

Statistical brief: gender balance in corporate boards 2020

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The persistent gender imbalance among key decision-makers in large corporations and financial institutions remains a cause for concern. Each year, the European Institute for Gender Equality (EIGE) monitors gender balance in central banks and European financial institutions, and does so on a biannual basis in the largest listed companies in the EU Member States. Despite continued political and media attention, pressure from shareholders and an increasing body of knowledge showing the performance benefits of gender-balanced decision-making, women remain substantially under-represented in corporate boardrooms.

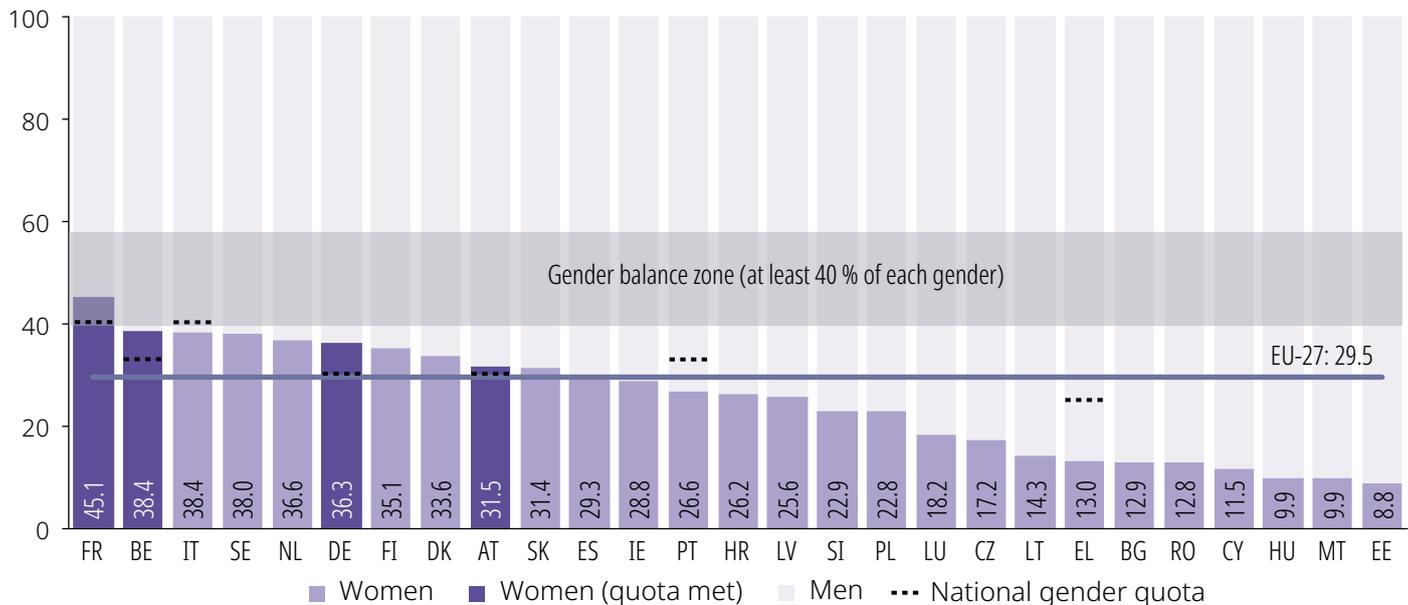
The updated gender equality strategy of the European Commission (March 2020) ⁽¹⁾ provides for a framework for cooperation with EIGE. This includes an ongoing data collection and analysis of trends in gender balance among key decision-makers in large corporations and financial institutions in Europe, available in EIGE's [Gender Statistics Database](#). The latest update, in October 2020, covers 713 publicly listed companies ⁽²⁾, 551 of which were registered in Member States.

Women remain heavily outnumbered by men in large corporations

In October 2020, the share of women on the boards of the largest publicly listed companies registered in the Member States reached 29.5 %, yet another all-time high and an increase of 0.8 percentage points (pp) since the last update in April 2020.

