



Diversity Czech Republic Women on Board Index 2015



A diverse working environment is more efficient and innovative, enabling employers to integrate talent regardless of age, gender, ethnicity, or nationality. Diversity has its economic benefits, too: 83 % of European companies confirm the positive effects of diversity on business.





The Czech Republic draws from the talent of its people of which about a half are women. 44 % of economically active Czechs are women; women make up over a half of university graduates. Seen from this perspective, the aspect of economic power is crucial here. Women are involved in over 70 % of consumer decisions and companies need to understand them. Last but not least, we have to take into account the purely pragmatic rationale. Companies with a higher representation of women have better economic outcomes, provide better services, and cope more effectively with complex or unfamiliar situations.

Many private companies understand this and implement measures to support women and their representation in governance and top management. Where there's a will there's a way. The number of women in leadership positions within private companies has been increasing, even in the Czech Republic, albeit some consider this to be slow progress. Still, this development does not apply to all companies across all industries. The very opposite trend can be observed in companies listed on the stock exchange or companies largely owned by the state.

"No pain no gain," is the response that some give to a question about why there are so few women represented in companies' top management. Sometimes, however, 'pain' is not enough. Women in our country are often disadvantaged by flaws within the system, one example being the shortage of childcare facilities. Another factor might be apprehension towards female managers. Even though the situation has improved in the past few years, the fact that society needs to help women and men overcome certain obstacles inherent in their upbringing and social conventions still holds true. We can observe lower confidence in women as compared to men with equivalent experience and education, coupled with demanding family responsibilities (caring for children and aging parents). Also, women do not put themselves forward when it comes

to promotions; they have fewer connections with the top management. As one CEO of a large production company put it in a discussion with European Commissioner Věra Jourová: "The situation will not change unless you involve men into the solution. It is up to men to send out signals to women that they are wanted in the top management and to understand that family is a shared value."

Therefore it is much more effective for companies to adopt a comprehensive diversity strategy, one of openness towards diverse ages, genders, nationalities, minorities et cetera. Such a strategy will facilitate an understanding of the link between effective management, innovations, sustainability and the integration of measures which change the overall corporate culture and combat prejudices. It is up to the government to clearly state that we are not faced with a war of the genders. The latest trends in the Czech Republic show that it is high time the state acknowledged companies which promote and achieve diversity within their management. Without clearly declaring such an attitude, any attempts at promoting diversity will be perceived as undesired tendencies supported from Brussels. If we agree on a goal, we should let private companies make their own decisions regarding tools for supporting diversity.

Before introducing the rules for publicly traded companies, German Chancellor Angela Merkel said that Germany needed changes within the labour market and a cultural shift at the workplace, which was unattainable without women's talent. The Czech Republic is still in the process of defining its attitude. The outcomes of our Index show that a public debate and an example set by the state are absolutely crucial for promoting this important issue.

Pavλίna Kalousová, Business for Society

Benefits of diverse work teams

Better access to talent and more effective recruitment

Improved employer reputation

Elimination of discrimination

Direct financial benefits

Better insights into client and stakeholder needs

Organisational growth and effectiveness

Improved corporate culture, greater flexibility and adaptability

Diversity as a key link between HR and CSR

The fact that companies' success comes along with diverse, educated, and motivated people who are loyal and want to work for their employer affects the competition for talent in an interesting way. Moreover, both demographic changes and unemployment trends clearly show that in the future, employers will be faced with difficulty in finding and retaining talent due to a dwindling economically active population, especially with regard to particular positions. Besides the advantages of diverse environment in terms of innovation, reputation and economic efficiency, the crucial issue, at least in some industries, will be economic sustainability. Employers may have to seek new human resources and talent among hitherto marginalised or less sought-out target groups, such as women with young children, elderly staff, people with disabilities, minorities, or foreigners. The profile of an average employer is bound to change in the future.

As opposed to the equal opportunities concept, promoted mainly through legislative measures, the diversity concept is not a compensatory one; it does not concern selected groups labelled as disadvantaged, it respects the individual needs of all employees. Combined with antidiscrimination measures and the inclusion principle, this is a qualitative and proactive approach on the part of employers and the state.

