

## HSBC supports diversity in Malta's boardrooms

HSBC Bank Malta has become the first signatory in Malta to sign up to the new Women Directors Malta (WDM) charter. The Charter seeks to drive a step change in diversity within the board and executive levels of Malta's private sector.

Today the share of women on boards in Malta stands at a low 2.5%, well below the EU-28 average of 21.2% of board members of the largest publicly listed companies. These figures, from the European Commission, become starker when compared to the fact that 60% of new university graduates across the continent are female.

The WDM charter goes beyond the tried-and-tested approaches of legislation, voluntary targets and quotas, and incentivises adoption by offering quality marks. A WDM Quality Mark is intended to demonstrate to staff, agencies, aspiring women employees, sponsors and the public the commitment of businesses to equal access to the boardroom for highly skilled women.

The Quality Mark is open to any organisation to attain in three tiers of entry, development, and full status. Each level however requires its own criteria: a clear boardroom diversity policy, transparency of the processes, open promotion, and proportion of women on board, amongst others. The Quality Mark lasts for two years when it will be reviewed again.

"What we are arguing is that in Malta there needs to be a focus on creating workplace culture free from bias, with policies and processes in place that ensure women have an equal opportunity to progress to board positions, and a level playing field. This is what Women Directors Malta means by gender equality," said WDM President Michelle Gialanze.

"With the Charter and the Quality Mark, we are allowing companies to show that they too believe in diversity on boards. HSBC is the first company to adopt the charter and as a result have set an example for other companies to follow suit," she added.

According to her, a growing body of evidence shows that diverse teams sustain higher and more consistent performance over longer periods and organisations that aggressively promote women to executive positions, have one quarter to one third higher profits than their industry average. For instance, Harvard Business Review (June 2011) reported a so-called 'C' factor, showing that working groups with more women in them demonstrate higher collective intelligence - problem-solving capability - because women listen better and encourage more participation.

HSBC Malta CEO Andrew Beane said: "I believe that diversity of thought is fundamental to making the best business decisions. Leaders in the corporate sector must have the courage to stand up and change the status quo as it is clear that diverse companies perform better and in today's world gender inequality is simply unacceptable."

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He added: "Change may start with words but ultimately is about action. At HSBC we already have five female directors across our three companies and a further three female colleagues on our executive committee. Despite these talented women having reached the highest levels of HSBC, we have a lot more work to do to ensure we have a strong and diverse future as a company. As examples, flexible working is now offered to all colleagues - female or male - returning from childcare leave on an 'opt out' rather than 'opt in' basis and we have changed our selection and talent development processes to remain entirely meritocratic, but to reduce the risk of gender bias in the outcomes these processes drive."

The Charter and the Quality Mark were launched at the Casino Maltese, a symbolic choice as the iconic club refused entry to women when it opened its doors in 1852. Women were finally allowed in 1941 starting with a dedicated 'Ladies Room'.

"When Casino Maltese was first opened 164 years ago, women were not allowed in because it was only for 'gentlemen'. Since then obviously things have evolved and having held the public launch of Women Directors Malta Charter here shows that even in traditional, tiny Malta things change," said Minister for Education and Employment Evarist Bartolo.

"I would like this initiative of the private sector to be transferred also to the public sector. I will commit myself as the education and employment minister," he added.

Other speakers at the event included Anton Borg, President of The Malta Chamber of Commerce, Enterprise and Industry and Grace Camilleri, Executive Director at EY Malta, who, together with Andrew Beane and Michelle Gialanze, took part in a frank and open panel discussion.

"You look at the speed this country is moving and see the successes in labour force, in childcare system and yet on the other side, you see issues such as entrepreneurship, ease of doing business, and women directorship and we are failing," said Anton Borg, before inviting more women to become council members of The Malta Chamber of Commerce, Enterprise and Industry in its upcoming elections.

Other distinguished guests at the event were Paul Bugeja, CEO of the Malta Tourism Authority and G. Kathleen Hill, the U.S. Ambassador to Malta.

# Press Release



**Andrew Beane from HSBC, Anton Borg from The Malta Chamber of Commerce, Enterprise and Industry, Grace Camilleri from EY Malta, and Michelle Gialanze from Women Directors Malta discuss the barriers that hinder women's progress into boards in Malta**

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