France is the only Member State in which the largest listed companies have at least 40 % of each gender at board level. Belgium, Italy and Sweden all have around 38 % women, while women account for at least one third of board members in Denmark, Germany, the Netherlands and Finland.

Figure 1. Presence of women and men on boards of companies, %, October 2020, by Member State



Source: EIGE's Gender Statistics Database

⁽¹⁾ Commission communication – A Union of equality: Gender equality strategy 2020–2025, COM(2020) 152, available at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=COM%3A2020%3A152%3AFIN>; Commission communication – Strategy for equality between women and men: 2010–2015, COM(2010) 491, available at: <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX:52010DC0491>.

⁽²⁾ 'Publicly listed' means that the shares of the company are traded on the stock exchange. The largest companies in each country are taken to be the members (max. 50) of the primary blue-chip index maintained by the national stock exchange, which covers the largest companies by market capitalisation and/or volume of market trade. Only companies registered in the country concerned (according to the International Securities Identification Number code) are taken into account.

Only seven Member States have taken legislative action to address the gender imbalance in boardrooms through the adoption of a national gender quota that sets a minimum proportion for the under-represented gender: France and Italy (40 %), Belgium and Portugal (33 %), Germany and Austria (30 %) and, most recently, Greece (25 %). The Netherlands will likely join this group if it adopts the current legislative proposal for a 33 % gender quota applicable to the supervisory boards of listed companies.

The legislation underpinning a national gender quota typically provides a time scale for compliance that allows companies to deliver change within the normal cycle of board renewals,

Legislative action - a clear impact

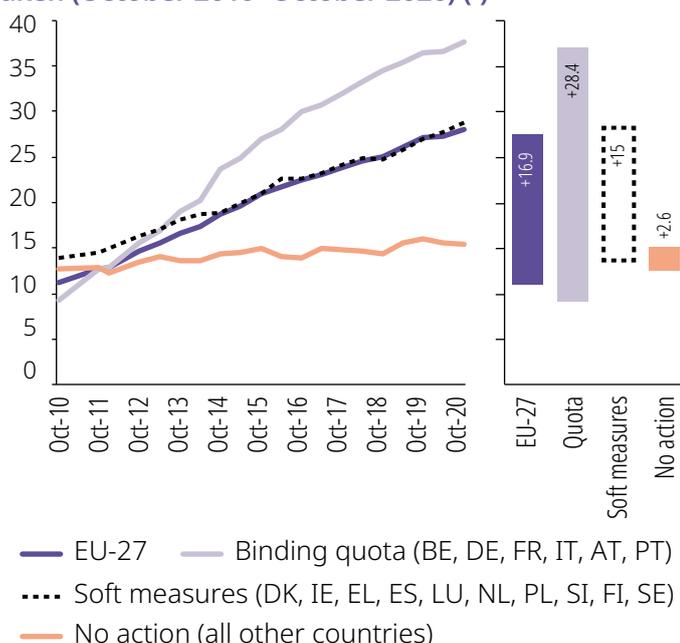
In October 2020, women accounted for 37.6 % of board members of the largest listed companies in the six Member States with binding quotas ⁽³⁾, compared to 24.3 % in countries that have taken soft measures or no action at all. The impact of quotas is similarly evident in the rate of change, where in the six quota countries, the proportion of women on boards increased at an average of 0.9 pp per year prior to the introduction of quotas, and 3.0 pp per year following their introduction. Progress in countries without legally binding quotas stagnates at just 0.7 pp per year. However, it appears that the positive

meaning that change is progressive rather than instantaneous. The data on the companies covered by EIGE's sample suggests that quota targets have been met in France (October 2016), Germany (October 2017), Belgium (April 2019) and Austria (October 2019). Italy also achieved its initial quota target of 33 % in October 2017 and is approaching the updated 40 % target set in October 2019 (currently 38.4 % women). Of the remaining two countries with established gender quotas, Portugal has seen significant progress since applying the quota in January 2018 (an increase from 16.2 % women in October 2017 to 26.6 % women in October 2020), while Greece's quota is too recent to determine any noticeable effect (13.0 % in October 2020).

impact of binding gender quotas on boardroom composition has not translated into progress within the executive hierarchy, with top positions continuing to be largely occupied by men.