A trend which can be observed across Europe comes to fruition in our country too: progressive companies become engaged in diversity programmes, try to balance the work and private life of their employees and think about ways to work with the talent pool they employ. Diversity becomes a business attribute, and we could even say a necessity – from both companies' and the state's perspective.

Diversity management and inclusion

Diversity management is actually a new approach towards managing people. Diversity is viewed as a means of improving performance and maintaining outcomes. Teams are managed with regard to the differences between their members; individual potential is respected and benefitted from. Through linking this approach with the inclusion principle ensuring sufficient diversity amongst work teams, a competitive advantage is created.

Companies can apply a range of tools and methods in order to attract talent from various groups and manage people while respecting their individuality and specific situation. A study by Accenture confirmed that over two thirds of company directors are concerned by the threat of not being able to hire and retain top talent. Fortunately, the fact that companies with more diverse management teams or board members achieve better financial outcomes in the long run provides important motivation. *Accenture CEO Study on Sustainability

Diversity benefits for employers and employees

Diverse work environments are more efficient and innovative, enabling employers to integrate talent regardless of age, gender, ethnicity or nationality. Diversity has its economic benefits, too: 83 % of European companies confirm the positive effect of diversity on business.



Moreover, the expectations on the part of the public and employees are changing. 79 % of Europeans expect companies to support diversity in the workplace. Besides the general principle of diversity and diversity management tools, companies focus on individual aspects of diversity as needed. 52 % of companies support diversity with the aim of improving company culture and management processes. 92 % of British companies which implement programmes integrating various disadvantaged groups state that their reputation and brand recognition by customers has improved. 63 % of them also observed direct benefits in terms of their business development, for example in acquisition, which were a result of higher diversity of their teams. ^{*Business in the Community}

Inspiring examples of diversity approach

Československá obchodní banka

ČSOB supports the earlier return of mothers after parental leave through its Parents Programme. This programme offers employees on parental leave an opportunity to work part-time (up to half-time) and to try out different positions within the bank. This programme also includes workshops where prospective mothers can talk to psychologists, discuss their expectations, and develop mind maps helping them balance their work and new family role. The bank also actively supports the inclusion of people with disabilities through employment opportunities, integrating them into work teams, educating its staff and managers in this field, and by providing disabled employees with healthcare vouchers.

Allen & Overy Czech Republic

This international law office has incorporated diversity into its company culture with the purpose of retaining the most talented employees and providing them with an inclusive

work environment and culture so that everyone can reach their full potential. The Returnship programme intends to bring back into work those experienced lawyers who have left the profession for an extended period of time. Besides adopting a flexible approach towards part-time jobs, the company has committed to increasing the percentage of women-partners to 20 % worldwide by the end of this decade.

Microsoft Czech Republic

Modern technology and a company culture based on trust and responsibility provide a high level of flexibility and mobility which helps to balance work and private life. This way, Microsoft comes forward to those employees who need to take care of their children or older parents, or cannot commute to the office every day. The majority of Microsoft employees do not have their own desk but pick a place every day which suits them best, whether in the office or outside. The company sets great store by diversity from various perspectives. Age diversity is promoted by their graduate programme MACH through which Microsoft supports reverse mentoring – fresh graduates mentor experienced managers and thus show them the generation Y perspective. Diversity can only work in practice if people with diverse profiles are involved naturally. Therefore Microsoft is actively confronting subconscious prejudice and stereotypes, for example through on-line training available on the company's website.

