

# Gender balance in business and finance

## December 2022

The persistent gender imbalance among key decision-makers in large corporations and financial institutions remains a cause for concern. EU institutions recently agreed on a directive aimed at increasing the number of women on corporate boards by requiring Member States to ensure that companies listed on stock exchanges have at least 40 % of the

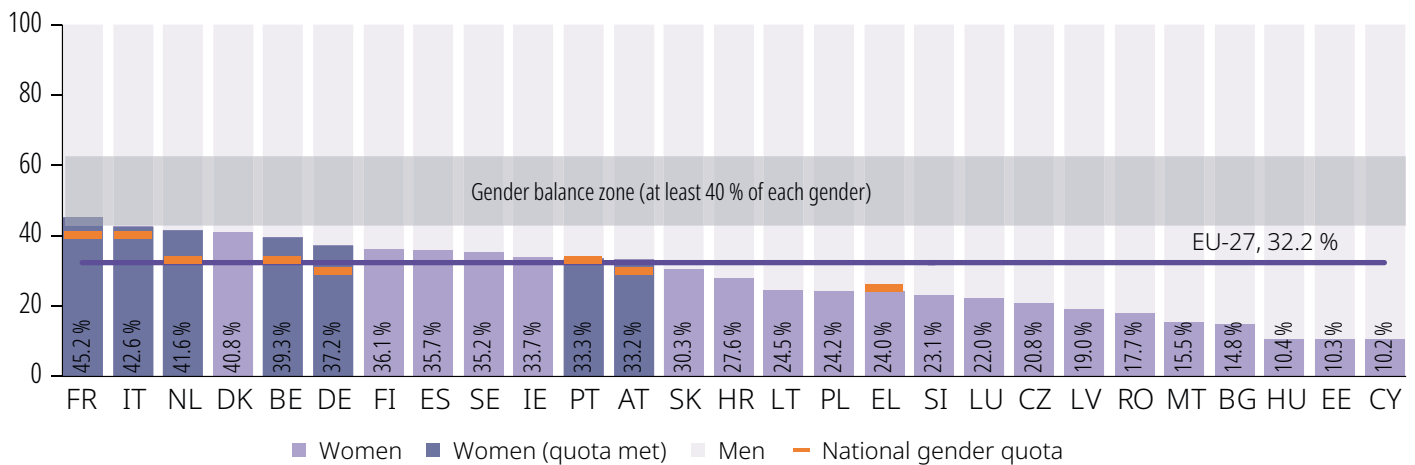
under-represented gender among non-executive directors or 33 % among all directors. The European Institute for Gender Equality (EIGE) monitors the situation biannually for the largest listed companies in the Member States and annually for central banks and EU financial institutions.

### Only 3 in 10 board members in large corporations in the EU are women

In October 2022, the share of women on the boards of the largest publicly listed companies registered in the Member States reached a new high of 32.2 %. Yet it means that two out of every three board members remain men. There are now four Member States in which the largest listed companies have at least 40 % of each gender at board level: France (which

had already surpassed the threshold in 2016), Italy, the Netherlands and Denmark. Belgium is edging closer to this mark. Germany, Finland, Spain, Sweden, Ireland, Portugal and Austria have also achieved the 33 % target proposed by the EU for all board members. In Hungary, Estonia and Cyprus, however, women account for only 1 in 10 board members (Figure 1).

**Figure 1.** Share of women and men on the boards of the largest listed companies (%), October 2022

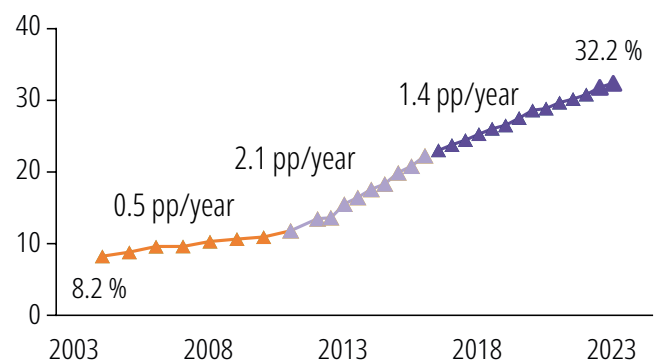


Source: EIGE, Gender Statistics Database. National gender quota targets: FR and IT (40 %); BE, NL and PT (33 %); DE and AT (30 %); EL (25 %).

