

**Newly listed companies
repeat same old mistakes:**

GROWTH WITHOUT WOMEN

ABSTRACT

ALLBRIGHT

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THE GERMAN-SWEDISH ALLBRIGHT FOUNDATION is a politically independent, non-profit foundation with the headquarters located in Stockholm and Berlin. The foundation works to promote more women and diversity in executive positions in businesses. The goal is to achieve equal career opportunities for both men and women and better company results through diverse and modern management teams. AllBright targets management and HR representatives in companies as well as multipliers and media, looking specifically to shed light on solutions that have already been implemented successfully.

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EXAMINED:

The 30 publicly listed companies, which have been added to the DAX-Indices DAX, MDAX and SDAX in 2016 or later, as of April 1, 2021

Aroundtown	FlatexDegiro	Knorr-Bremse	Siemens Healthineers
Befesa	Global Fashion Group	LPKF Laser & Electronics	TeamViewer
Ceconomy	Grand City Properties	Medios	Traton
Corestate Capital	HelloFresh	Porsche Automobil Holding	Uniper
Delivery Hero	Hensoldt	S&T	Varta
Dermapharm	Home24	Shop Apotheke	Verbio
DWS Group	Instone Real Estate	Siemens Energy	Westwing Group
Eckert & Ziegler	Jost Werke		

NOTE: This report provides information on the management groups on the highest executive management level and the supervisory boards of the 30 publicly listed companies, which have been added to the DAX-Indices DAX, MDAX and SDAX in 2016 or later, as of April 1, 2021. The AllBright Foundation takes care in striving for the greatest possible diligence, yet bears no liability for the accuracy, actuality and comprehensiveness of the information.

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Newly listed companies repeat the construction mistakes of the older companies

Christian is the new Thomas: the typical top executive in the newly listed companies at the Frankfurt stock exchange is almost a copy of the traditional manager. His name is not Thomas anymore but Christian and instead of a tie he wears a light blue shirt and instead of “PhD” he carries the title “founder”. Those who were hoping that new companies would bring new leadership structures and diversity to the C-Suite of listed companies in Germany will be disappointed. New companies are repeating the mistakes of preceding generations: they are growing without women.

THE NECESSARY RENEWAL OF CORPORATE GERMANY IS POSTPONED

The constellation of DAX-Indices changes several times a year; companies are being bought, restructured or replaced by stronger competitors. Among the rising stars of new companies of these past years there are high profile former startups like [Delivery Hero](#), [HelloFresh](#), [Home24](#) or [Westwing](#), highly traditional companies like [Knorr-Bremse](#) or [Varta](#) and booming real estate companies. Last but not least, there are spin-offs of major DAX-companies like the Volkswagen subsidiary [Traton](#) or the Siemens spin-offs [Siemens Healthineers](#) and [Siemens Energy](#).

These stock exchange newcomers drag down the proportion of female top-executives among the 160 listed companies in Germany. As of 1 April 2021, the proportion of women in C-levels of the companies which have been entering the DAX-indices during the past 5 years, was 10,2 percent. For those companies that have been founded during the last 15 years, it was only 5,4 percent.

INCLUDING WOMEN WOULD BE A MORE SUSTAINABLE WAY TO GROW

Young companies have failed to include diversity in their organizational-DNA from the very beginning. The main excuse is usually the need for fast growth, leaving no room for strategically diverse recruiting but rather going for recruitments coming from their personal network. The price they pay for this is high since it is more difficult to change established organizational structures and company culture later on. They will not reap benefit from the better performance of diverse leadership teams, which could have supported their initial growth.

YOUNG COMPANIES NEED TO POSITION THEMSELVES STRATEGICALLY FOR THE IPO

With their IPO, or the latest when they are being listed in one of the DAX-Indices, the new companies have reached a size and a level of maturity that requires a different self-perception than that of a startup. Going public is the key moment, which allows investors or other stakeholders to influence the business – they are the ones that need to be convinced if the founders want to receive their funding.

