



CWDI



A GLOBAL LOOK AT BOARD DIVERSITY

By Corporate Women Directors
International

Tokyo Stock Exchange



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Corporate Women Directors International's summary view of women board directors globally shows some progress not just in numbers but also in strategies increasingly employed to increase women's access to corporate leadership. The charts that follow provide greater detail in women's increased presence in corporate board rooms, but what is also clear in the country listings where national efforts have been initiated is the absence of much of the world.

Which region leads in women's access to board seats?

- ***The European region leads the world with 30% average representation of women on boards***, with US/Canada coming close behind with 28.6% women-held board seats. The African region comes in third with 19.1% female directors, while Asia Pacific, Latin America and the MENA regions trail in appointing women to board positions. (Chart 1)

Which are the best-performing companies globally?

- Among the 200 largest companies in the world, ***the Top Ten Best-Performers listing with the highest percentages of women directors is dominated by 8 French companies***, all of which had average women-held board seats surpassing the 40% mandated by France's quota law. Insurance company AXA leads the world with a female-dominated board at 58.8%. (Chart 2)
- U.S. companies comprise the second largest cluster with five companies in the Top Ten list led by two – General Motors and Citigroup – with 47.1% women directors and both headed by women CEOs. ***The U.S. Best Performers list also includes three technology firms for the first time – HP, Amazon and Facebook.***

Which strategies have been effective in increasing women's access to board seats?

- Legislative mandates or 'quotas' for women on boards have been increasingly adopted by governments to accelerate women's board appointments with targets ranging from 40% as in France and Norway or at least one board seat as in the UAE, India and Pakistan. ***Quotas are now in place in 44 economies – 18 for publicly-listed companies and 26 for state-owned companies***, with more expected in coming years. (Charts 3-4)
- Do they work? The 'Before and After Quota' chart shows that quotas are very effective with France showing the most dramatic increase from 6.4% women's board representation prior to quota enactment to the current 46% in just 10 years, while India tripled its percentage in just 6 years from 5.1% to 15.7%. (Chart 5)

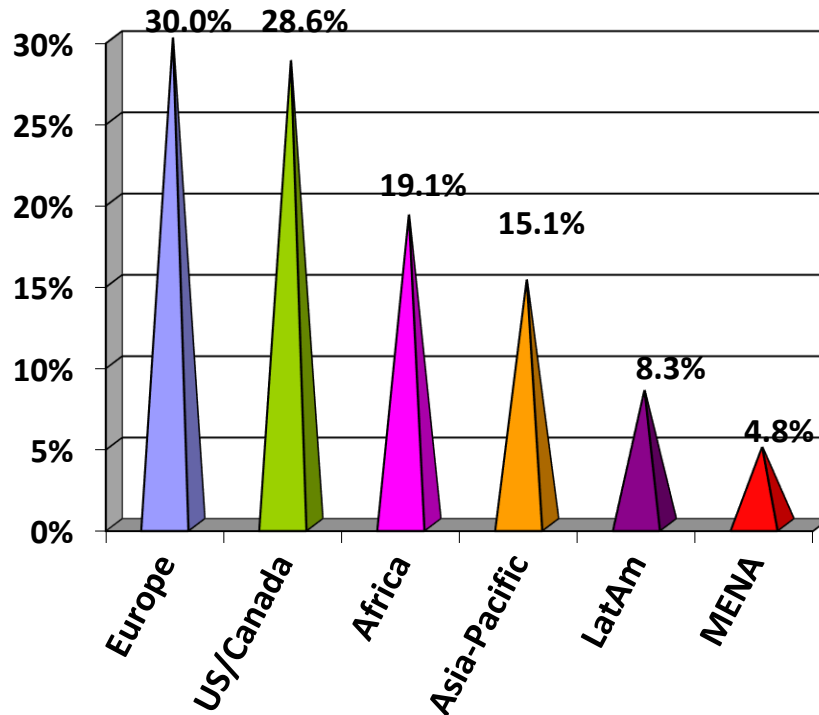
- A private sector strategy that's equally effective is ***the inclusion of gender diversity language in countries' Corporate Governance Codes***, or in stock exchanges listings and securities commissions' requirements. Currently, 33 economies have adopted this measure. (Chart 6)
- Does this strategy work? While not resulting in dramatic increases as found in quotas, the percentage of women directors improved nonetheless as exemplified by Australia where women directors' representation went from 8.6% to 33% in 10 years. U.K. changed its corporate governance code three times with more aggressive board diversity language as well as targets, resulting in an increase from 12.5% to 34.5% in just 9 years. (Chart 7)
- Prior to these public and private sector initiatives to improve women's access to board seats, the average rate of increase in women directors averaged 1% or less yearly.

