

2023

EGYPT WOMEN ON BOARDS OBSERVATORY

ANNUAL MONITORING REPORT
HIGHLIGHTS



The American University in Cairo

School of Business



AACSB
ACCREDITED



ASSOCIATION
OF
AMBA
ACCREDITED



EFMD
EQUIS
ACCREDITED



AUC School of Business
AUC Avenue, P.O. Box 74,
New Cairo 11835, Egypt



womenonboards@aucegypt.edu



Egypt Women on Boards Observatory

PARTNER ORGANIZATIONS



وزارة التخطيط والتنمية الاقتصادية
Ministry of Planning and Economic
Development



REGIONAL NETWORKS



NATIONAL NETWORKS



ABBREVIATIONS

AIWF	Arab International Women Forum
AUC	The American University in Cairo
AUC BUS	AUC School of Business
BD	Board Director
CBE	Central Bank of Egypt
CEO	Chief Executive Officer
CFO	Chief Financial Officer
COO	Chief Operation Officer
EBRD	European Bank for Reconstruction and Development
EGX	The Egyptian Exchange
FRA	The Financial Regulatory Authority
IFC	International Finance Corporation
ILO	International Labor Organization
KOICA	Korea International Cooperation Agency
MD	Managing Director
NBFS	Non-Banking Financial Sector
NCW	National Council for Women
NED	Non-Executive Director
SIDA	Swedish International Development Agency
UN Women	United Nations Entity for Gender Equality and Empowerment of Women
WoB	Women on Boards

EXECUTIVE SUMMARY

Another milestone towards achieving the 30% women on boards goal was reached in 2023, as per the Women on Boards Annual Monitoring Report sixth edition. The 2023 women on boards indicator reached 23.3% compared to 19.7% in 2022, increasing by a growth rate of 18%, and achieving 3.7% increase in the overall women on boards indicator. All categories sustained an average of 3% annual increase pattern, as realized in the past four years. Maintaining the 3% annual increase will enable the overall women on boards indicator to reach the 2030 goal of 30% women on boards by 2026.

The four categories included in the 2023 report achieved progress in the women on board representation. The non-banking financial sector (NBFS) companies are key contributors to the overall indicator with, 25.2% women on boards percentage in 2023 compared to 22% in 2022 and with a growth rate of 15%. The EGX-listed companies also improved, reaching 21.7% in 2023 compared to 17.3% in 2022 and marking a growth of 25%. The banking sector women on boards percentage also increased from 16.5% in 2022 to 18.7% in 2023, with a growth rate of 13.2%. Finally, the public enterprise sector realized an improvement, reaching 12% in 2023 compared to 9.3% in 2022 and marking a growth rate of 29%.

The 2023 annual monitoring report results include the gender information and data of almost 1000 companies and banks, with 237 EGX listed companies, 33 banks, 660 NBFS companies, and 73 public enterprise companies (holding and affiliate companies). The number of companies and banks witnessed minor changes between 2022 and 2023, except for the public enterprise companies. This sector witnessed significant changes in recent years due to the implementation of reform and merger measures, which contributed to the decrease in the number of holding and affiliate companies. In March 2023, a presidential decision was issued, transferring the ownership of Misr Insurance Holding to the Sovereign Fund of Egypt (TSFE), leading to a significant drop in the number of holding and affiliate companies, reaching only 73 companies in 2023.

A positive enhancement has been observed in the total number of women on boards of the four categories included in the 2023 report. The number of women on boards of EGX-listed companies increased significantly from 324 in 2022 to 425 in 2023, and a positive growth rate of 31%. The women on boards of the banking sector increased from 54 in 2022 to 59 in 2023, with 13.2% growth rate. The number of women on boards of public enterprise companies slightly declined by only one woman between 2022 and 2023, reaching 43 in 2023. On the other hand, the number of women on boards of the non-banking financial sector has also realized significant growth, increasing from 924 in 2022 to 1072 in 2023.

The 2023 distribution of companies and banks by the number of women on boards emphasized a substantial increase in the number of companies and banks with two women on board, where the percentage share of companies and banks with two women on board accounted for almost half of the companies in 2023. This shift reflects the effective compliance with regulators' decrees and decisions, necessitating the placement of two women on boards. In 2020, the FRA issued a raft of rules that support and promote more gender-balanced boards. These rules were further complemented with decree No. 109 of 2021, stating the necessity of having a women representation of 25% or at least two women on the boards of EGX-listed companies. In addition to decree No. 110 of 2021, it was obligating having a women representation of 25% or at least two women board members on the boards of the non-banking financial sector. The Central Bank of Egypt has also issued a decision in 2021 stating the necessity of having at least two women members on the banks' boards, effective 2021.

On the other hand, companies and banks with zero women on board followed diminishing trends across the four categories. The percentage of EGX-listed companies with zero women on board decreased from 10.2% in 2022 to only 4.2% in 2023. The banking sector's also declined from 8.8% in 2022 to 3% in 2023. Moreover, the non-banking financial sector (NBFS) companies with zero women on board reached 10.2% in 2023 compared to 15.1% in 2022. The public enterprise companies with zero women on board slightly increased from 52.4% in 2022 to 54.8%.

KEY TAKEAWAYS 2023

23.3%

WoB
Indicator

The 2023 Women on Boards Indicator reached **23.3%** compared to 19.7% in 2022 and 16.7% in 2021.

1563

Number of
Women on Boards

The total number of women on boards of companies and banks in 2023 is **1563** compared to 1320 women in 2022, marking a growth rate of 18%.

455

WOMEN

Total Gap of
Women on
Boards Until
2030

The **total estimated gap to reach the 2030 strategy target by 2023 is 455 women**. 161 women in EGX listed companies, 35 women in banks, 70 women in public enterprise companies, and 189 women in non-banking financial sector companies until 2030.