Women now account for 3 in 10 board members but fewer than 1 in 10 board chairs or chief executive officers (CEOs). There has been some progress – the number of women board chairs among the companies in EIGE's sample has doubled since 2012 (from 20 of 558 companies in October 2012 to 39 of 548 companies in October 2020), while the number of women CEOs has tripled (from 12 to 41). The numbers remain very small, however.

Figure 2. Trends on growth of women's % (pp/year) in boardrooms based on the type of legislative action taken (October 2010–October 2020) ⁽⁴⁾



Source: EIGE's Gender Statistics Database

Figure 3. Share of women board chairs and CEOs in the largest listed companies in the EU-27, %, 2003–2021



Source: EIGE's Gender Statistics Database

⁽³⁾ Greece was excluded as its quota is too recent to draw any conclusions on its impact.

⁽⁴⁾ The figure presents the situation throughout the time-series (between October 2010 and October 2020) irrespective of when the binding quota or other soft action was established and applied.

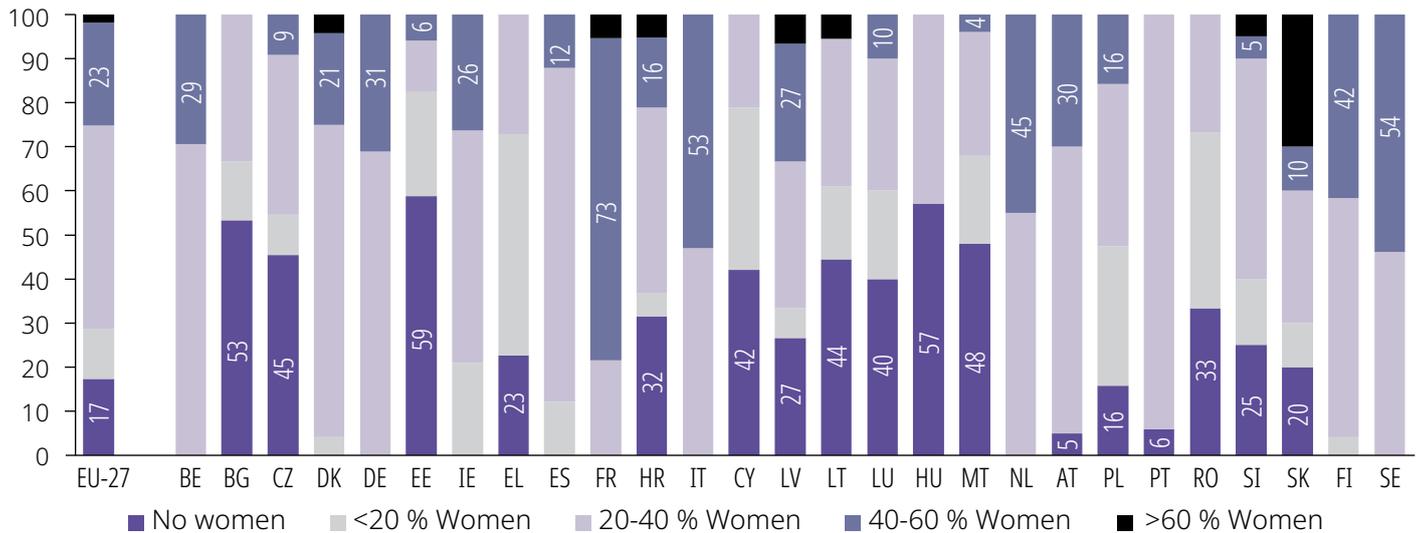
This is due to the fact that the practice of the establishment of quotas, and especially that of soft measures, is not always straightforward. In some cases, it may not be so easy to identify exactly when soft measures were introduced, particularly when a country has a range of such measures. Besides, some of these measures may have had more influence than others, which further complicates the decision regarding when a country should join the soft-measures group.

