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## **Latin America Trails North America, Europe, and Asia in Placing Women on Corporate Boards**

(Washington, D.C., May 15, 2015) *Nearly half (47) of the 100 largest companies in Latin America fail to have a single woman on their Board of Directors*, according to Corporate Women Directors International (CWDI), a Washington-based research group, which released its report at the 2015 Global Summit of Women today in Sao Paolo, on women directors in the region's largest companies.

In all, women account *for only 6.4% of directors serving on the boards of the 100 largest companies in the region*, placing Latin America well behind North America (19.2%), Europe (20%), and the Asia-Pacific region where women occupy 9.4% of board seats. "While there is global momentum – largely driven by Europe -- to increase the presence of women board directors globally, Latin American companies are being left behind in moving women to senior leadership roles," states Irene Natividad, CWDI Chair. "The reasons for the low percentage of women board directors in the region are not difficult to see, since there are still so few women CEOs and senior executives in the pipeline from which board directors are normally drawn."

Among the countries represented by companies in the study, *Colombia leads the way with 13.4% of board seats held by women in its largest companies, more than twice the regional average of 6.4%*. Brazil, whose companies make up nearly half the largest companies on the list, averaged 6.3%. Mexico's companies had only 5.1% female board representation, while Chile's percentage of 3.2% is the lowest in the region. Among companies that do have a female director, 43% have only one.

*The best performing company among the 100 largest in Latin America is Colombia-based Grupo Argos with 28.6% women directors (2 out of 7)*. Mexico's Organizacion Soriana came in second best with 25% women-held board seats (2 out of 8), and tied for third place are Colombia's Exito, Chile's Falabella and Brazil's Banco Santander, all three at 22% women's

representation on their boards (2 out of 9). None of the large companies covered in the report had 3 or more women directors.



“While the numbers are pathetic,” states Natividad, “there are practical steps which countries can take to improve the presence of women in the boardroom. Brazil’s pending quota bill mandating that a minimum of 40% of directors of state-owned enterprises be women is one hope for the future.” *Should this quota bill pass, Brazil will be the first Latin American economy to adopt a legislative mandate for women on boards*, a strategy now adopted by several countries. It will join 22 other nations with quotas for women, whether for state-owned or publicly-listed companies. “While I am personally against quotas, I learned with time that it’s a necessary step. Without quotas, companies will not evolve,” states Regina Nunes, President of Standard & Poor’s Brazil.

In addition to legislative mandates, the CWDI report recommends the inclusion of gender diversity in corporate governance codes, a private sector initiative in 24 countries which has improved women’s access to board seats, and which Latin America can adopt to bring about more diverse boards.

***Why is it important to bring in more women to corporate boards? For Latin America’s continued economic growth and global competitiveness.*** The study cites numerous reports in virtually every region of the globe, which have found that women’s increased presence in corporate leadership roles – either as board directors or senior executives – correlated with companies’ greater profitability and financial success. The CWDI report also states that this ‘business case’ needs to be understood by Latin American companies, which do not see yet the economic rationale behind promoting women’s participation at the highest level of corporate leadership.

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**About CWDI:** This report is the 23rd study of women directors globally conducted by Corporate Women Directors International, a nonprofit organization which has provided research on women directors for the past 18 years globally. CWDI also convenes women directors in different countries on issues of corporate governance and schedules Market Opens in Stock Exchanges worldwide with women business leaders.



