



## **Europe Dominates in Naming Women to Corporate Boards**

*U.S. continues to lag behind in appointing women directors to the boards of its largest companies.*

Washington, D.C.— European countries now have the highest percentage of women directors among the 200 largest companies in the world, according to the latest Corporate Women Directors International study of women directors. ***Propelled by aggressive initiatives to increase the number of women board directors, 23.5% of directors in Europe’s largest companies are now women, while the percentage in the U.S. peaked at 22.4% women directors of companies among the Fortune Global 200.***

***An impetus behind the increases in European countries is government quotas, which require 30-40% of board seats to be allocated for women.*** Germany is the latest to adopt a 30% quota for women directors in 2015, an initiative begun by Norway, which paved the way by successfully reaching its 40% mandate for women on boards in 2008. They have now been joined by Spain, the Netherlands, Iceland, Italy, Belgium and Denmark.

Outside of Europe, Malaysia has a quota which will be implemented by 2016. With 16 other countries with quotas for women on the boards of government-owned companies, ***there are now 22 countries using legal mandates for women directors***, with even India (for listed companies) and the United Arab Emirates (for state-owned companies) requiring in 2014 at least one board seat to be held by women.

Italy leads all other European countries with the highest percentage increase in women directors in a decade from 1.8% in 2004 to 25.8% in 2014, a 24% increase due to its quota law passed in 2011. ***France’s blue chip companies now have 30% women’s representation on boards, up from 7.2% in 2004***, again due to a quota law targeting 40% board seats for women directors enacted in 2010.

“European companies have raised the bar for other countries interested in opening up corporate board rooms to women,” said Irene Natividad, chair of the Washington-based international research group CWDI. “The dramatic increase in the number of women now serving on the boards of European companies shows that it is possible to do this ***at a quicker pace*** as long as there’s a plan to do so.”

***The other propellant that led to more women board directors this year is the inclusion of gender or board diversity in the corporate governance code in several European countries*** – an initiative that has now spilled over to other continents. A very popular strategy for countries wanting to avoid quotas, there are now 26 countries who have adopted this initiative. Australia’s Securities Exchange-based Commission with its more stringent reporting requirements has resulted in increasing the percentage of women directors to 19.2% among the ASX 200 from 8.6% ten years ago -- without a quota

Among the *Fortune* Global 200 companies covered in the 2015 CWDI Report, ***those companies based in countries with quotas had a higher percentage of women directors (25.3%) than the average representation of women in peer companies at 17.8%***. Similarly, those companies which made it to the *Fortune* listing, which are based in countries with gender diversity recommendations



for corporate boards also had a higher percentage of women directors at 24.2% than those companies in countries without such a directive in their corporate governance code.

“Quotas work,” said Natividad. “Inserting gender diversity into corporate governance codes works. What doesn’t work is assuming that women will rise to board seats ‘naturally’, and therefore do nothing.” ***The three largest economies in the world – U.S., China and Japan -- have the lowest percentage increases in women-held board seats. All three countries combined have the largest cluster of companies among the 200 largest in the world.*** None of these countries have concerted proactive ***national*** strategies to improve the numbers of women directors in their respective countries. Should they do so, the percentage of women directors among the *Fortune* listing would rise significantly.

***The U.S. also lost its lead in CWDI’s Top Ten list of best performing companies (25 due to ties).*** Whereas U.S. companies used to make up the majority of best performers in 2004 with 20 out of 27 companies in the Top Ten, now only 7 companies made it to this ranking, matched by France with 7 companies. ***For the first time in a decade, Italy has three companies, which made it to the Top Ten listing – Generali, Enel and Eni – all with over 30% of board seats held by women.*** Only ten years ago, no one would ever conceive of any Italian company making the voyage to gender equity on boards. A quota law changed that direction.

What has also changed is the composition of the *Fortune* Global 200. In 2014, almost a quarter of the companies deemed the largest are now from emerging economies, with China having the biggest presence. Given more traditional views of women’s roles in society, these countries have the lowest women’s representation on boards and offset the progress outlined above mostly in European countries. Companies in these economies have reduced U.S. dominance in the *Fortune* Global 200 ranking from 78 companies in 2004 to 58 ten years later.