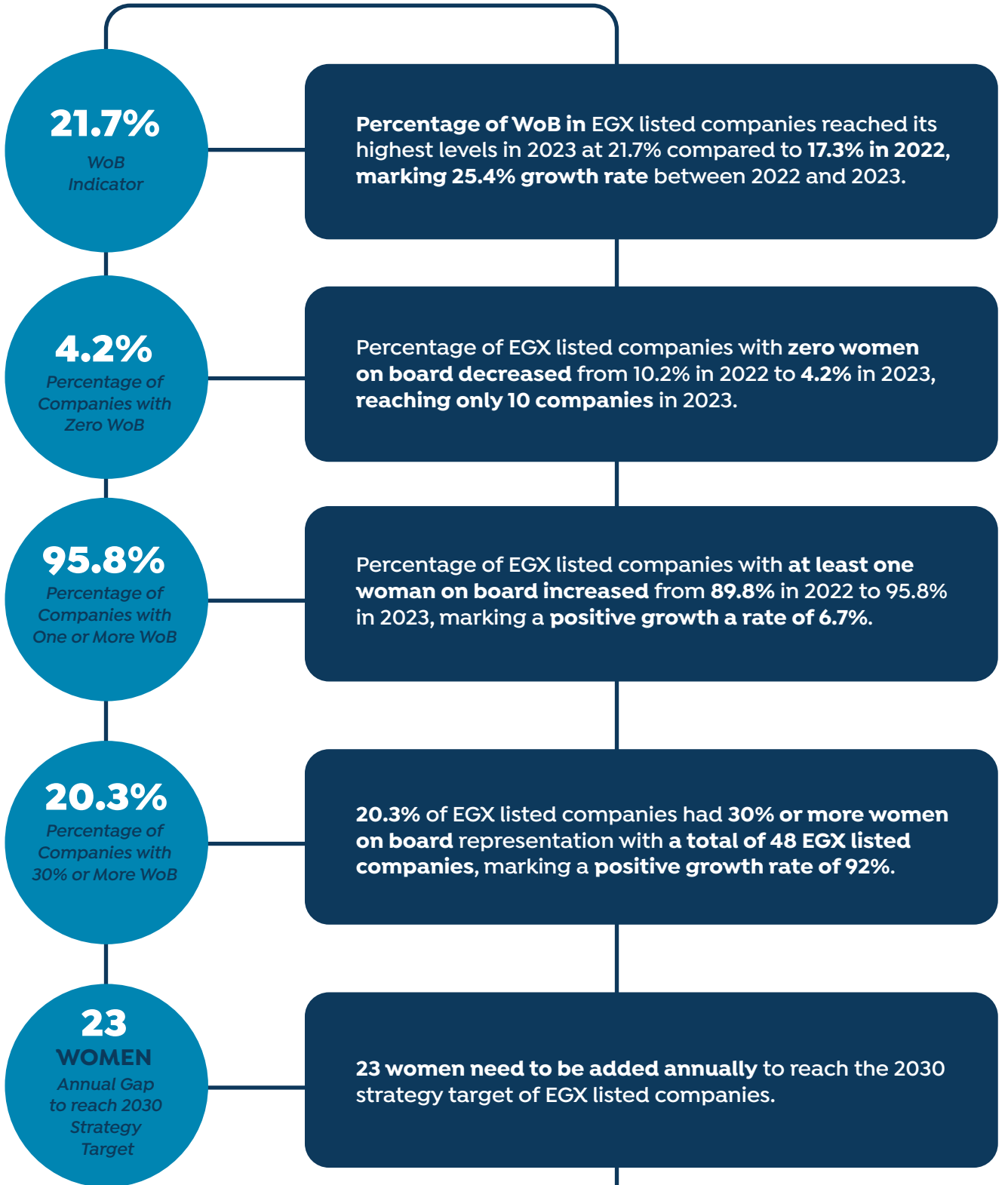
+65

WOMEN

ANNUALLY
To Reach 2030
Strategy
Target

An estimated annual gap of **65 women** need to be added on boards of companies and banks to reach the **2030 strategy target**. 23 women in EGX listed companies, 5 women in banks, 10 women in public enterprise companies, and 27 women in non-banking financial companies.

THE EGYPTIAN EXCHANGE KEY TAKEAWAYS 2023



THE BANKING SECTOR KEY TAKEAWAYS 2023

18.7%

WoB
Indicator

Percentage of WoB in the banking sector increased to 18.7% in 2023, compared to 16.5% in 2022, marking a 13.2% growth rate between 2022 and 2023.

3%

Percentage of
Banks with Zero
WoB

Percentage of banks with zero women on board decreased dramatically in number by almost 67% between 2022 and 2023, reaching only one bank in 2023 of total banks.

97%

Percentage of
Banks with One or
More WoB

Percentage of banks with at least one WoB increased from a share of 91.2% in 2022 to 97% in 2023, marking a growth rate of 6.5%.

15.2%

Percentage of
Banks with 30% or
More WoB

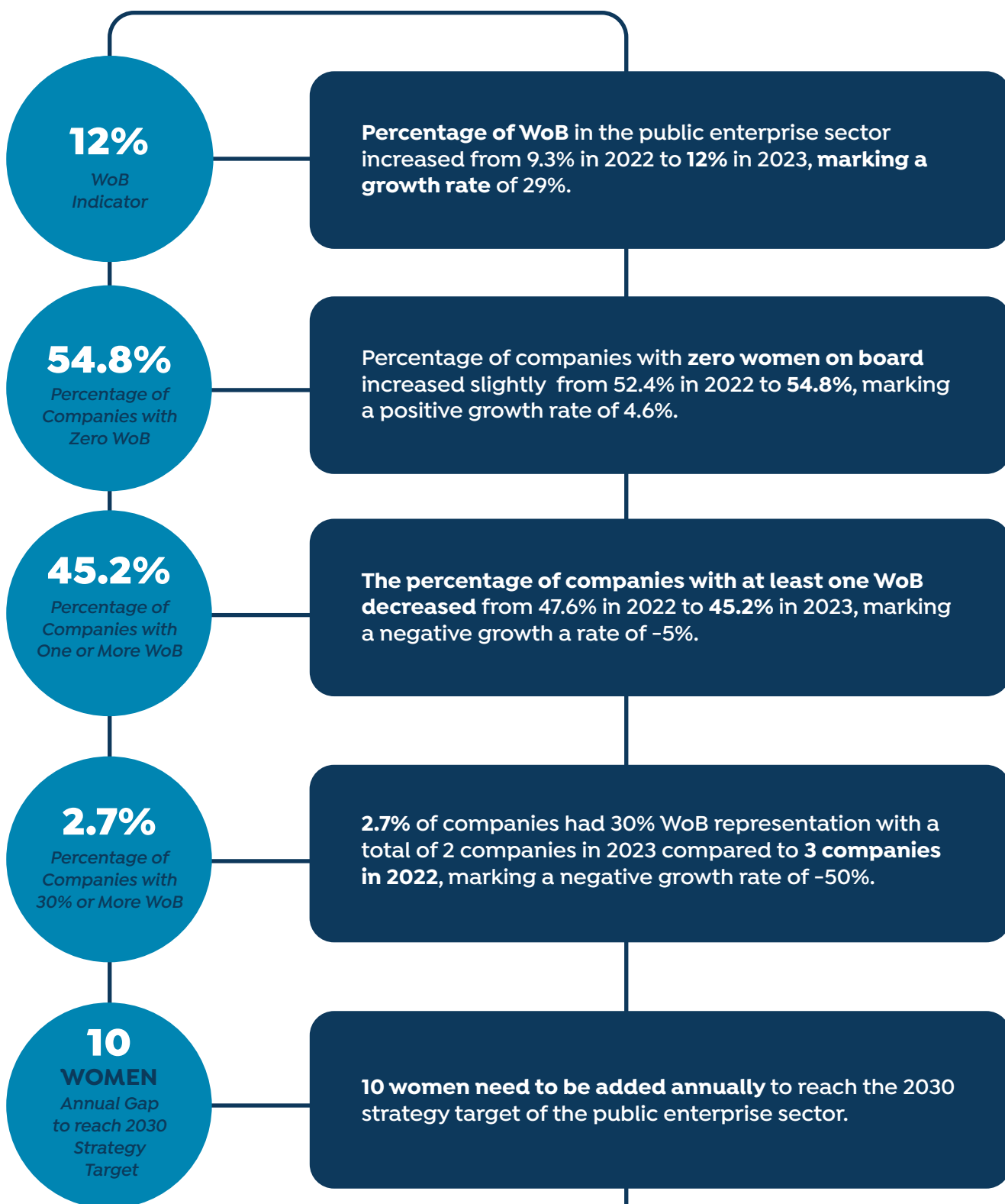
15.2% of banks met the goal of having 30% WoB, with a total of five banks, marking a growth rate of 25%.