### Slow rate of progress towards targets

Progress towards better representation of women on boards was very slow between 2003 and 2010 (0.5 percentage points (pp)/year), but accelerated between 2010 and 2015 (2.1 pp/year), mainly as a result of rapid improvements in Germany, France and Italy following the introduction of legislative quotas (Figure 2). However, between October 2015 and October 2022, progress slowed to 1.4 pp/year as these Member States gradually achieved or moved closer to legislative targets.

**Figure 2.** Share of women on the boards of the largest listed companies (%), EU-27, 2003–2022



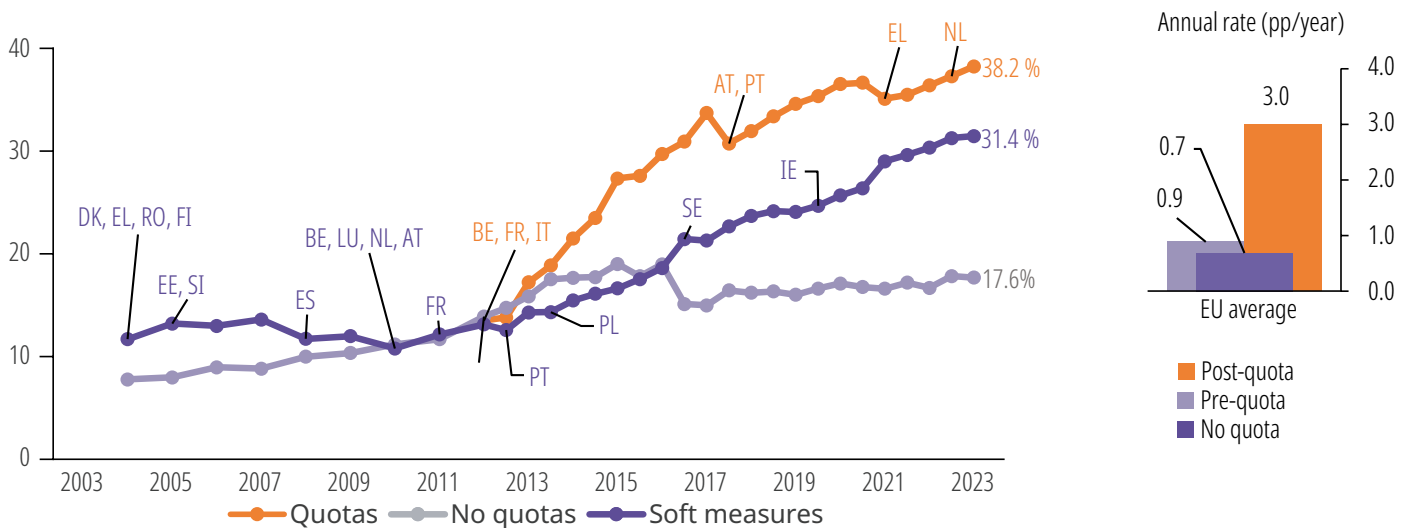
Source: EIGE, Gender Statistics Database.