Sodexo Benefits and Rewards Czech Republic

Sodexo Benefits and Rewards Czech Republic was among the first companies to sign the Diversity Charter and it truly walks the walk. Sodexo supports varied teams and promotes a diverse culture. Gender and age diversity issues are answered by the Colourful Sodexo network which enables employees to share experience and supports personal development. Managing director Martina Grygar Březinová is a member to the SWIFT

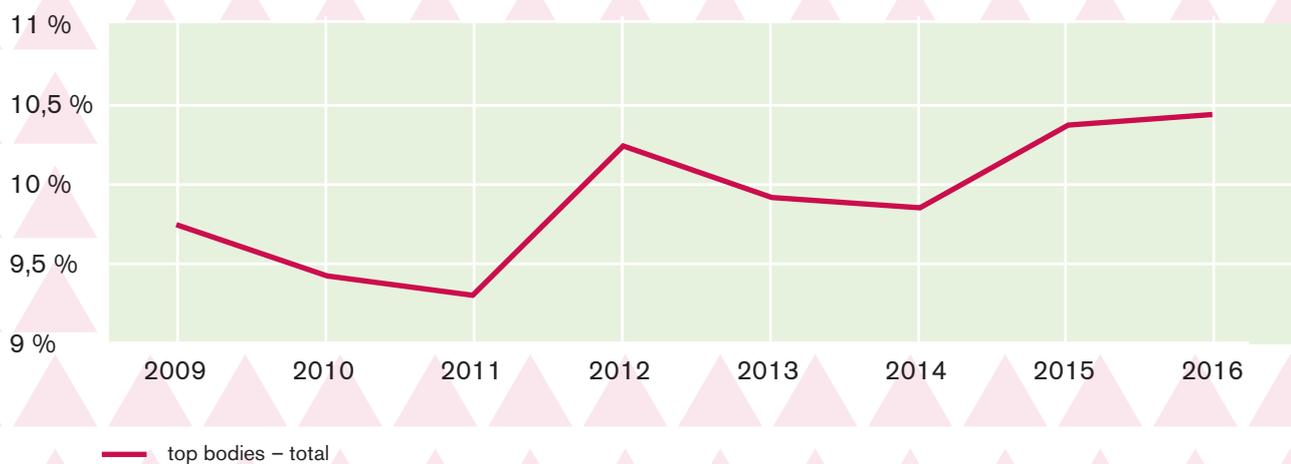
There are 20 % of women on the boards of joint stock companies

Women on Boards Index 2016

Czech Republic – TOP 250 companies

TOP 250 companies according to their annual turnover

At the Czech TOP 250 companies women represent 10,4 % at boards/ statutory bodies (which stands for 128 women compared to the total number of 1227 men). There is at least 1 woman in the boards of 36 % of companies. In the at supervisory boards of limited companies there are 14,4 % of women.





(Sodexo Women's International Forum for Talent) which fosters career growth for women. Their internal programme Balance helps women balance their career and personal life. With regard to age diversity, Sodexo has initiated a project titled Fulfilling Seniors' Dreams (www.plnime-prani-seniorum.cz), a unique programme combining public and private donations which has been successfully enhancing quality of life for elderly people.

Women on Boards – situation in the Czech Republic

Diversity and women as a source of talent

Employers should take advantage of the full range of talent, not only within their teams but also in the management structure. There are many great and experienced women who are currently part of the statutory bodies. Many private companies have understood this and are actively working towards reaching diversity throughout their entire staff and management.

It is proven that diversity is beneficial for employers; it produces a higher number of options in decision making, which can improve the company's public image, support the company and its efficiency in economically challenging times, or provide deeper customer insights. The ability to implement diversity within a company is interconnected with the composition of company management, i.e. the decision-making bodies. Gender diversity is, with regard to the percentage of women in a company, the most natural sign of diversity.

With regards to the ongoing debate surrounding these issues and the efforts on the part of the Czech government

and the European Commission to influence the employers' attitudes, we have decided to contribute to this debate. Besides information about the current trends, we have gathered clear data which show the situation within the Czech market.