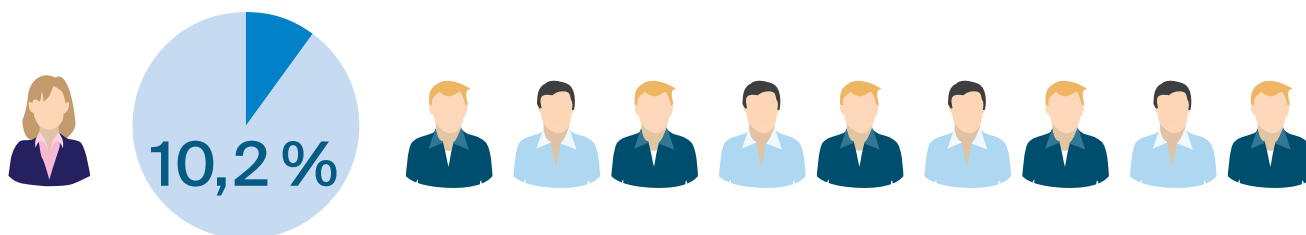
And expectations from the public as well as from investors keep rising. As of now, it's mainly international investors that are focusing on diverse leadership teams. However, the number of German holdings who tie their investments to social and sustainable criteria is rising. This is a very promising dynamic, which keeps enhancing and should require for young entrepreneurs to withstand the pressure of fast growth by not blindly repeating mistakes – management without women that their predecessors made.

This is the only way to successfully transform Corporate Germany.



*Wiebke Ankersen & Christian Berg
Directors AllBright Foundation*

Only few female top executives in the newly listed companies



Proportion of women among the top executive teams of the 30 listed companies, which have been added to the DAX-Indices DAX, MDAX and SDAX in 2016 or later

In an average year, 6 companies accomplish the leap into DAX, MDAX or SDAX on the Frankfurt stock exchange. Most commonly we are looking at former startups, who dare to go public, but also spin offs of existing large corporations or family businesses trying to secure capital by going public. The proportion of women in the management of newly listed companies in the DAX-indices is especially low.

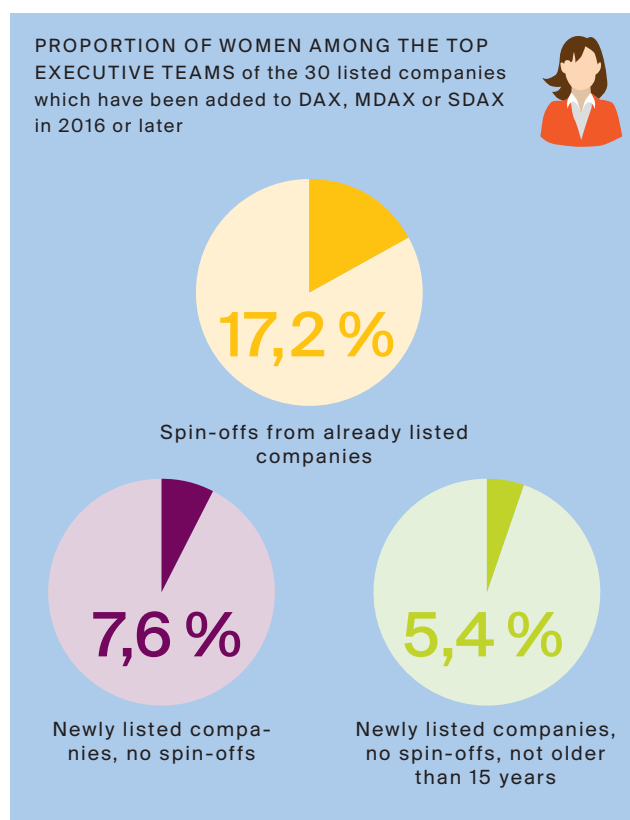
On the first of April in 2021 98 men and 11 women work on the C-level of the 30 listed companies, which have been added to DAX, MDAX or SDAX in 2016 or later. That means the proportion of women is 10,2 percent, which is clearly below the average of the 160 companies which are currently listed at the Frankfurt stock exchange; here the percentage is at 12,6 percent. Only 9 out of the 30 newcomers even have a woman on the top executive level. **Dermapharm** is the only company with two female C-level executives.

YOUNG COMPANIES WITHOUT FEMALE TOP MANAGERS - ONLY TWO EXCEPTIONS

Among the newly listed companies that were founded within the past 15 years and that are no spin-offs of big corporations, the proportion of female executives on the C-level is only 5,4 percent. In fact, all of their top management teams are all-male, **Home24** and **Medios** being the exceptions to the rule.