5

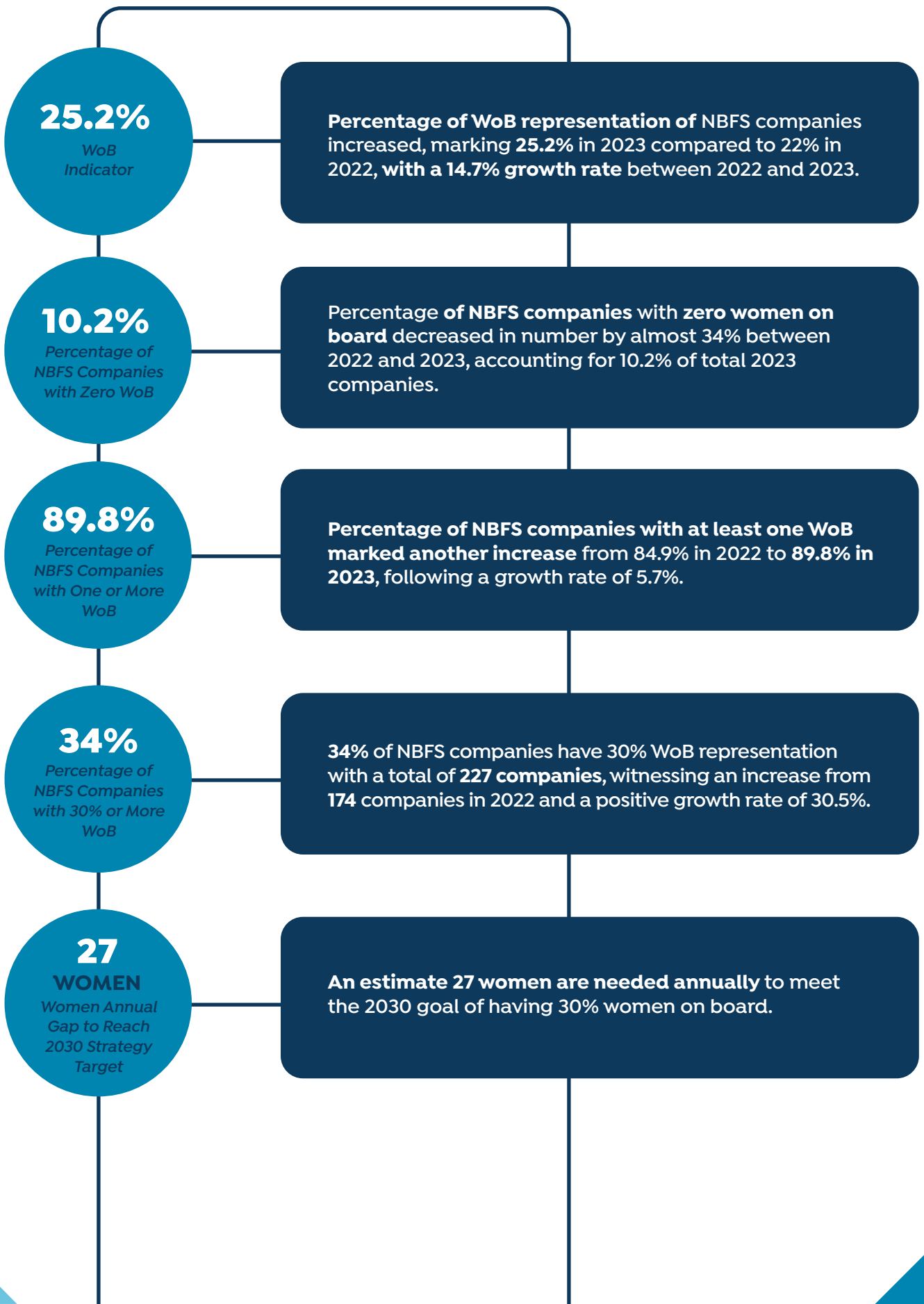
WOMEN
Annual Gap
to reach 2030
Strategy
Target

An estimate of five women need to be added annually to reach the 2030 strategy target of having 30% WoB.

THE PUBLIC ENTERPRISE SECTOR KEY TAKEAWAYS 2023



THE NON-BANKING FINANCIAL SECTOR (NBFS) KEY TAKEAWAYS 2023



WOMEN ON BOARDS BY CATEGORY 2023

The table below demonstrates the women on boards (WoB) indicator marked in 2023 by each category included in the report. The non-banking financial sector (NBFS) is still the leading category in size, number of women on boards, and percentage of women on boards. Its percentage hiked, achieving a 25.2% WoB in 2023. It is still the closest to achieving the 30% goal before 2030, followed by EGX listed companies at 21.7%, the banking sector at 18.7%, and the public enterprise sector at 12%. All categories observed positive enhancements in placing more women on boards and in terms of percentage of WoB.

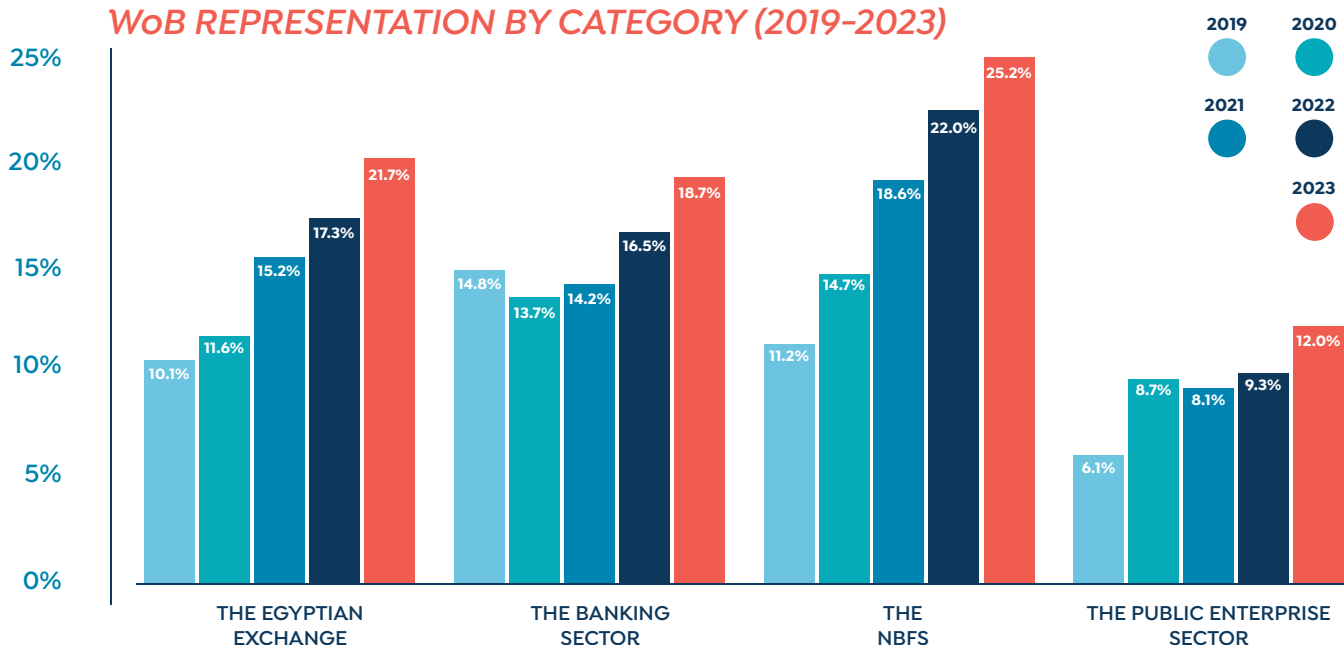
WOMEN ON BOARDS OF COMPANIES AND BANKS BY CATEGORY 2023