Does gender diversity on boards have a bottom line impact?

- To date, over 90 studies and reports from different countries and different organizations all point to a ***correlation between more women on boards and companies' better financial performance*** whether it's return-on-equity, return-on-assets or greater risk mitigation. This is called the 'business case' for gender diversity on boards, and for a listing of these studies over the years compiled by Corporate Women Directors International, go to: <https://globewomen.org/CWDINet/wp-content/uploads/2020/08/CWDI-Business-Case-Bibliography-chronological.pdf>.

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1. REGIONAL COMPARISON OF WOMEN BOARD DIRECTORS



Sources:

Europe - European Institute for Gender Equality (EIGE) Gender Statistics Database – Blue-Chip Companies in each country, Dec 2020;

US – Equilar Gender Diversity Index, S&P 500 Companies, 2020;

Canada - TSX 60 (Globe and Mail), Oct 2020;

Africa – The BoardRoom Africa, Publicly-listed companies in 10 Countries, 2019;

Latin America - Egon Zehnder Latin America Board Report, 2020;

MENA – Corporate Governance in MENA: Building a Framework for Competitiveness and Growth, OECD, 2019

2. FORTUNE GLOBAL 200 – TOP TEN COMPANIES WITH HIGHEST PERCENTAGE OF WOMEN BOARD DIRECTORS (AS OF JANUARY 31, 2021)

Rank	Company Name	Country	Number of Women Directors	Total Number of Directors	Percentage of Women Board Directors
1	AXA	France	10	17	58.8%
2	General Motors	USA	6	11	54.5%
3 (tie)	Citigroup	USA	8	17	47.1%
3 (tie)	Crédit Agricole	France	8	17	47.1%
4 (tie)	Total	France	6	13	46.2%
4 (tie)	HP	USA	6	13	46.2%
5	Amazon.com	USA	5	11	45.5%
5 (tie)	Zurich Insurance	Switzerland	5	11	45.5%
6	Munich Re Group	Germany	9	20	45.0%
7 (tie)	Christian Dior	France	4	9	44.4%
7 (tie)	Électricité de France	France	8	18	44.4%
7 (tie)	Facebook	USA	4	9	44.4%
8	Carrefour	France	7	16	43.8%
9 (tie)	Societe Generale	France	6	14	42.9%
9 (tie)	BNP Paribas	France	6	14	42.9%
9 (tie)	Manulife Financial	Canada	6	14	42.9%
9 (tie)	Aegon	Netherlands	3	7	42.9%
10 (tie)	BP	UK	5	12	41.7%
10 (tie)	McKesson	USA	5	12	41.7%
10 (tie)	Unilever	UK	5	12	41.7%