Gender-balanced boardrooms are still some way off

Less than one quarter (23 %) of the largest companies in EU Member States have at least 40 % of each gender among their board members, and nearly one in five still have all-male

boards. In Bulgaria, Estonia and Hungary, the boards of more than half of the companies in the EIGE sample do not have any women members.

Figure 4. Proportion of largest listed companies by share of women on boards in the EU-27, %, October 2020



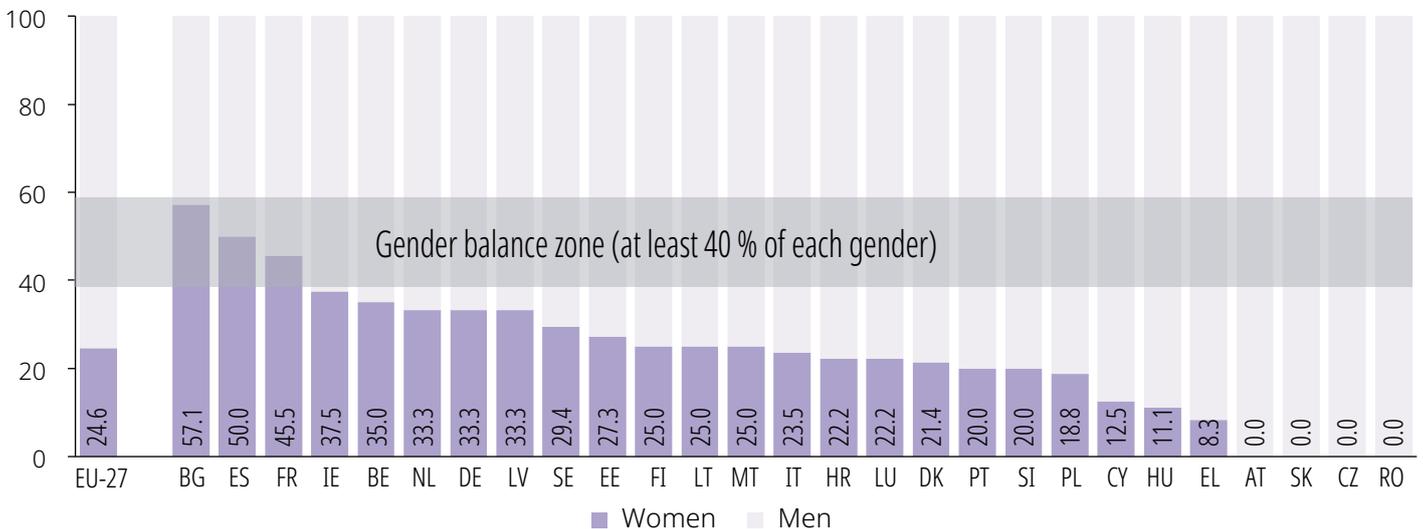
Source: EIGE's Gender Statistics Database

Slow progress towards gender-balanced decision-making in central banks

In October 2020, women held one quarter (24.6 %) of seats in the key decision-making bodies of national central banks in the EU. This represents a significant improvement since 2003 (15.4 %), when data was first systematically collected, but the pace of change is painfully slow (an average of 0.5 pp per year). Decision-making in central banks was gender balanced (at least 40 % of each gender) in Bulgaria,

Spain and France, while Belgium, Germany, Ireland, Latvia and the Netherlands had at least one-third women. In four Member States (Czechia, Austria, Romania and Slovakia), all of the key decisions in central banks were taken by men. All central banks of the Member States are currently governed by men, and women hold only 27.7 % of deputy-governor positions.