## Government action generates progress

Governments can take a variety of actions to tackle gender imbalances. These include legislative gender quotas, with sanctions for non-compliance, and a wide range of ‘soft measures’ that are designed to encourage companies to self-regulate. The impact of binding gender quotas is clear: in October 2022, women accounted for 38.2 % of the board members of the largest listed companies in the eight Member States with binding quotas, compared to 31.4 % in Member States that have used soft measures, and just 17.6 % in those that have

taken no action at all (Figure 3)<sup>(1)</sup>. Data also show that quotas have accelerated progress. In the Member States without quotas (including those with soft measures), the average rate of change is just 0.7 pp/year. In the Member States with quotas, the proportion of women on boards was increasing at an average rate of 0.9 pp/year before quotas were introduced, but more than tripled (to 3.0 pp/year) after the introduction of quotas.

**Figure 3. Share of women on the boards of the largest listed companies by type of action taken (%), EU-27, October 2011–2022**



Source: Own calculations based on data from EIGE, Gender Statistics Database.

NB: The time series for CZ, LT, MT and PL start in 2004. The time series for HR starts in 2007.

## Over a third of non-executive positions are held by women

In October 2022, women held just over a third (34.8 %) of non-executive positions in the top two decision-making bodies of the largest listed companies in the EU Member States. In April 2022, only three Member States met the proposed EU target of 40 % women among non-executives (France, Italy and the Netherlands), but when data were next collected in October 2022, the number more than doubled as Belgium,

Denmark, Spain and Portugal also met the target. Ireland is not far behind with 38.9 % women. Member States that would be most affected by the introduction of EU legislation include Bulgaria, Estonia, Cyprus, Latvia, Hungary, Malta and Romania, in all of which women held less than 20 % of non-executive positions.

## Progress remains marginal with few women in executive positions

Despite progress among non-executives, women still account for only a fifth (21.1 %) of senior executive positions. Legislative quotas typically only apply to the top-level board or to non-executive seats, leaving the executive positions little affected by legislation. This is evidenced in the data where Member States are grouped by type of action (Figure 4). While the quota Member States have 41.3 % women among non-executives compared to 28.9 % in the non-quota

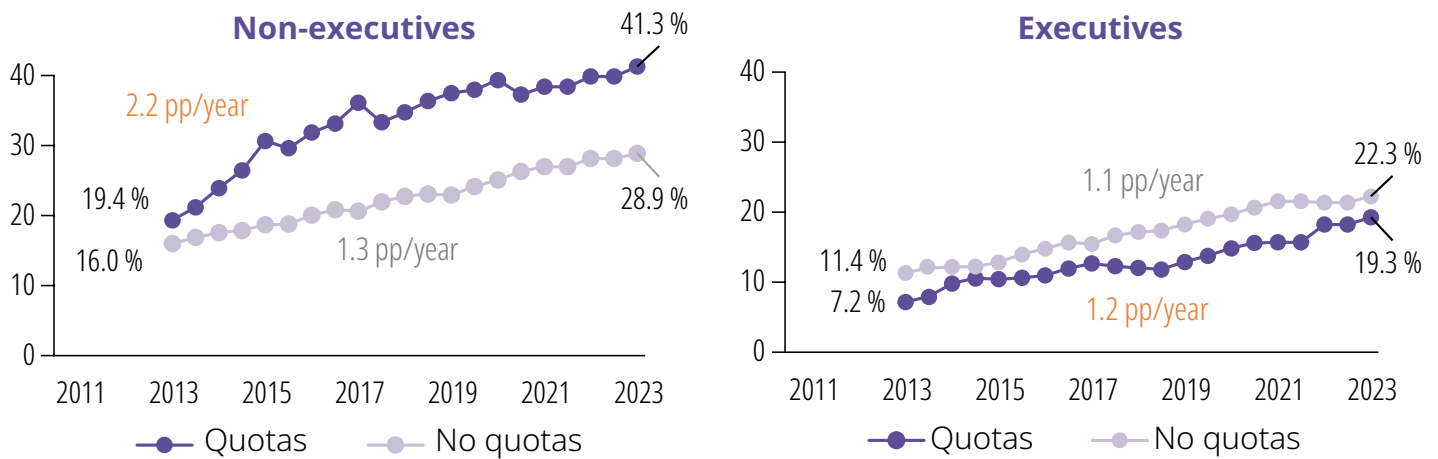
countries, the Member States with binding gender quotas have slightly lower levels of women’s representation among executives (19.3 %) than Member States that have taken either soft measures or no action (22.3 %). However, in October 2022, the Member States with quotas had a marginally faster rate of progress for executive positions (1.2 pp/year since 2012 compared to 1.1 pp/year), and there has been visible improvement since October 2020 (from 15.7 % to 19.3 %