3. COUNTRIES WITH QUOTAS WITH PUBLICLY-LISTED COMPANIES

The Quota Legislative Strategy for Women Directors – Global Overview					
Countries with Quotas for Publicly-Listed Companies					
 Israel (1999 – 1 woman)	 Belgium (2011)	 India (2014 -1 woman)	 Portugal (2017)		
 Norway (2003)	 Malaysia (2011)	 Germany (2014)	 Panama (2018)		
 Spain (2007)	 Italy (2011)	 Austria (2017)	 Greece (2020)		
 Iceland (2010)	 Netherlands (2012)	 Pakistan (2017 – 1 woman)	 South Korea (2020 – 1 woman)		
 France (2010)	 Denmark (2013)	 CORPORATE WOMEN DIRECTORS INTERNATIONAL			
Municipal and Provincial Quotas				Proposed Quotas	
 Quebec, Canada (2006)	 European Union			 Slovenia	
 California USA (2018)	 Mexico	 Brazil (State-Owned)			
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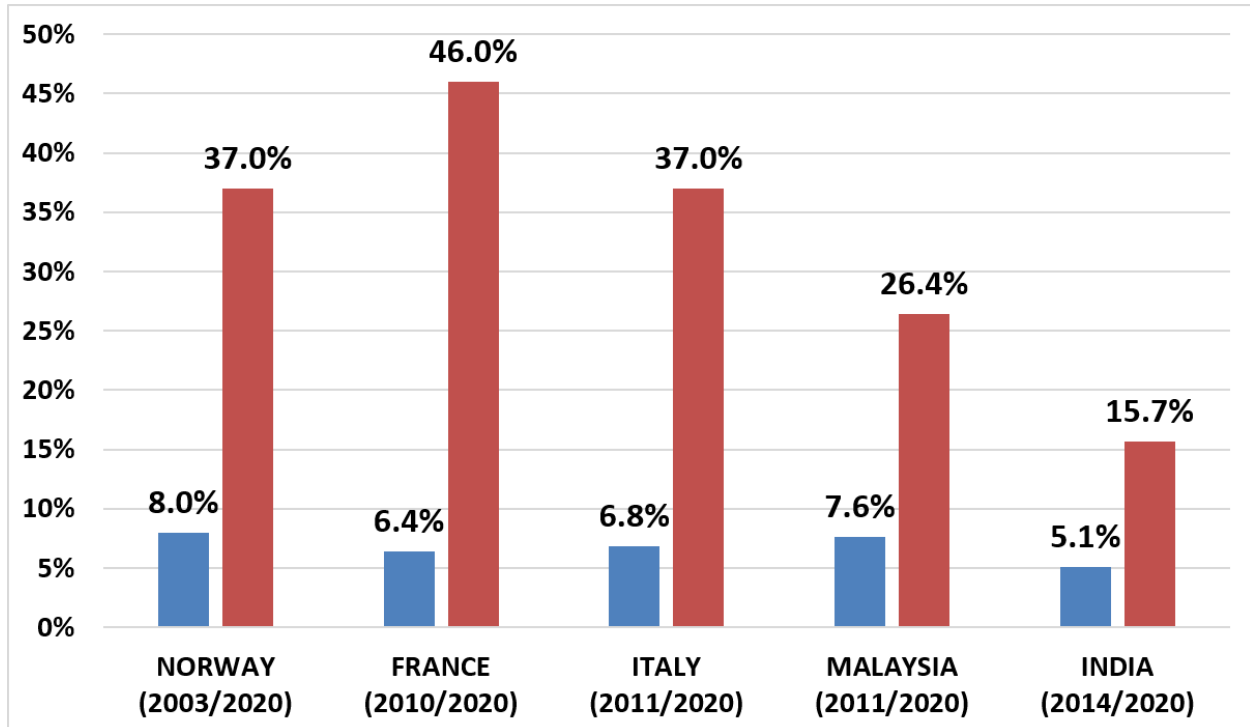
4. COUNTRIES WITH QUOTAS WITH STATE-OWNED COMPANIES

The Quota Legislative Strategy for Women Directors – Global Overview			
Countries with Quotas for State-Owned Companies			
 Israel (1993)	 Iceland (2010)	 Malaysia (2011)	 Denmark (2013)
 South Africa (1993)	 France (2010)	 Slovenia (2011)	 Germany (2014)
 Greece (2000)	 Kenya (2010)	 Switzerland (2011)	 Chile (2015)
 Norway (2003)	 Belgium (2011)	 Netherlands (2012)	 Austria (2017)
 Finland (2004)	 Croatia (2011)	 Poland (2012)	 Portugal (2017)
 Ireland (2004)	 Italy (2011)	 UAE (2012- 1 woman)	 Panama (2018)
 Spain (2007)	 Luxembourg (2011)		