Figure 5. Presence of women and men on boards of central banks, %, October 2020, by Member State



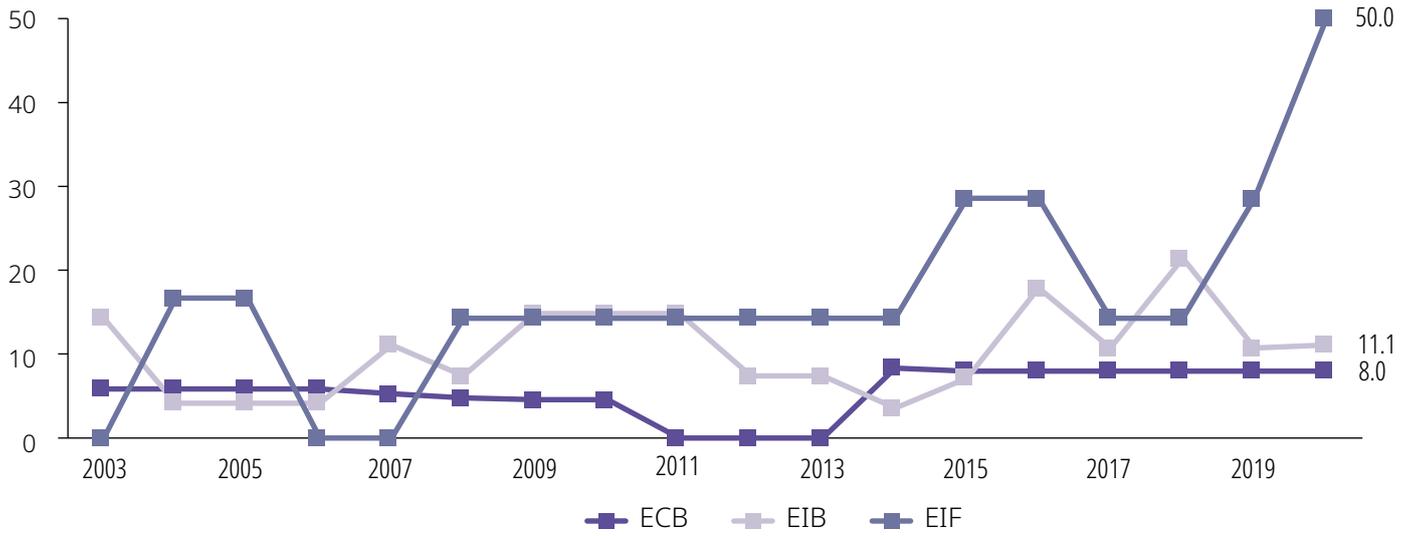
Source: EIGE's Gender Statistics Database

EU financial institutions

Historically, the key decisions taken by the EU's financial institutions have been overwhelmingly controlled by men. As of 2020, there are still only two women among the 25 board members (11.5 %) of the European Central Bank (ECB) – including the first-ever female governor, Christine Lagarde –

and only three out of 27 (10.7 %) in the European Investment Bank (EIB). Exceptionally, in June 2020, the board of directors of the European Investment Fund (EIF) was fully gender balanced (three women and three men) ⁽⁵⁾.

Figure 6. Share of women and men in EU financial institutions (ECB, EIB and EIF), %, 2019



Source: EIGE's Gender Statistics Database

⁽⁵⁾ The EIF board of directors normally has seven members (including the chairperson); alternates are not counted. At the time of data collection in June 2020, the EIF website showed only six members. It was updated in August to show seven members again (four men and three women).

European Institute for Gender Equality

The European Institute for Gender Equality (EIGE) is the EU knowledge centre on gender equality. EIGE supports policymakers and all relevant institutions in their efforts to make equality between women and men a reality for all Europeans by providing them with specific expertise and comparable and reliable data on gender equality in Europe.

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