	The Egyptian Exchange	The Banking Sector	The NBFS	The Public Enterprise Sector
Number of Companies	237	33	660	73
Number of Women Board Members	425	59	1072	43
Number of Men Board Members	1536	257	3176	316
Total Number of Board Members	1961	316	4248	359
Percentage of Women Board Members	21.7%	18.7%	25.2%	12%

WOMEN ON BOARDS BY CATEGORY (2019-2023)

This section emphasizes the positive progress achieved across all categories from 2019 to 2023 regarding WoB percentage. The progress achieved annually varied across categories, as illustrated in the chart below. The public enterprise companies achieved the highest WoB percentage growth rates among the four categories, with a growth rate of 29%, followed by the Egyptian Exchange listed companies WoB percentage, which increased by 25%, the banking sector by 13.2%, and finally NBFS companies by 14.7%.

WoB REPRESENTATION BY CATEGORY (2019-2023)



2023 WOMEN ON BOARDS INDICATOR

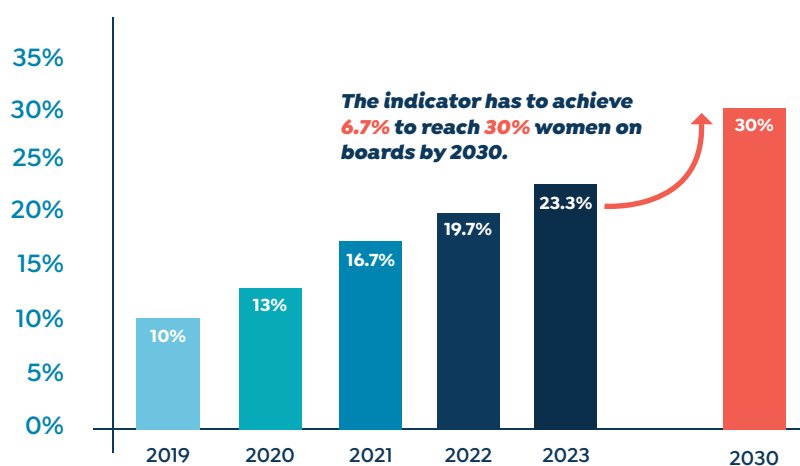
The 2023 WoB indicator marked 23.3%, witnessing a significant increase of 3.6% in one year and a growth rate of 18%. The overall WoB indicator has more than doubled in five years, increasing from 10% in 2019 to 23.3%, its highest level in 2023.

The women on boards indicator progressed annually, from 10% in 2019 to 13% in 2020, 16.7% in 2021, 19.7% in 2022, and finally 23.3% in 2023, achieving a cumulative growth rate of 133%.

The WoB indicator is left with 6.7% to be achieved in the upcoming seven years to meet the 30% goal.

Sustaining a consecutive WoB indicator's growth pattern of an average of 3% annually in the upcoming years will enable the categories to reach the 30% target by 2026.

WOMEN ON BOARDS INDICATOR (2019-2023)



The breakdown of the number of women on boards by category is presented in the table below. The NBFS companies are the main contributors to the indicator's development and the leading drivers behind the accomplished enhancement in the overall women on boards indicator.

NUMBER OF WOMEN ON BOARDS BY CATEGORY 2023

	Number of Women on Boards	Total Number of Board Members
The Egyptian Exchange ¹	389	1782
The Banking Sector	59	316
The NBFS ²	1072	4248
The Public Enterprise Sector ³	43	359
Total	1563	6705
2023 WoB Indicator	23.3%	

Note: Duplicate companies across studied categories were deducted while calculating the WoB indicator.

*1 -11 banks deducted from EGX listed companies to avoid duplication with the banking sector.

*2 -EGX listed companies are deducted from NBFS to avoid duplication, as well as companies with zero, one and two board members.

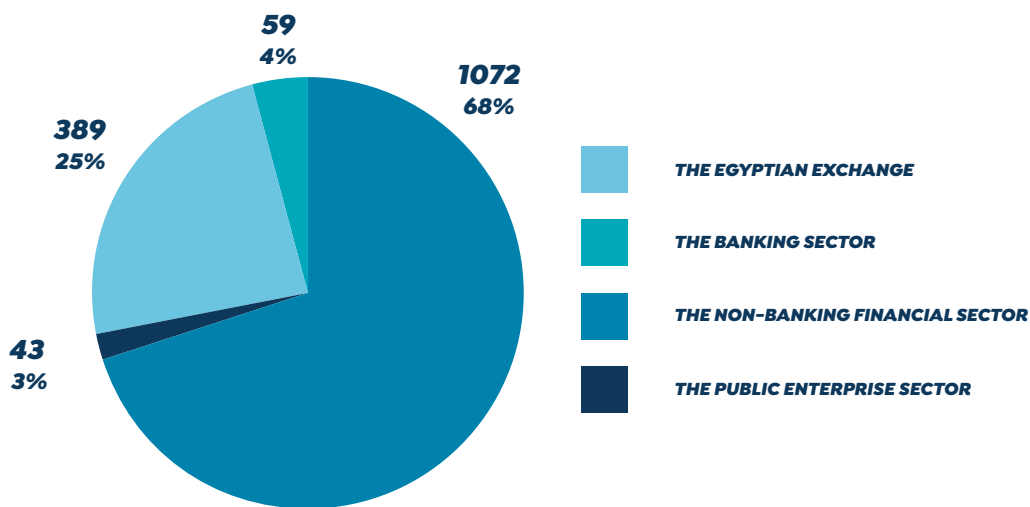
*3 -10 public sector enterprises were deducted to avoid duplication with EGX listed companies.

WOMEN ON BOARDS INDICATOR MARKED 23.3% IN 2023 COMPARED TO 19.7% IN 2022.

DISTRIBUTION OF WOMEN ON BOARDS BY CATEGORY 2023

The graph below illustrates the distribution of women on boards by category in 2023, indicating the dominance of women on boards of NBFS companies, accounting for 68% and a total of 1072 women, followed by the Egyptian exchange, accounting for 25% and 389 women, the banking sector, accounting for 4% and 59 women of the total recorded women on boards. Finally, the public enterprise sector had only 43 women, accounting for 3%.