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5. WOMEN BOARD DIRECTORS BEFORE AND AFTER QUOTAS

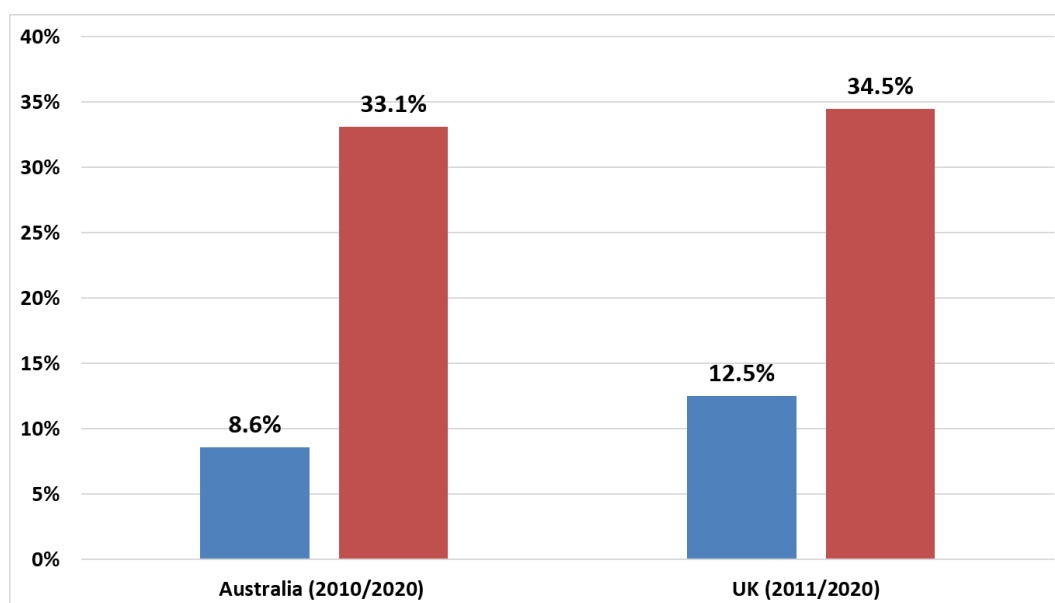


6. ECONOMIES WITH BOARD DIVERSITY LANGUAGE IN CORPORATE GOVERNANCE CODES, STOCK EXCHANGE LISTING OR SECURITY EXCHANGE COMMISSION REQUIREMENTS

Stock Exchange Commissions	Corporate Governance Commissions	Corporate Governance Commissions (Cont'd)
SPAIN (2007) 	KENYA (2002) 	FRANCE (2010) 
AUSTRALIA (2011) 	FINLAND (2003, 2008) 	UK (2010) 
ITALY (2011) 	SWEDEN (2004) 	AUSTRIA (2010) 
SINGAPORE (2011) 	NORWAY (2004) 	DENMARK (2010) 
JAPAN (2009) 	NETHERLANDS (2008) 	MOROCCO (2010) 
POLAND (2010) 	BELGIUM (2009) 	MALAWI (2011) 
MALAYSIA (2011) 	LUXEMBOURG (2009) 	NIGERIA (2011) 
HONG KONG (2012) 	SOUTH AFRICA (2009) 	SLOVENIA (2011) 
NEW ZEALAND (2012) 	GERMANY (2010) 	CANADA (2014) 
PAKISTAN (2012) 		SWITZERLAND (2014) 
TURKEY (2012, 2014) 		ROMANIA (2015) 

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7. WOMEN BOARD DIRECTORS BEFORE AND AFTER STOCK EXCHANGE/CORPORATE GOVERNANCE CODE GENDER DIVERSITY INITIATIVE



CORPORATE WOMEN DIRECTORS INTERNATIONAL

CWDI Chair:

Irene Natividad, President of GlobeWomen Research & Education Institute, served as Commissioner of the National Association of Corporate Directors (NACD) Blue Ribbon Commission on Board Diversity. She is a former Board Director for Sallie Mae Corporation and is a Current Director for Enterprising Women, Inc. In addition, she has served on several Corporate Advisory Boards including Data Labs, Inc., Wyndham International, Cigna Corporation and currently, L'Oreal as well as for nonprofit organizations such as NACD, Global Economic Symposium, and National Museum for Women in the Arts Foundation, among others.

About CWDI

Corporate Women Directors International (CWDI) promotes the increased participation of women in corporate boards globally, fosters national and international networks to link women directors, and seeks to hone directors' skills in corporate governance. To provide baseline information from which women's progress on corporate boards can be measured, CWDI has conducted annual research internationally since 1996 to identify women corporate board members in countries such as Australia, Canada, Japan, South Africa, Spain, and the United States; regional reports covering top companies in Latin America, Africa, and Central and Eastern Europe, as well as five Global reports analyzing women's board participation at the 200 largest companies in the world. CWDI has also issued industry-specific reports with the result that overall, 29 reports in 23 years have been issued.

In addition, CWDI has held roundtables on corporate governance in several cities globally for women directors and executives. In collaboration with the International Finance Corporation of the World Bank, CWDI has also convened business and government leaders to share and analyze board diversity initiatives from several countries. Lastly, CWDI has pioneered women-only Market Opens in several countries' Stock Exchanges since 2006 to mark women's contribution to their country's economy and to share data on women directors. For more information about CWDI or its publications, please contact Corporate Women Directors' Washington, D.C. headquarters at cwdi@globewomen.com.

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