

# Gender Equality Index 2020: Digitalisation and the future of work

## Progress on gender equality is most notable on company boards

In 2012, the European Commission proposed legislative action to guarantee representation of both sexes amounting to at least 40% of non-executive directors of listed companies, putting the issue at the centre of the policy agenda. Although the proposal has not yet been adopted, women have made great progress in this area of decision-making, with a 2-p.p. increase between 2019 and 2020 (from 26% to 29%) (Figure 20).

France remains the only Member State to have surpassed the 40% threshold. The number of countries in which women account for at least one third of boards has grown to eight in 2020 (Belgium, Denmark, Germany, Italy, the Netherlands, Finland, Sweden and the United Kingdom), while substantial progress has been made in Croatia (+ 8 p.p.), Ireland (+ 8 p.p.) and Portugal (+ 5 p.p.).

However, there are still 10 Member States with boards consisting of over 80% men, including Estonia and Cyprus, each of which has less than 10% women board members and has shown little or negative progress since 2018.

Across the EU, several Member States have taken action to promote more gender-balanced representation in corporate leadership. The strategies adopted vary from 'soft' measures, aimed at encouraging companies to self-regulate and take action independently, to 'hard' regulatory approaches, which include the application of legally binding quotas for the minimum representation of each gender, in some cases with sanctions for non-compliance.

To date, six Member States have adopted mandatory quotas for large listed companies: Belgium, France and Italy in 2011, followed by Germany in 2015 and, more recently, Austria and Portugal in 2017. The impact of these quotas is clear. In 2020, women accounted for 37% of the board members of the largest listed companies in Member States with binding quotas, compared with 25% in countries with only soft measures or which have taken no action at all.

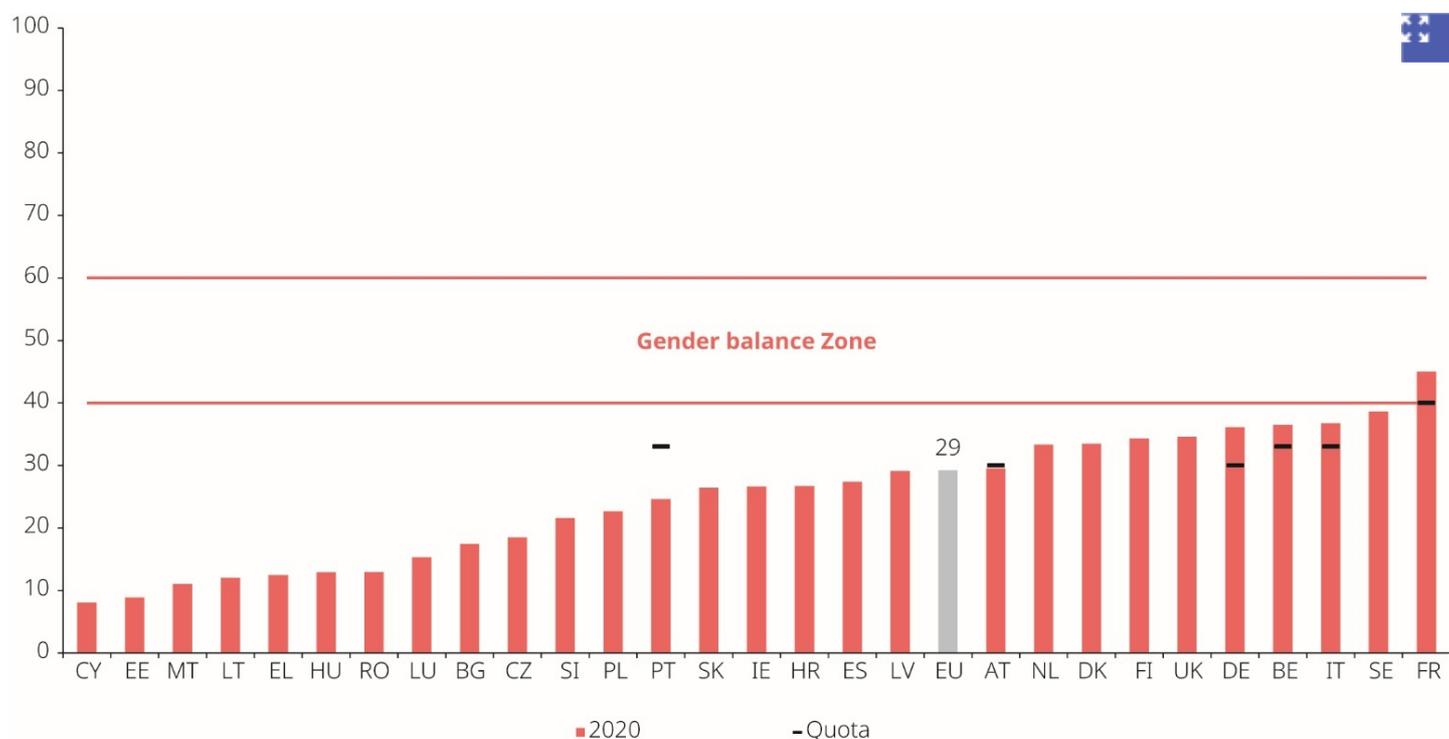


Figure 20. Percentages of women on the boards of the largest quoted companies (supervisory boards or board of directors) and binding quotas, by EU Member State, 2020

The presence of women in executive hierarchies is slowly growing, with women accounting for almost 19 % of senior executive positions and 31 % of non-executives, roughly a 2-p.p. increase in each since 2018.

However, the low proportions of women among board chairs and chief executive officers (CEOs) have improved only marginally, with a 1-p.p. increase since 2018, stagnating at 8 % each. This uneven progress invites policymakers to take action in Member States that are lagging behind in the promotion of balanced representation in economic decision-making positions.