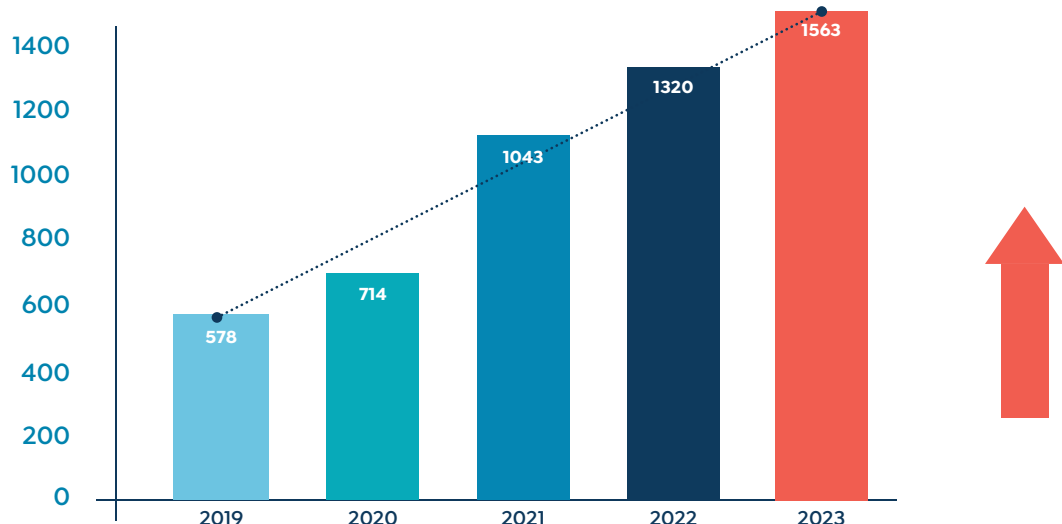
WOMEN ON BOARDS BY CATEGORY 2023



GROWTH PATTERN IN THE NUMBER OF WOMEN ON BOARDS (2019-2023)

The number of women on boards has increased progressively from 2019 to 2023, with a cumulative annual growth rate of 170.4%. The total number of women observed an additional significant incline in number of women on boards in 2023, following a positive 18% growth rate and reaching 1563 women in only one year.

NUMBER OF WOMEN ON BOARDS (2019-2023)



WAY FORWARD

The total estimated gap needed to meet the 2030 goal in the coming seven years is 455 women in 2023. This estimated figure witnessed a decline in comparison to 692 in 2022, reflecting an improvement in getting closer towards meeting the 30% goal. 161 women in EGX listed companies, 35 women in banks, 70 women in public enterprise companies, and 189 women in non-banking financial sector companies are needed to join boards until 2030.

THE ANNUAL GAP OF WOMEN ON BOARDS TO REACH THE 2030 TARGET (2019-2023)

An estimated annual gap of 65 women needs to be placed on boards of companies and banks to reach the 30% goal within the upcoming seven years. 27 women need to be placed annually on boards of NBFS companies, 23 on boards of EGX listed companies, 10 on boards of public enterprise companies, and five on boards of banks.

The annual estimated gap has been following a decreasing pattern from 113 in 2019, reaching its lowest level at 65 in 2023, with a negative growth rate of -24.4% between 2022 and 2023.

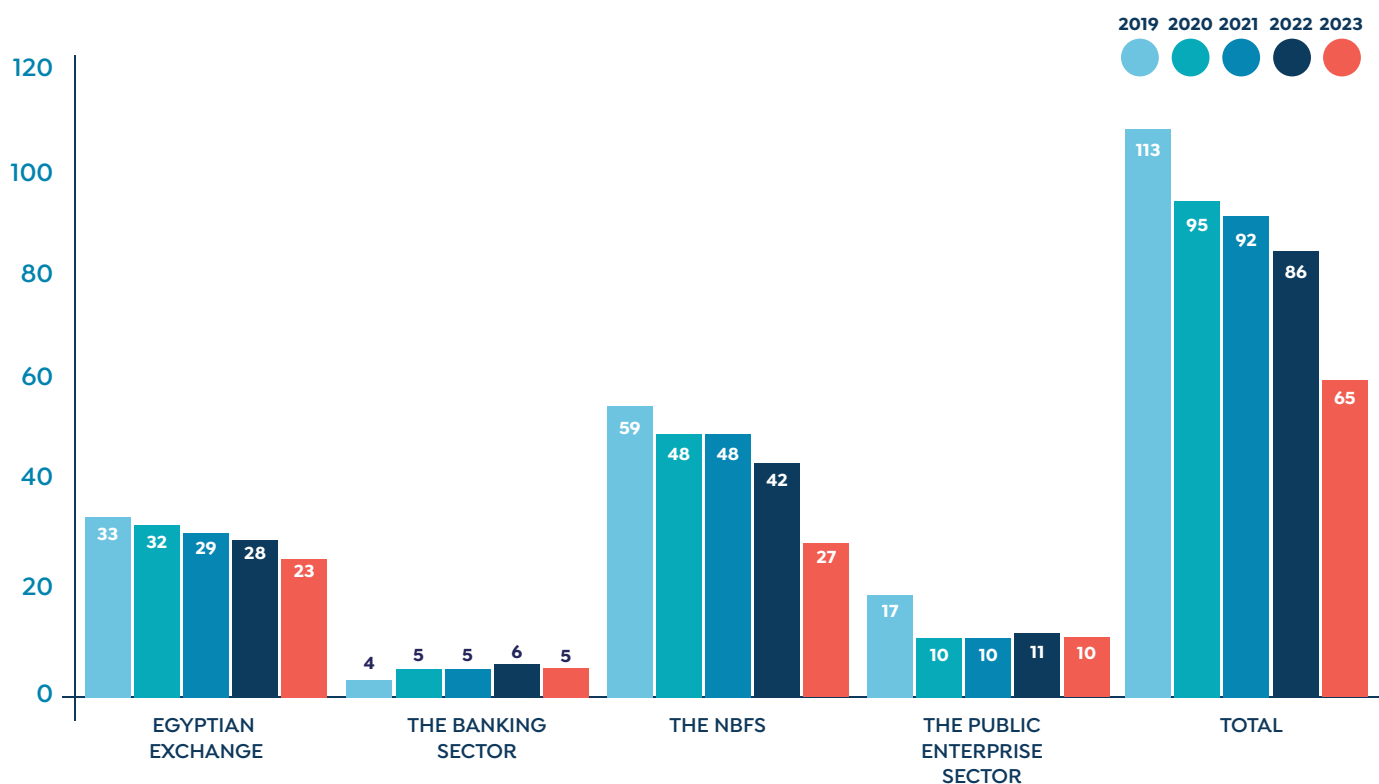
TOTAL GAP BY CATEGORY TO REACH 30% WoB BY 2030

	Total Gap To Reach 2030 Goal	Annual Gap To Reach 2030 Goal	Newly Introduced Women on Boards
The Egyptian Exchange	161	23	101
The Banking Sector	35	5	5
The NBFS	189	27	148
The Public Enterprise Sector	70	10	-1
Total	455	65	253

Note: Calculations are based on the total number of board members in 2023.

The Annual estimates of women required to be placed on boards to meet the 30% goal by 2030 have observed declines across the four categories between 2022 and 2023, The NBFS observed declines from 42 to 27, the Egyptian Exchange from 28 to 23, the banking sector witnessed a decrease from 6 to 5 women needed annually. Finally, the public enterprise sector witnessed another decrease from 11 in 2022 to 10 in 2023. Reflecting positive progress achieved by the four categories towards achieving the 30% goal by 2030.