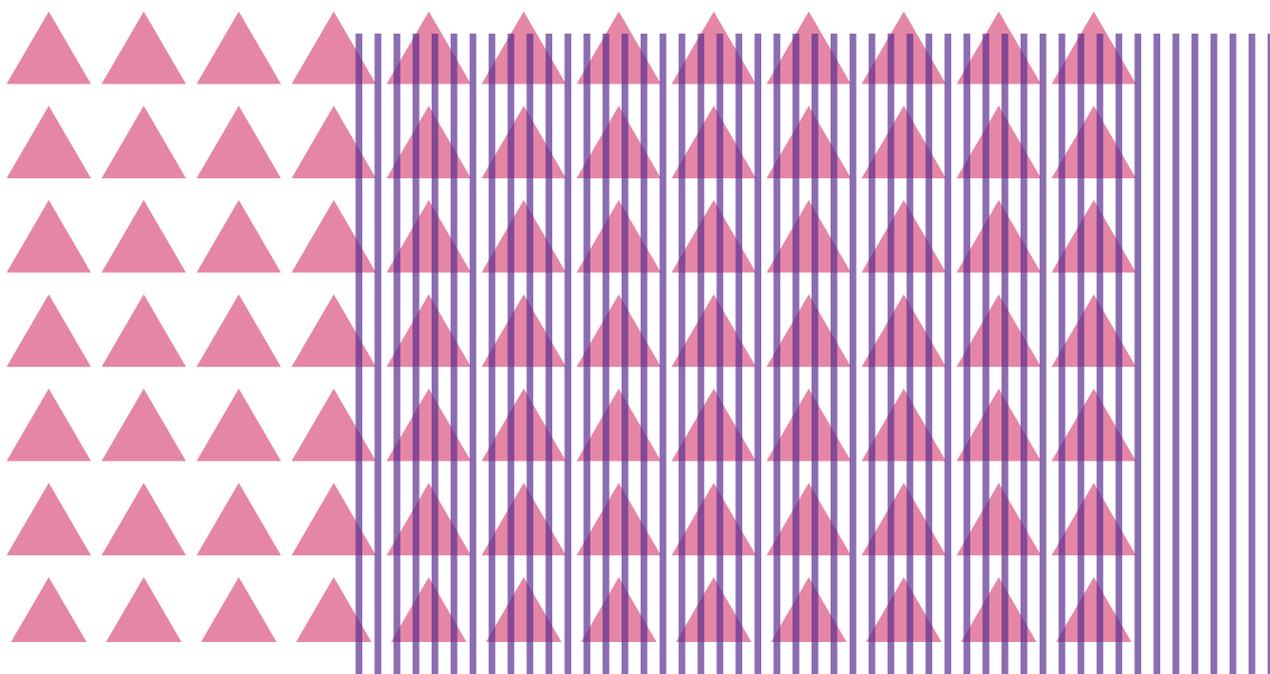
Although the goals are similar, the opinions regarding tools, solutions and measures differ.

What is more, the European Commission has adopted directive 2014/95/ EU on non-financial reporting which includes the theme of diversity and statutory bodies composition of certain large companies.

Marek Audes Managing Director, AccorHotels Czech Republic

How did you communicate diversity in your company and how do the employees view it?

Diversity in AccorHotels, one of the pillars of our corporate social responsibility programmes, supports the employment of disabled colleagues, and offers equal opportunities to women and men regardless of age or culture. WAAG (Women at Accor Generation) is an important project which supports women in receiving various consultancy services, training, and helps them grow within the company. The AccorHotels group has also joined the United Nations HeForShe programme. Generally speaking, women are more interested in diversity issues, being generally more receptive and empathetic, and they also provide various suggestions for improvement. Be that as it may, diversity is certainly positively received by all our employees, irrespective of gender.



Kateřina Michailidisov
HR Manager,
MONETA Money Bank

In your experience, are women more interested in diversity than men?

Frankly, diversity issues in the workplace are generally the women's domain. Still, we have been able to involve men into individual activities. Besides benefits that are geared towards them, too – a day off for fathers, a parents' day, a sabbatical, an unpaid leave, home office – several men have been actively involved in our task force addressing the integration of disabled people. Our managers have also mentored female participants involved in our female leadership programme. Last year we organised workshops for fathers where women were not allowed. These workshops, entitled *The Dad Who Has It All (Tta na roztrhn)*, were held as part of our Month of Growth (a month dedicated to educational and development activities). Our male colleagues are not afraid of these issues. Most employees responded positively to the launch of the Diverse GE programme, one of the reasons being – as we believe – that we did not solely focus on gender issues, i.e. the return after maternity and parental leave or supporting women managers. We also addressed issues such as flexible employment, removing obstacles to employment, and support of family life. We have received very positive feedback from students for whom we organise a number of activities. We collaborate with universities, preferably with their students' clubs for whom we organise *AC Trial (AC naneisto)* or *Manager's Ride (Manažersk jzda)* – an interactive game simulating managerial decision-making which we piloted last year.

