

Gender Equality Index 2019. Work-life balance

More gender equality on corporate boards – but only in a few Member States

The proportion of women on the boards of the largest listed companies in the EU-28 more than doubled between 2010 and 2018 (from 12 % to 26 %), after the European Commission brought the issue to the policy fore. However, progress was concentrated in just a few Member States where governments took legislative or other forms of action. France remained the only Member State with at least 40 % of each gender on the combined boards of the companies covered^[1].

Only in four Member States (IT, SE, FI, DE) did women account for at least a third (+ 33 %) of board members. In just under half of Member States (13), men outnumber women by at least four to one (i.e. < 20 % women), including in Malta, Greece and Estonia, where women represented less than 10 % of board members. In the remaining Member States (10), the proportion of women on the boards of the largest listed companies is between 20 % and 33 %.

Six Member States have legislated gender quotas to address the gender imbalance in boardrooms: Belgium, Italy and Portugal (33 %), Germany and Austria (30 %) and France (40 %). A softer approach is taken in 11 other Member States (DK, IE, EL, ES, LU, NL, PL, SI, FI, SE, UK). This includes legislated quotas restricted to state-owned companies or applied without sanctions in Greece, Slovenia and Spain, while others have preferred to encourage companies to self-regulate in order to redress the gender balance in corporate boardrooms. In the remaining 11 Member States (BG, CZ, EE, HR, CY, LV, LT, HU, MT, RO, SK) there has been no substantial government action.



**Only 7 %
of CEOs in the EU
are women**

The difference between action and inaction is striking. In 2018, the four Member States with binding quotas (BE, DE, FR, IT) had boards with 38 % women (an aggregate of all companies covered in those Member States), representing a rise of 28 p.p. since 2010^[2]. This averaged to a steady yearly increase of 3.5 p.p. The Member States in which governments took soft measures had 27 % women, a growth of 13 p.p. over the same period at 1.6 p.p. per year. In stark contrast, the no-action Member States had just 15 % women board members, with their representation rising by just 1.5 p.p. between 2010 and 2018. This averaged out at just 0.2 p.p. per year. The figures show a distinct correlation between political inaction and virtual stagnation on gender equality in economic power and decision-making. A recent slowdown in progress is likely to continue, as the three Member States responsible for the most progress (FR, DE, IT) have now surpassed their respective legislated targets, and Belgium is only 1 p.p. away from reaching its 33 % target.

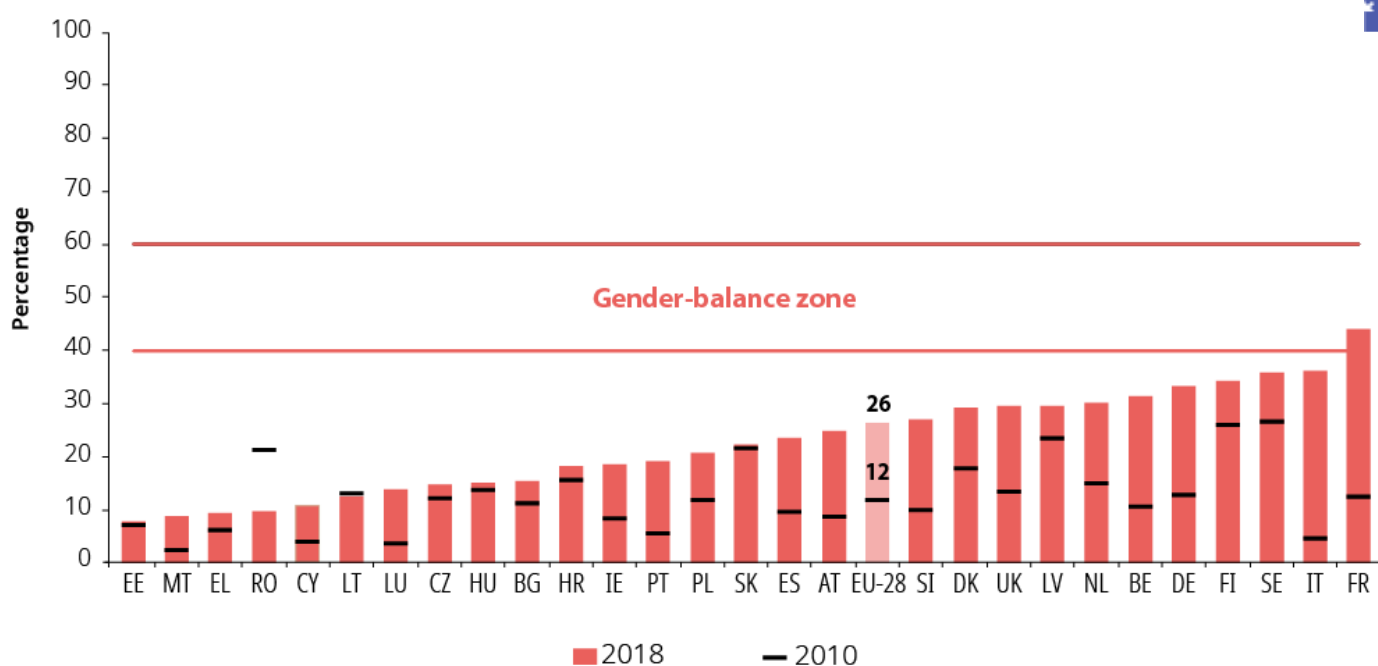


Figure 27: Percentage share of women on the boards of the largest quoted companies, supervisory board or board of directors, by EU Member State, 2010 and 2018
 Source: EIGE's calculation, EIGE's Gender statistics database, WMID.

While more women are now in boardrooms, this has not translated into more women in executive hierarchies. In the EU in 2018 women accounted for just 17 % of senior executives compared to 29 % of non-executives. In addition, top corporate positions were still largely occupied by men. Although numbers more than doubled from 2010, women board chairs and women CEOs have remained few and far between (7 % each).

Clearly the challenge for policymakers is to take the necessary action in Member States that have so far done little to promote balanced representation in the boardroom, and for further action in others to build on progress already made.

Footnotes

[1] The share of women on boards in France first reached 40 % in October 2016, driven by a law introduced in 2011 that required all large companies (> 500 employees or a turnover of > EUR 50 million) to have \geq 40 % of each gender on boards by January 2017.

[2] Austria and Portugal have not been included under the binding quotas group despite the fact that both have been enforcing legislative quotas since January 2018. The quotas are fairly recent and will take some time to show any impact. They are included instead under the soft measures.