ANNUAL GAP TO REACH 30% WOMEN ON BOARDS (2019-2023)



STATISTICAL ANALYSIS OF WOMEN ON BOARDS BY CATEGORY 2023

The table below demonstrates women on boards by category, number of companies and banks, and the average and maximum number of women on boards per board.

The highest average number of women per board in 2023 is marked in the banking sector and the Egyptian exchange, with 1.8 per board, respectively. On the other hand, the lowest average number of women per board is recorded in the public enterprise sector by 0.6. The average number of women per board across all four categories improved in comparison to 2022.

The maximum number of women per board was marked in the NBFS and the Egyptian Exchange, with five women on board for each in 2023.

	The Egyptian Exchange	The Banking Sector	The NBFS	The Public Enterprise Sector
Number of Companies	237	33	660	73
Number of Women Board Members	425	59	1072	43
Average Number of Women Per Board 2023	1.8	1.8	1.6	0.6
Average Number of Women Per Board 2022	1.4	1.6	1.4	0.5
Maximum Number of Women Per Board 2023	5	4	5	2
Maximum Number of Women Per Board 2022	5	4	6	2

Note: the minimum number of women on boards across all four categories is (0).

REPRESENTATION OF WOMEN ON BOARDS BY CATEGORY 2023

The table below illustrates the percentage distribution of companies and banks by number of women on boards, the share of 30% or more, and percentage of women on boards by category.

The highest percentage of women on boards was attained among the NBFS companies, followed by the Egyptian Exchange, with 25.2% and 21.7%, respectively. The lowest percentage of women on boards is marked in the public enterprise sector, with 12%.

On the other hand, the lowest percentage of zero women on board was marked in the banking sector and the Egyptian exchange, with 3% and 4.2%, respectively, showing enhancements towards having at least one woman on board.

Categories with the highest percentage of one woman on board were marked in the banking sector and NBFS, with 36.4% and 30%, respectively.

The highest percentage of the two women on board was marked in the Egyptian exchange at 56.5% and the NBFS at 49.5%.

Companies with three or more women on board marked the highest in the banking sector and the Egyptian exchange, with 15.2% and 12.2%, respectively. The public enterprise sector has no companies with three or more women on board since 2020.

Companies and banks with 30% or more women on board marked the highest percentage in the NBFS and the Egyptian exchange, with 34% and 20.3% of total, respectively.

	The Egyptian Exchange	The Banking Sector	The NBFS	The Public Enterprise Sector
Percentage of Women on Boards	21.7%	18.7%	25.2%	12.0%
Zero Women on Board	4.2%	3.0%	10.2%	54.8%
One Woman on Board	27.0%	36.4%	30.0%	31.5%
Two Women on Board	56.5%	45.5%	49.5%	13.7%
Three or More Women on Board	12.2%	15.2%	10.3%	-
30% or More Women on Board	20.3%	15.2%	34%	2.7%

DISTRIBUTION OF COMPANIES AND BANKS BY NUMBER OF WOMEN ON BOARDS (2019 -2023)

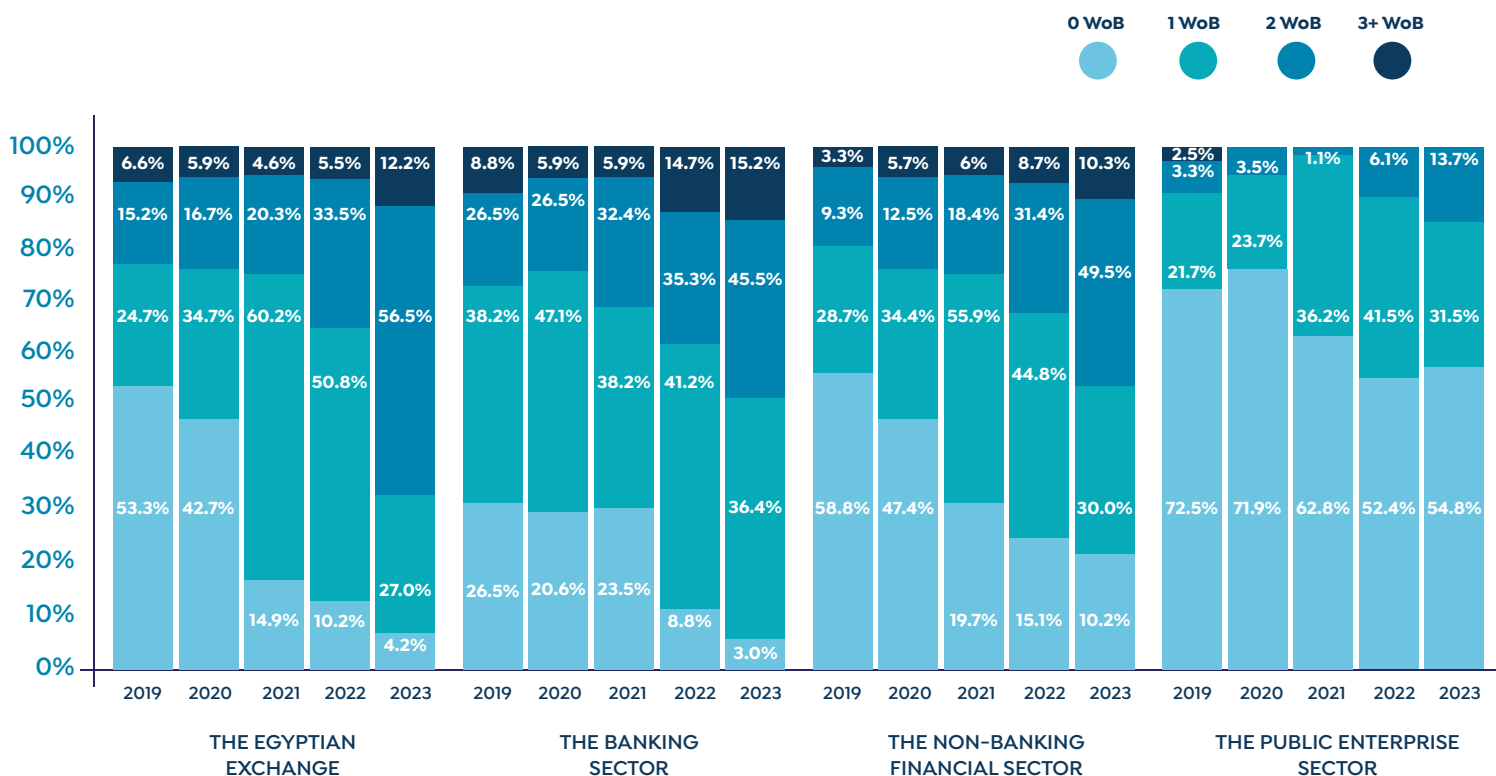
The progress in the distribution of companies and banks by the number of women on boards across the four categories from 2019 to 2023 is demonstrated in the chart below. The main theme observed in 2023 is the significant increase in the number of companies and banks with two women on board, which aligns and shows compliance with the decrees issued by FRA and CBE regarding the placement of two women on boards.

The percentage of companies and banks with zero women on board continues to follow a diminishing trend in the four categories except for the public enterprise sector, with the highest rates of decline and improvements marked in both the Egyptian exchange and banking sector, declining from 53.3% to 4.2% and from 26.5% to 3% between 2019 and 2023 respectively. However, the percentage of zero women on board is still persistent in the public enterprise sector. Although declines were witnessed, it stood at relatively the highest levels compared to the other categories.

