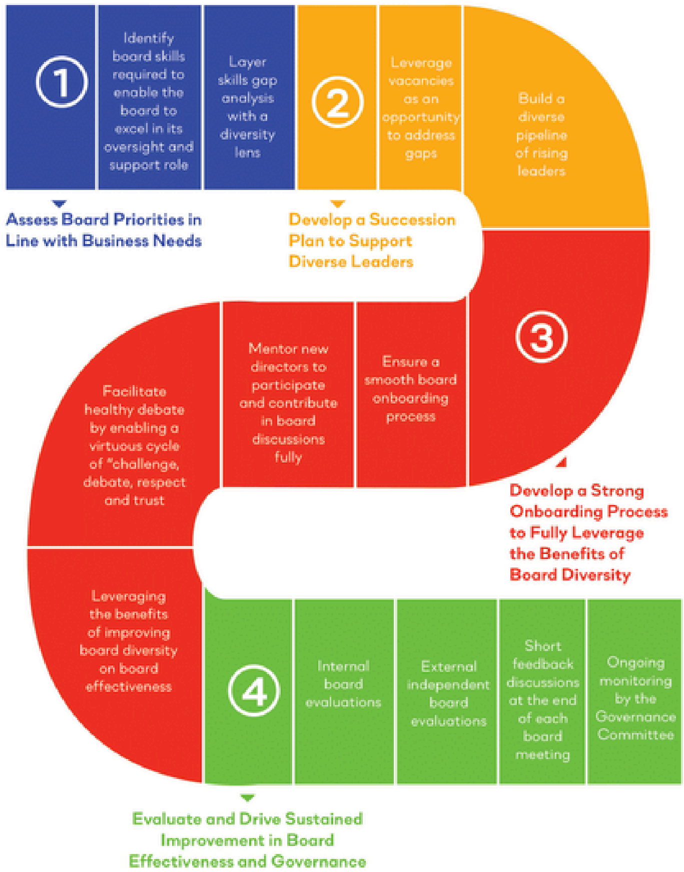
A growing body of research supports the case for gender equality in the workplace. Increasing women's representation in the workplace has a positive impact on company culture and performance. A diverse and inclusive workforce, regardless of size and industry, generates tangible benefits including increased efficiency, enhanced risk management, faster innovation, and improved employee engagement, amongst other factors.

Boards play a unique role in shaping how companies approach gender equity—not only in the policies and priorities they set but also in the quality of their decision-making. Diverse boards help management spot potential blind spots in a company's strategic plan and drive the discovery of new products and services.

BOARD DIVERSITY TOOLKIT

The Board Diversity Toolkit is produced by the Board Diversity Charter, a joint initiative of TheBoardroom Africa and Alitheia Capital, in partnership with Board Excellence. The Charter is a call for leading corporations and small and medium enterprises to demonstrate leadership in gender diversity.

While board diversity has become a common component of highly effective board teams, it can be challenging to start a transition to a genuinely diverse board. The road to achieving diversity may seem daunting for Board Chairs, Nomination Committee Chairs, and CEOs. The following roadmap contains key steps your company can take to implement a successful board diversity and inclusion strategy that will realise tangible business results.



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