EVEN ON THE SUPERVISORY BOARDS: LESS WOMEN THAN IN THE AVERAGE LISTED COMPANY

The proportion of women on the supervisory boards of the 30 newly listed companies is at 24,3 percent, for young companies even lower at 22,3 percent. This is



considerably less than the average of the 160 listed companies: their average was 32,1 percent on the 1st of April in 2021.

Among the 30 newly listed companies are four companies with an all-male C-Suite as well as all-male supervisory board: **Corestate Capital**, **FlatexDegiro**, **LPFK Laser & Electronics** und **Varta**.

Fast growth above all



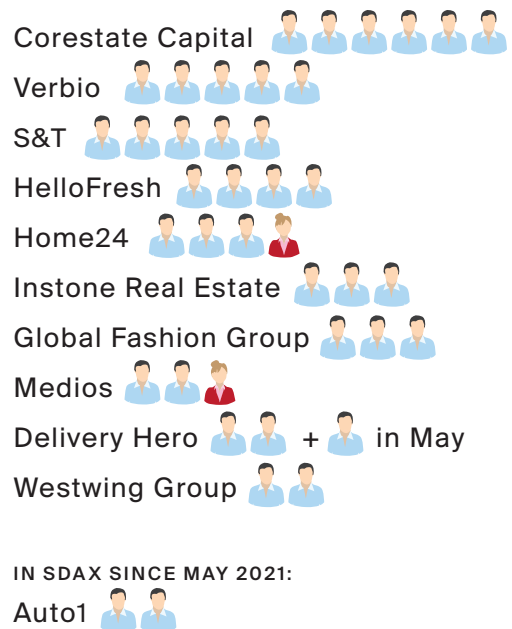
Many of the newly listed companies in Germany are former startups, founded by men and expanding fast. New management recruitments are drawn from personal networks of the founders and are, like them, usually also male. At the moment of the IPO there is a rising pressure from investors to present a diverse top management team.

Companies like [Delivery Hero](#), [HelloFresh](#), [Home24](#), [Auto1](#), [Westwing](#) as well as [Zalando](#) and [Xing/New Work](#) (both had their IPO before 2016) belong to the group of former startups. The startup culture – driven by pressure of investing venture capitalists – is extremely competitive and focused on growth; most founders are not successful, only very few build successful companies and receive more funding for their expansion through an IPO.

The founding teams are usually all-male. In 2020 the proportion of female founders was only 15,7 % according to the Female Founders Monitor. Within the founding teams of those 30 newly listed companies only two are women: Delia Lachance at [Westwing](#) and Jessica Nilsson at [HelloFresh](#).

Among those newly listed companies, which still have their male founders as part of the active management – [Shop Apotheke](#) being the one exception – all have all male C-Suites ([Delivery Hero](#), [Eckert & Ziegler](#), [HelloFresh](#), [Verbio](#) and [Westwing](#)): founders like to surround themselves with people who are very similar to themselves and reluctantly change these structures.

EXECUTIVE BOARDS OF YOUNG COMPANIES
(not older than 15 years, no spin-offs) as of April 1, 2021



NO DRIVE FOR MORE DIVERSITY: ROCKET INTERNET

Next to the Swedish Investor Kinnevik, Rocket Internet is one of the most important venture capitalists in Germany. Founded by the brothers Oliver, Marc and Alexander Samwer, the company was until recently listed at the stock exchange and to this day no woman has been part of the management or advisory board. Rocket Internet has been involved in the development of five of the companies ([HelloFresh](#), [Delivery Hero](#), [Westwing](#) and [Global Fashion Group](#)) in this report. The personal ties between the leading personalities in the German startup world is legendary, the central figures in this male dominated network are the Rocket Internet founders.

COMING OF AGE OF A STARTUP: THE CASE OF ZALANDO



Zalando went through a typical startup-expansion after its launch in 2008. With support from Rocket Internet and Kinnevik they went for their IPO in 2014 and quickly became listed in the SDAX. Both founders and a third C-Level executive continued to run the business.

The male dominated supervisory board set the goal of “Zero Women” for the executive board until 2021, referring to a lean management structure of only three C-Level management positions. What a negative signal this really was became obvious when, later on, two new male C-Level managers were added to the team. The critics from employees, customers, and the public got louder and louder.

In the fall of 2019 Zalando changed their goal for their executive board and all other management levels to “at least 40 percent until 2023” (by then, Cristina Stenbeck had taken over the chair of Board). On the 1 April 2021, Astrid Arndt joined in the top executive team of Zalando as the first woman.