The percentage of one woman on board followed stable positive patterns across all studied categories between 2019 and 2022. On the contrary, in 2023, all four categories witnessed drops in the percentage, with the highest drops marked in the Egyptian exchange and the NBFS by -47% and -33% between 2022 and 2023.

The percentage of companies and banks with two women on board has substantial enhancements in 2023; the Egyptian exchange, the banking sector, and NBFS have, on average, half of their companies/banks with two women on board in 2023. These hikes in the percentage share of two women on board reflect companies' commitment to comply with the decrees issued by FRA and the CBE, necessitating the placement of two women on boards.

Finally, the percentage of three or more women on board followed a positive stable growth rate between 2019 and 2023, marking the highest shares in the banking sector, with 15.2% in 2023 compared to 8.8% in 2019. The percentage of companies with three or more women on board in the NBFS tripled from 3.3% to 10.3% between 2019 and 2023, while in the Egyptian Exchange, the percentage of companies doubled from 6.6% in 2019 to 12.2% in 2023. As mentioned, no companies have had three or more women on board in the public enterprise sector since 2020.



ABOUT 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. Egypt Women on Boards Observatory is recognized as a specialized observatory within the framework of the National Council for Women, Egyptian Women Observatory, and 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 organizations, and non-government organizations.

The observatory received the [2022 Innovations That Inspire Award](#) from AACSB, and [the AMBA & BGA Excellence Awards 2022/23](#)

PARTNER ORGANIZATIONS

- The Ministry of Public Enterprise
- The Ministry of Planning and Economic Development
- The Financial Regulatory Authority (FRA)
- The National Institute for Governance and Sustainable Development (NIGSD)
- The Egyptian Exchange (EGX)
- The National Council for Women (NCW)
- UN-Women in Egypt
- The Sweden International Development Cooperation Agency (SIDA)
- Korea International Cooperation Agency (KOICA)
- The International Finance Corporation (IFC) in Egypt
- The European Bank for Reconstruction and Development (EBRD) in Egypt
- The Women in Business Committee of the American Chamber of Commerce in Egypt
- The Women and Memory Forum

REGIONAL NETWORKS



ARAB WOMEN INTERNATIONAL FORUM

The Arab International Women's Forum was founded in London in 2001 by Haifa Al Kaylani to support women's economic empowerment and leadership and advance youth engagement in the MENA region and globally. Working closely with their [Global Partners](#), collaboratively with their international institutional partners, and across cultures with their global member base, AIWF facilitates multi-stakeholder dialogue and drives action to help women and young leaders unlock their full potential and exercise their agency in the MENA Region through education, economic empowerment, and leadership development.



30% CLUB MENA

The Women on Boards Observatory is a member of the 30% Club MENA. The 30% Club MENA is one of the global chapters of the UK-based 30% Club, which launched in London in 2010 with a goal of achieving 30% women on FTSE 100 boards by the end of 2015 (that goal was met in 2018). The 30% Club is a voluntary campaign driven by multi-sector business leaders working together to increase the participation of women on boards and in C-Level and Executive positions. With 14 chapters globally, the 30% Club has over 160 members representing multinational organizations, educational institutions, family-owned businesses, and governments. The Women on Boards Observatory, in partnership with the 30% Club, is working to emulate the model across selected countries in the region in 2020.



TheBoardroom AFRICA

The Women on Boards Observatory signed an MoU with The Boardroom Africa. The Boardroom Africa (TBR Africa) promotes exceptional female talent to boards across the continent. They break down barriers to help organizations realize the benefits of increased diversity on boards by accelerating the placement of female board directors. TBR Africa connects peer-endorsed, board-ready women with CEOs and Board Executives across Africa for access to the board and investment committee service.

NATIONAL NETWORKS



BUSINESS WOMEN OF EGYPT 21 (BWE21)

BWE21 is a national platform for economic development, attracting partners and donors to design and implement national and international business initiatives to serve the growth of Egyptian businesswomen. Members come from a wide range of business backgrounds. They seek to positively impact businesswomen, and the Egyptian economy through their business development services, networking and international partnerships. They help women by developing their skills and strengthening their economic power for their career growth.



TOP 50 MOST INFLUENTIAL WOMEN FORUM

The Forum acts as a growing network of Egypt's most influential women in business, who are committed to a holistic approach to empowering women and strengthening their decision-making power and participation in the country's reform processes. Today, the Top 50 Women Forum has a current membership of over 200 most prominent and influential female ministers and executives in Finance, Banking, Investment, Trade, Tourism, Technology, Media, etc. By 2019, the Forum plans to include prominent women leaders in the Middle East and North Africa.

FLAGSHIP ACTIVITIES

WOMEN ON BOARDS ANNUAL MONITORING REPORT

The report presents annual progress achieved in women on boards representation in different categories and provides an indicator for Women on Boards in Egypt. The report also identifies estimates of the gap of women on boards needed to be filled in the categories under study to meet the 2030 strategy goal of having 30% women on boards.

EGYPTIAN BOARD READY WOMEN DATABASE

The Egyptian Board Ready Women database is designed to support women's placement on companies' boards based on their expertise. The database currently hosts records of women already serving on public and private company boards and candidates ready to be placed, with their economic sectors, areas of expertise, educational background, and other parameters. The database is supported by UN Women in Egypt⁴.

[Candidates and skilled Women can join this database by completing an online membership form.](#)

BOARD PLACEMENT SERVICE

The Women on Boards Observatory helps place and promote female talents on boards and connects board-ready women with CEOs and Board Executives using the Egyptian Board Ready Women database. A board placement service is offered to companies across several sectors, encouraging them to realize the benefits of increased board diversity.

[Companies can fill out an online board placement request form to receive this service.](#)

CAPACITY BUILDING AND AWARENESS

Awareness and training activities are carried out for both male and women board members, as well as women in the pipeline for board membership. Programs are conducted with regional and international partners such as, the Financial Regulatory Authority, FRA, European Bank for Reconstruction and Development, EBRD, UN Women in Egypt and the International Finance Corporation, IFC, in Egypt.

⁴ - This activity falls within the partnership of UN Women Egypt and the AUC-WOB Observatory within the framework of the UN Women and the International Labour Organization (ILO) regional joint programme "Decent Work for Women" with the support of the Swedish International Development Cooperation Agency (Sida), and the UN Women's programme "Women's Economic Empowerment in Egypt" with the support of the Korean International Cooperation Agency (KOICA). These programmes are implemented in partnership with the National Council for Women (NCW), Ministry of Labor, and Ministry of International Cooperation.

THE NATIONAL STRATEGY FOR THE EMPOWERMENT OF EGYPTIAN WOMEN 2030

The National Strategy for the Empowerment of Egyptian Women 2030, which adopts a rights-based approach and is grounded in the SDGs and Egypt's Sustainable Development Strategy 2030, was endorsed by the President in March 2017. The strategy promotes the leadership roles of women and holding key positions in public institutions and companies, setting the target for women in senior management posts by 2030 at 30%. This target is closely aligned with the global 30% coalition movement for women on boards. Research shows that three women on a board are the "critical mass" that normalizes the presence and voice of women on boards.