The reporting obligation is currently being transposed into Czech legislation and will come into force in January 2017.

Women on Boards Index

Business for Society therefore put together the first complete Czech Index of women's representation in management which surveyed 27 000 joint stock companies and 414 000 limited liability companies, and independently observed the TOP 250 group of the largest companies (according to their turnover) with additional sector data for financial institutions.

The low levels of female representation on company boards in the Czech Republic is a problem only in certain areas. The percentage of women in privately owned companies – on average over 38 % on supervisory boards and over 20 % on the boards of directors – has been constant over the past five years. A well-known correlation applies here: the larger the company, the lower the level of representation of women in statutory bodies.

In companies with a turnover exceeding 100 million CZK there are 27.1 % of women on supervisory boards of joint stock companies; on the boards of directors there are 11.5 % of women.

When we look at the representation of women in companies with over 100 employees, women comprise 25.1 % of the supervisory boards. If there is a female chair of the board of directors or the supervisory board, this automatically brings about a higher percentage of women on the statutory body in question.

The lowest representation on the Czech market can be found in companies listed on the stock exchange. Moreover, the representation of women in the top bodies has been



decreasing over time. Supervisory boards and boards of directors of Czech companies listed on the Prague stock exchange have on average 5 % of women.

Supervisory boards of state-owned companies include 15 % of women. The percentage of women on the boards of directors in these companies is below 5 % and is decreasing. *A study carried out by the Economics Institute for Business for Society as part of the project Taking Women On Board.

Industry specifics

There are industry specifics at play too; while in real estate, public administration and defence, education, healthcare and social services, there are over 38 % of women on the supervisory boards of joint stock companies, the lowest representation can be found in mining and extraction, energy production and distribution, or water supply. This situation is reflected in the boards of directors.

Limited liability companies

The percentage of women directors in limited-liability companies is 21.4 %; the situation has not changed over the past 5 years. The largest representation of female directors is in companies founded after 2010. There is still a clear difference in the representation of women within various industries.

Influence Rule

The Index also proves that if there is a woman with certain level of influence it has a positive impact on the whole representation of women in the company. Specifically, if there is a chairwoman at any of the statutory bodies, such

body has by 8 % more women in average compared when there is a chairman.

Zdeněk Kadlec Director of Regional Authority of the Vysočina Region

How do you tackle diversity in your region? How did you deal with the possible negative reception of diversity support?

Negative attitudes do occur every now and then; we have not overcome them completely. In our view it is essential to maintain the trend of constant improvement. Therefore we have to put our time and energy into education. A highly consistent focus on large groups of people with particular disadvantages has proven effective. Such an approach is much more acceptable for our staff and the public, as opposed to focussing on a certain type of disadvantage, for instance the disadvantaged position of women in society and at work. We have designated a gender-balanced task force supporting diversity (consisting of employees from all levels of our office, including a representative of the unions). We have also started developing a viable strategy for applying equality principles within the Vysočina Regional Authority, applying the principles and measures through the SMART method (SMARTER). The outcome will be available in June next year.

Sources:

Age management: How to manage and develop Human resources in the context of age, P. Kalousová, P. Štern, J. Žákavec, M. Zábřženská, Prague 2015
Diversity supplement, HN, Pavlína Kalousová, Prague 2015



Diversity Charter Czech Republic

The Czech Republic has officially joined the European Diversity Charter through which prominent employers commit to developing a tolerant working environment. The Charter is supported by the European Commission (DG Justice). In the Czech Republic the Charter was launched under the auspices of the Minister of Labour and Social Affairs Michaela Marksová. The signing and implementation of the Charter is coordinated by Business for Society, an association of prominent Czech companies committed to social responsibility and sustainability. The Czech Republic is the 14th EU country where employers have been invited to join the Charter. Over 7 000 employers have signed the Charter in Europe. After signing, the Charter becomes one of the strategic documents for the employer. The Charter's underlying principle is that it is in the economic interest of society to foster company culture which is open to anyone irrespective of their gender, race, nationality, ethnicity, religion, worldview, health condition, age or sexual orientation.

