

In the UK, the group's earliest efforts were buoyed by a 2011 government review led by Mervyn Davies on women in the boardroom. The Davies Review called for 25 percent representation by 2015. A follow-up report last year showed the proportion of female FTSE 100 directors had risen from 12.5 to 26.1 percent. All-male boards no longer exist among the FTSE 100. In 2011 there were 21.

"We have been very fortunate in the UK to have had fantastic support from government," says Brenda Trenowden, the 30% Club's Global Chair. "Our founding chairmen have been real and active advocates for the cause, recruiting their peers, and we have had a great deal of support from the media."

Fiona Woolf, former Lord Mayor of the City of London, emphasized in a recent article in *The Guardian* how much work remained to be done. "This is no time to rest on our laurels and think the job is done. The figures of 26 percent ... are still far too low when you consider 47 percent of the workforce and 53 percent of our graduates are female. The figure of 9.6 percent in relation to executive positions shows how much room there is for improvement."

Similarly, Trenowden views the campaign's success as only a first step. "In order to have sustainable change, we need to build a strong pipeline of women to take on executive leadership roles," she says.

Trenowden outlines new 30% Club training initiatives "from schoolroom to boardroom" to help prepare more women for leadership positions. These include a scholarships initiative with Oxford's Saïd Business School and seven others, and programs to inspire young women, such as a partnership with UK charity, Speakers for Schools. The group also aims to encourage more disclosure regarding the development of female executives beneath board level.

Gender diversity on boards is good news not just for women and businesses, but for society as a whole. As the 30% Club's efforts gain momentum on an increasingly global scale, they are helping to deliver change that resonates far beyond the boardroom.

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ILLUSTRATIONS: MIKEY BURTON

USHERS OF DIVERSITY

Nominating committees can determine the pace and success of gender equality at a company, says Brunswick's **GINNY WILMERDING**

The bedrock of any board is the appointment, rotation and retirement of competent directors – tasks handled by the nominating (or nomination) committee. Pressures for diversity are felt most keenly here, as the committee continually looks for the right mix of skills to cope with business challenges and build value.

I serve on the Steering Group for the 30% Club Hong Kong, founded in 2013 in the footsteps of the original UK launch in 2010. Although board diversity encompasses more than gender alone, our mandate is specific: to bring more women on to Hong Kong corporate boards.

One of my fellow Steering Group members is David Eldon, who was formerly Chairman of HSBC Asia Pacific, and currently chairs the nominating committee of Noble Group, an Asian commodity, mining and shipping company.



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David Eldon,
 30% Club, Hong Kong

“Boards in Hong Kong are coming to grips with gender, partly because of the 30% Club raising awareness of the issues,” Eldon says. He cites a 2015 report by Deloitte as evidence that more needs to be done. “We are still only at 11 percent women on boards, compared to 26.1 percent in the UK.”

Pru Bennett, another Steering Group member, leads BlackRock’s Corporate Governance and Responsible Investment Team in Asia. Bennett is disappointed with the level of disclosure on diversity – including gender diversity – among Hong Kong companies. She encourages those who take the effort seriously to open up.

“It’s an opportunity to highlight for investors and stakeholders the positive action your company is taking to build a diverse, competent and fully functioning board,” she says.

Eldon and Bennett both stress the nominating committee’s critical importance in determining the makeup of the board and, more broadly, the company’s success. The best nominating committees have a clearly defined charter that specifies their core responsibilities. Diversity policies, succession planning, identification of competent candidates, performance evaluation and development, assessment of director independence, and oversight of the company’s corporate governance practices all fall within their mandate.

“Nominating committees should be made up of independent directors who are interested to serve and volunteer themselves for the role,” Eldon says. “The committee’s most fundamental mandate is to ensure that the board as a whole has bought into the need for diversity as a way to manage risk and deliver value.”

The very idea of diversity can frighten some conservative boards in Asia, where large companies are often dominated by controlling shareholders (both family and government) and committees tend to defer to strong chairmen. But Bennett feels a braver approach carries significant rewards.

“Recruiting and developing both family and independent directors who go well beyond basic needs is the secret to building a high-performing and effective board,” Bennett says.

Eldon agrees that good leadership requires a variety of opinions. “An enlightened chairman will welcome this sort of advice and guidance,” he says.

Nominating committees need to think long term about how to ensure there is a pool of

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competent and diverse candidates. It is essential to identify talented employees, particularly women, and give them opportunities to develop.

“The nominating committee needs to speak up if a company hasn’t got the right people in the pipeline for the future executive director positions,” Eldon says. “They can advocate for a program whereby standout female candidates and employees are encouraged to learn about the industry or sit on outside boards to build up relevant experience.”

Bennett knows that non-executive directors in Asia are often recruited through trusted relationships rather than executive search firms. This can undermine efforts to diversify board representation and reduce directors’ independence.

While she agrees that “competence is more important than independence,” Bennett says controlling shareholders must not sacrifice independence and diversity for loyalty. Directors must be allowed to show their independence through their actions. “BlackRock’s starting point is that there are no independents until proven otherwise,” she says.

Most boards have needs beyond gender and must enlist all of their resources to fill all those gaps.

“A lot of boards are short on young people, tech-savvy directors and women,” Eldon says. “We need to bring in and then mentor newer directors to help them cope confidently with the role.”

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