<sup>(1)</sup> The composition of the groups of Member States with/without quotas changes through time as Member States move from the no quota group to the quota group after adopting legislation (see labels in Figure 4).

women). Indeed, both Germany and France expanded the legal requirements for gender balance to include executive positions during 2021 <sup>(2)</sup> and this may be a contributory fac-

tor in the modest acceleration of progress seen, but it is still early days.

**Figure 4.** Share of women among executives and non-executives of the largest listed companies by type of action at the national level (%), EU-27, October 2012–2022.



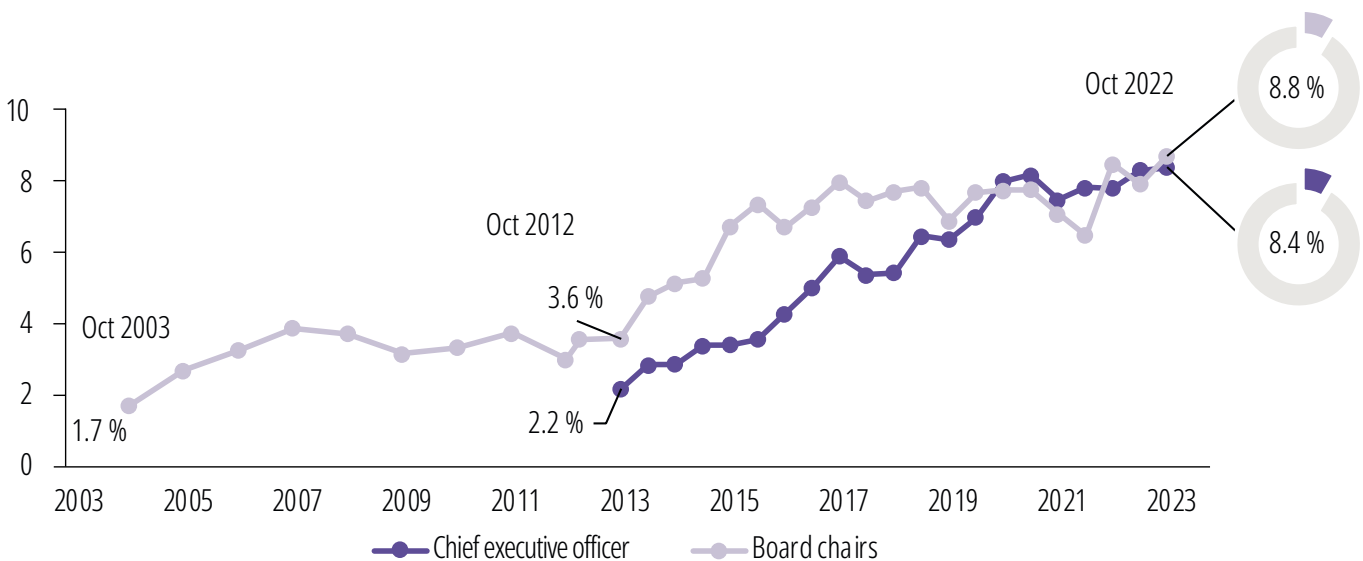
Source: Own calculations based on data from EIGE, Gender Statistics Database.

### Men occupy a large majority of top positions

While there have been improvements at the board level, women’s under-representation in top positions endures. Less than 1 in 10 of the largest listed companies in Member States have a woman chair (8.8 %) or a woman chief executive officer (8.4 %).