We believe that employees' competence and skills – as diverse, creative and innovative as possible - are the key to long-term success of our business and/ or providing of the services. In the era of advancing globalization and social and demographic changes, the ability to acknowledge and respect diversity helps us to establish permanent relationships with our customers, business partners and the general public. Therefore, we are adopting principles of the Diversity Charter, which is based on, and further expands, the scope of Memorandum Diversity 2013+ focused on gender diversity only.

We perceive diversity as a principle that enables people to fulfil their potential irrespective of their individual differences. A conscious application of the diversity principle brings acceptance, support and further development of individuals' talents. We also recognize that this approach brings opportunities for innovation.

By signing the European Diversity Charter, we commit to maintaining a workplace environment that is open to all, irrespective of their gender, race, skin colour, nationality, ethnic origin, religion, world views, disability, age or sexual orientation. By taking this step, we wish to contribute to an atmosphere of mutual respect and trust, which will in turn have a positive effect on society in the Czech Republic and beyond.

In accordance with the Diversity Charter, we will:

- 1** Develop culture that is based on mutual respect and recognition of individuals' talents. Top management fully endorses and supports the diversity principles and equal opportunities. We are committed to creating workplace conditions that will enable all employees to be guided by these values and to respect them. The company's policies and procedures will incorporate the diversity principle to enable greater innovation and strategic development.
- 2** Support and implement changes that will enable employees to take full advantage of their talents and skills while respecting the work-life balance. We understand that every individual is different and therefore we strive to align individual potential with efficiency standards.
- 3** Promote rules in human resources management that will support the diversity principle, with the emphasis on equal-opportunity recruitment, training, career development, assessment and promotion, and consideration of personal and family situation of employees.
- 4** Actively promote the implementation of Diversity Charter principles within our internal and external communication. On regular basis we will present our commitments, actions and successes both publicly and towards our employees.

Women on Boards Index 2016 – Czech Republic

(Companies' Ranking)

Index is rated in 3 levels according to the representation of women in certain statutory body. Golden level is reached when the company has 50% and higher representation of women, Silver level when the representation is from 33 % to 49,9 % and bronze when the elementary level of the Index is reached (elementary level represents an average among the TOP 250 companies for the certain statutory bodies).

Women on Boards Index TOP 250

rank	company	number of employees	industry
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Gold index (over 50 % of women in the top bodies)

1	A.J. Company & Trade s.r.o.	unknown	G
2	ABB s.r.o.	3000–3999	C
3	HENKEL ČR, spol. s r.o.	250–499	G
4	GlaxoSmithKline, s.r.o.	250–499	G
5	BOHEMIA ENERGY entity s.r.o.	250–499	D
6	H R U Š K A , spol. s r.o.	4000–4999	G
7	HORNBACH BAUMARKT CS spol. s r.o.	1000–1499	G
8	HELVET GROUP a.s.	25–49	R
9	SANDVIK CHOMUTOV PRECISION TUBES spol. s r.o.	500–999	C
10	SWS a.s.	250–499	G
11	ERMAT Praha, s.r.o.	1–5	C
12	HP TRONIC Zlín, spol. s r.o.	500–999	G
13	Chemical Solutions s.r.o.	1–5	G
14	KRONOSPAN CR, spol. s r.o.	250–499	C
15	Pierburg s.r.o.	250–499	C
16	sanofi-aventis, s.r.o.	250–499	G
17	VIJA TRANS s.r.o.	10–19	H
18	JIP východočeská, a.s.	1000–1499	G
19	BONVER WIN, a.s.	250–499	R

Silver index (over 33 % of women in the top bodies)