Looking forward, CWDI recommends the continued articulation of the ‘business case’ for women directors, the engagement of more male business leaders in this effort, the proactive creation of a pipeline of women in senior management and the need for a ***national plan to increase women’s access to board seats.***

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#### ***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 research internationally since 1996 to identify women corporate board members in Australia, Canada, Japan, South Africa, Spain, and the United States, as well as regional and global reports covering top companies and their record on board diversity. CWDI has also issued industry-specific studies resulting in 22 reports in 17 years.

In addition, CWDI has held roundtables on corporate governance in several cities globally for women directors and executives. The most recent brought together business and government leaders convened with the World Bank in Washington, DC, to share board diversity initiatives from several countries. For more information about CWDI or its publications, please contact Corporate Women Directors’ Washington, D.C. headquarters at [cwdi@globewomen.com](mailto:cwdi@globewomen.com).



**Top Ten Companies with Highest Percentage of Women Board Directors in Fortune Global 200 (as of January 1, 2015)**

	Fortune Rank	Company Name	Country	Women Directors	Total Number of Directors	Percentage of Women Directors
1 (tie)	89	Procter & Gamble	USA	5	11	45.5%
1 (tie)	39	Statoil	Norway	5	11	45.5%
2	61	Société Générale	France	6	14	42.9%
3	37	GDF Suez	France	7	17	41.2%
4	78	Wells Fargo	USA	6	15	40.0%
5 (tie)	137	PepsiCo	USA	5	13	38.5%
5 (tie)	10	Total	France	5	13	38.5%
6 (tie)	52	Enel	Italy	3	8	37.5%
6 (tie)	171	Saint-Gobain	France	6	16	37.5%
7(tie)	49	Assicurazioni Generali	Italy	4	11	36.4%
7 (tie)	35	Fannie Mae	USA	4	11	36.4%
7 (tie)	48	Verizon Communications	USA	4	11	36.4%
8 (tie)	20	AXA	France	5	14	35.7%
8 (tie)	135	Unilever	Netherlands	5	14	35.7%



9 (tie)	130	Deutsche Bank	Germany	7	20	35.0%
9 (tie)	108	Deutsche Post	Germany	7	20	35.0%
9 (tie)	92	Munich Re	Germany	7	20	35.0%
10 (tie)	31	Allianz	Germany	4	12	33.3%
10 (tie)	41	BNP Paribas	France	5	15	33.3%
10 (tie)	17	Eni	Italy	3	9	33.3%
10 (tie)	22	General Motors	USA	4	12	33.3%
10 (tie)	128	MetLife	USA	4	12	33.3%
10 (tie)	121	Peugeot	France	5	15	33.3%
10 (tie)	159	Woolworths	Australia	3	9	33.3%
10 (tie)	123	Zurich Insurance Group	Switzerland	3	9	33.3%



**Percentage Increase of Women Directors in Fortune Global 200 Companies, 2004-2014**

Country	2014	2013	2011	2009	2007	2004	Change - 2004-2014
Italy	25.8%	9.3%	6.6%	3.6%	2.9%	1.8%	+ 24%
France	30.2%	25.1%	20.1%	11.2%	7.6%	7.2%	+ 23%
Switzerland	23.5%	13.6%	13.1%	14.3%	9.5%	7.7%	+ 15.8%
Netherlands	23.6%	12.1%	12.5%	15.9%	12.2%	8.6%	+ 15%
Spain	14.8%	12.7%	9.2%	9.4%	6.0%	1.9%	+ 12.9%
Germany	21.7%	17.6%	15.4%	11.9%	10.9%	10.3%	+ 11.4%
UK	22.5%	18.7%	16.8%	10.6%	13.9%	12.5%	+ 10%
US	22.4%	20.9%	20.8%	19.5%	17.6%	17.5%	+ 4.9%
Japan	5.2%	3.1%	1.8%	2.3%	1.3%	.7%	+ 4.5%
China	6.4%	8.2%	8%	10.8%	3.0%	2.8%	+ 3.6%
South Korea	3.2%	0	0	0	0	0	+3.2%