One woman is a token, two is presence, three is voice.⁵

ABOUT THE EGYPTIAN EXCHANGE (EGX)

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.

*5 - Terjesen et al, 2009.

EGX INDICES

EGX30 Index includes the top 30 companies in terms of liquidity and activity. The index is weighted by the adjusted free-floated market capitalization.

EGX30 avoids concentration on one industry/sector and, therefore, has a good representation of various industries/sectors in the economy.

EGX 70 Equally Weighted Index (EGX70EWI) includes the top 70 companies in terms of liquidity and activity after excluding the constituents of EGX30. EGX70 avoids concentration on one industry, therefore, has a good representation of various industries/ sectors in the economy.

EGX100 Equally Weighted index (EGX100EWI) tracks the performance of the top 100 companies in terms of liquidity and activity, which includes the constituents of EGX30, and the constituents of EGX70 EW.

EGX Indices avoid concentration on one industry and therefore provide a good representation of the various industries/sectors in the economy.

The S&P/EGX ESG provides investors with exposure to 30 of the best-performing.

Stocks in the Egyptian market as measured by environmental, social, and governance parameters.

The index measures environmental, social, and corporate governing practices based on quantitative rather than subjective factors with the implementation of a unique and innovative methodology standardized by S&P Indices.

EGXSMEs is the first SME market launched in the MENA region to provide a platform for growing medium and small enterprises to access finance and to help them grow their businesses, increase their competitiveness, and raise their contribution to economic growth.



EGX INITIATIVE TO ENCOURAGE LISTED COMPANIES TO DISCLOSE THEIR TARGETS FOR WOMEN REPRESENTATION

Bloomberg, the Egyptian Exchange (EGX), the 30% Club MENA, and the Women on Boards observatory at The American University in Cairo (AUC) School of Business have invited listed companies in Egypt to submit their gender-related data via The Bloomberg Gender-Equality Index (GEI) Reporting Framework on July 8, 2021.

(EGX) encouraged Egyptian listed companies to disclose their targets for female representation publicly and routinely report on progress.

The Bloomberg GEI is an important tool for companies to evaluate internal practices, providing a benchmark of gender equality performance against peers. Companies complete a comprehensive survey that measures improvements in gender equality across five dimensions: female leadership and talent pipeline; equal pay and gender pay parity; inclusive culture; anti-sexual harassment policies; and pro-women brand. By providing a standard for these disclosures, the GEI helps bring transparency to gender-related practices and policies at publicly-listed companies and increases the breadth of social and governance data available to investors.

▶ ABOUT THE BANKING SECTOR

The Central Bank of Egypt operates according to the provisions of law no 88 of the year 2003, promulgating the law of “The Central bank, the banking sector, and money” with the objective of ensuring the safety and soundness of the banking system and undertaking any tasks or taking any measures required for applying the monetary, credit and banking policies, as well as for guaranteeing the soundness of bank credit.

The central bank takes the means with which it ensures the realization of its objectives and the discharge of its functions. This includes supervising the units of the banking sector, setting the regulatory and supervisory standards to guarantee the sound financial positions of banks and their efficient performance, as well as issuing the necessary decisions for their implementation and evaluating the efforts exerted regarding guaranteeing the soundness of bank credit and ensuring the application of standards of credit quality and financial soundness with due regard to international banking norms.

▶ CBE INITIATIVES TO ENHANCE WoB REPRESENTATION

The Central Bank of Egypt issued a decision in 2021 stating the necessity of having at least two women members on the banks’ boards, effective 2021.

▶ ABOUT PUBLIC ENTERPRISE SECTOR

In light of the Presidential Decision No. 127 of 2016, under which the Ministry of Public Business Sector was established, and the decision of the Prime Minister No. 873 of 2016 to organize the Ministry of Public Business Sector. As per these decisions, the Ministry is in charge of managing the state investments owned by the public business sector companies affiliated with it, supervising these companies, following up and evaluating the results of its work, and presenting periodic reports to the Council of Ministers.

To achieve its goals, the Ministry will be responsible for drawing the general policy of the Ministry within the framework of the goals set for it and developing plans to achieve those goals in coordination with the various state agencies, following up the implementation of these plans and evaluating their results.

THE MINISTRY'S STRATEGY TO REFORM AND DEVELOP ITS SUBSIDIARIES

The ministry developed a reform plan for restructuring public enterprise companies by sorting and classifying them into three main groups detailed below and analyzing their current conditions in preparation for the formulation of a plan for their development. It is worth noting that the financial reform plan for companies was based on repaying debts based on the untapped assets that were counted and determining what can be used to settle corporate debts towards government agencies and what can be allocated to finance the required development in companies. These three main groups are:

1. Companies suffering from increasing losses and deteriorating productivity due to the obsolescence of machines, mismanagement, and failure to consider economic factors in pricing, production, and sale. These companies contribute to a share of 90% of the total losses of the public enterprise sector. The ministry implemented intensified efforts of reform plans to transform 26 of these companies into four industrial sectors: spinning and weaving, metal industries, chemical industries, and pharmaceuticals. These companies are to profitability through one of the five options identified by the ministry to deal with them: complete modernization of factories, complete modernization with the entry of a technical partner, massive overhauls for companies that prove economic feasibility studies for investment in them, or partial or complete closure.
2. Companies that achieve profits and are distinguished by their reasonable profitability and readiness for listing on the stock exchange to revitalize the stock market by providing the necessary liquidity to finance development and increasing the private sector's participation in ownership and boards of directors, thus benefiting from its expertise in developing these companies on a third hand.
3. Companies that achieve profits less than their capabilities and are concentrated in three main sectors:
 - Insurance, for which the ministry has prepared a complete plan for restructuring the activities of subsidiaries, divided into insurance, investment management, and real estate asset management.
 - Tourism and hotels, where the sector owns many hotels and tourism assets that can be better exploited to achieve more profits.
 - Construction sector, the reform plan included a study of merging some contracting companies that benefit from integration in their activities, in addition to developing a strategic plan to ensure that there are clear development plans for more than 50% of the land portfolio of housing companies and start implementing them in accordance with a timetable.

ABOUT THE FINANCIAL REGULATORY AUTHORITY

The Financial Regulatory Authority of Egypt (FRA) was established in accordance with Law No. 10 of 2009. The FRA is responsible for supervising and regulating non-banking financial markets and instruments, including Capital Markets, Futures Exchanges, Insurance, Mortgage Finance, Financial Leasing, Factoring, Securitization, MSME Financing, and Consumer Finance.

The FRA plays a pivotal role in ensuring the stability and integrity of non-banking financial institutions (NBFIs) and boosting their competitiveness to attract further domestic and foreign investments. The FRA is working on mitigating risks emanating from the lack of coordination and tackling problems resulting from the presence of different regulatory approaches.



THE FRA INITIATIVES TO ENHANCE WoB REPRESENTATION OF NBFS (2020–2021)

In 2020 the FRA issued a raft of rules that support and promote more gender-balanced boards. These rules were complemented with the issuance of the following decrees in 2021:

1. Decree No. 109 of 2021: The necessity of having a women representation of 25% or at least 2 women members on the boards of EGX-listed companies.
2. Decree No. 110 of 2021: The necessity of having a women representation of 25% or at least 2 women board members on the boards of NBFIs.