20	BONATRANS GROUP a.s.	1000–1499	C
21	MADETA a.s.	1500–1999	C
22	Shell Czech Republic a.s.	100–199	G
23	Agip Česká republika, s.r.o., člen koncernu	50–99	G
24	Johnson Controls Autobaterie spol. s r.o.	500–999	C
25	MOL Česká republika, s.r.o.	100–199	G
26	Nokian Tyres s.r.o.	25–49	G
27	OBI Česká republika s.r.o.	2500–2999	G
28	SAS Autosystemtechnik s.r.o.	250–499	C
29	VISCOFAN CZ s.r.o.	500–999	C
30	Letiště Praha, a.s.	2000–2499	H
31	SILMET Příbram a.s.	25–49	G
32	VÍTKOVICE POWER ENGINEERING a.s.	1500–1999	C

Bronze index (over 10.4 % of women in the top bodies)

33	Pražské vodovody a kanalizace, a.s.	1000–1499	E
34	METALIMEX a. s.	100–199	G
35	Mlékárna Pragolaktos, a.s.	100–199	C

36	PREOL, a.s.	100–199	C
37	VÍTKOVICE STEEL, a. s.	1000–1499	C
38	NET4GAS Holdings, s.r.o.	unknown	K
39	Linde Gas a.s.	500–999	C
40	JAS ČR, a.s.	200–249	G
41	MORAVIA STEEL a.s.	250–499	G
42	W.A.G. payment solutions, a.s.	200–249	K
43	AGROFERT, a.s.	200–249	G
44	NET4GAS, s.r.o.	500–999	H
45	Philip Morris ČR a.s.	1500–1999	C
46	Pražská plynárenská, a.s.	250–499	D
47	SAINT-GOBAIN ADFORS CZ s.r.o.	1500–1999	C
48	SYNTHOS Kralupy a.s.	500–999	C
49	GECO, a.s.	1500–1999	G
50	DEZA, a.s.	1000–1499	C
51	AGC Flat Glass Czech a.s., člen AGC Group	1000–1499	C
52	AŽD Praha s.r.o.	1500–1999	F
53	ČESKÁ RAFINÉRSKÁ, a.s.	500–999	C
54	ADMIRAL GLOBAL BETTING a.s.	500–999	R
55	ArcelorMittal Tubular Products Ostrava a.s.	1000–1499	C
56	ČESKÁ LÉKÁRNA HOLDING, a.s.	3000–3999	G
57	DEKTRADE a.s.	1000–1499	G
58	Elektrárna Počeradý, a.s.	250–499	D
59	EP ENERGY TRADING, a.s.	50–99	D
60	FAST ČR, a.s.	1000–1499	G
61	G7, a.s.	25–49	G
62	Iveco Czech Republic, a. s.	2000–2499	C
63	METRANS, a.s.	500–999	H
64	MITAS a.s.	2500–2999	C
65	PTÁČEK-velkoobchod, a.s.	1000–1499	G
66	Krajská zdravotní, a.s.	5000–9999	Q
67	Dopravní podnik hl.m. Prahy ,akciová společnost	10 000 and more	H
68	ČEZ Distribuční služby, s.r.o.	2500–2999	C
69	PHOENIX lékárenský velkoobchod, a.s.	500–999	G
70	ALTA, a.s.	50–99	G
71	STRABAG a.s.	2000–2499	F
72	T-Mobile Czech Republic a.s.	4000–4999	J
73	Plzeňský Prazdroj, a.s.	2000–2499	C
74	Tesco Stores ČR a.s.	10 000 and more	G
75	AAA AUTO a.s.	no employees	G
76	ČEZ Prodej, s.r.o.	200–249	D
77	Lovochemie, a.s.	500–999	C
78	ZZN Polabí, a.s.	250–499	G
79	Biocel Paskov a.s.	250–499	C
80	OTE, a.s.	50–99	N
81	PHARMOS, a.s.	250–499	G
82	PSJ, a.s.	250–499	F

Industry

C manufacturing

D electricity, gas, steam and air conditioning supply

E water supply, sewerage, waste management and remediation statistics

F construction

G wholesale and retail trade; repair of motor vehicles and motorcycles

H transportation and storage

J information and communication

K financial and insurance activities

N administrative and support service activities

Q human health and social work activities

R arts, entertainment and recreation

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