Thus, even if some time lag might be expected in order to see women better represented at executive levels, figures show that in many Member States most of the women already appointed to company boards are still not being selected for the top positions.

**Figure 5.** Share of women among board chairs and chief executive officers of the largest listed companies, EU-27, October 2003–2022



Source: EIGE, Gender Statistics Database.

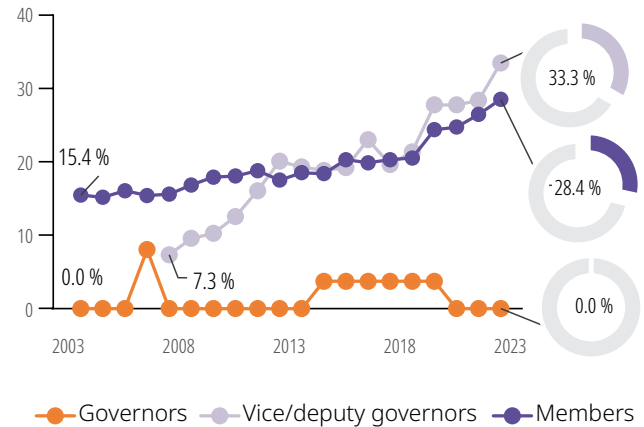
<sup>(2)</sup> In Germany, from August 2022, companies with executive boards with at least four members should have at least one woman appointed (law approved in August 2021). In France, the executive committees should have at least 30 % of each gender by 2026 and 40 % by 2029 (law approved in December 2021).

## Only men hold the governors' positions of EU national central banks

In 2022, women held less than 3 in 10 (28.4 %) seats in the key decision-making bodies of national central banks in the EU (Figure 6). While the new data represents a significant improvement since 2003 (15.4 %), the rate of change is slow (an average of 0.7 pp/year). At this pace, it will take another 17 years to achieve gender balance (at least 40 % of each gender).

When data were last collected in June 2022, women accounted for a third of all vice/deputy governors of national central banks whilst men held all 27 of the full governors' positions.

**Figure 6.** Share of women in key decision-making bodies of national central banks (%), EU-27, 2003–2022

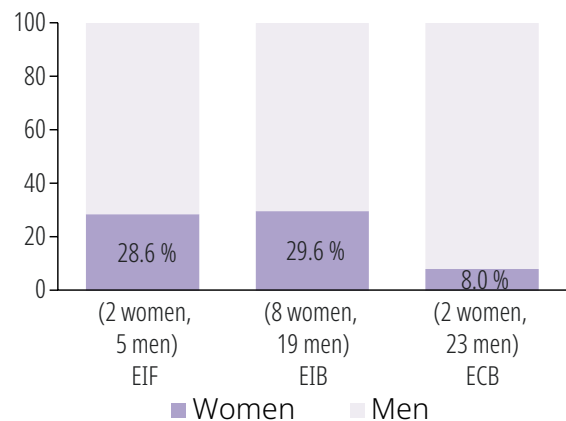


Source: EIGE, Gender Statistics Database.

## EU financial institutions are led by men

Historically, men have been the main actors for key decision-making in financial institutions in the European Union. The board of the European Central Bank (ECB), albeit led by a woman, had only two women among its 25 members in June 2022 (8.0 %) (Figure 7). Women accounted for 29.6 % (8 of 27) of the members of the board of governors of the European Investment Bank (EIB) while the much smaller board of directors of the European Investment Fund (EIF) comprised five men and two women.

**Figure 7.** Share of women in key decision-making bodies of European financial institutions (%), 2022



Source: EIGE, Gender Statistics Database.

All data used in this note are based on data by country published on EIGE's Gender Statistics Database and can be accessed [here](#). Comprehensive information about the basis for the sample of companies and specifications of the coverage of the data can be found on the 'Metadata' tab of each indicator (e.g. [here](#)).

### 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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