## 2015 CWDI REPORT: WOMEN BOARD DIRECTORS OF 100 LARGEST LATIN AMERICAN COMPANIES

### KEY FINDINGS

- **Women remain locked out of the board rooms of Latin America's largest companies.**  
Men hold 93.6% of board positions on the Boards of Directors of the 100 largest companies in the region, leaving women only 6.4% of board seats.
- **In the past decade, the percentage of women board directors has increased a paltry 1.3%.**  
In 2005, 5.1% of board seats were held by women, rising to 5.8% in 2012, before reaching 6.4% in 2015. Ten years from CWDI's first study in the region, the needle has barely moved.
- **Nearly half (47) of the 100 largest companies have no women board members.**  
Ambev, Itau Unibanco, America Movil, Televisa, Cemex, Vale and Banco Chile are among the largest companies with all-male boards.
- **Of the 53 companies with at least one woman director, 43 have only one woman.**  
8 companies have two women board members and only two have reached the point of "critical mass" of three or more women directors, where the participation of women on boards begins to effect the board's discussions.
- **Latin American companies lag behind their global peers in appointing women to corporate boards.**  
The percentage of women directors in Latin America, 6.4%, pales in comparison to Europe (20%), the US (19.2%), and Asia-Pacific (9.4%).
- **Globally, gender diversity on corporate boards is beginning to accelerate, but not in Latin America.**  
Over the past decade the percentage of women directors of the *Fortune* Global 200 has increased from 10.4% to 17.8% (*2015 CWDI Report on Women Board Directors of Fortune Global 200: 2004-2014*), an increase of 7.4 percentage points, compared to Latin America's 1.3 percent increase.
- **The absence of public or private sector initiatives to increase the number of women directors in the region is causing Latin America companies to fall further behind its global peers.**



As quotas for women on boards has spread from Europe to parts of Africa, Asia, and the Middle East, countries with quotas for women on boards have elicited increases up to over 20% in the past decade, in the case of Italy and France.

- **Brazil is the only country in Latin America with a proposed quota.**

A bill pending in the Brazilian Senate would require state-owned enterprises to increase their percentage of women directors at least 10% every two years until reaching a minimum of 40% of both genders. The bill is currently awaiting approval by the Social Affairs Commission before being submitted for passage by the Brazilian Chamber of Deputies. This is the only such initiative being considered in Latin America.
- **Colombia is the regional leader in placing women in corporate board seats.**

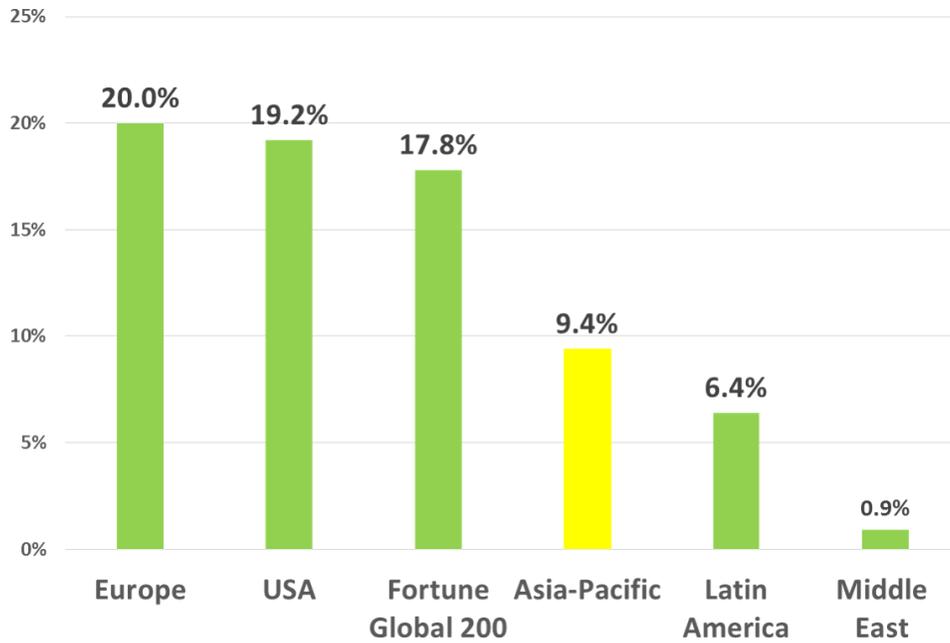
13.4% of board directorships in Colombia's top companies are held by women, more than twice the regional average. In second place in Latin America, Brazilian companies' boards consist of 6.3% women's representation, while Mexico (5.1%) and Chile (3.2%) are below the regional average.
- **Only 8 companies have at least 20% women directors and none exceed 30%.**

Two Colombian companies – industrial conglomerate Grupo Argos and leading cement company Cemargos - tie for the highest percentage with two women out of seven directors (28.6%). Mexican retailer Organizacion Soriana is in 2<sup>nd</sup> place with 25% women on board. Tied for 3<sup>rd</sup> are Chilean retailer Falabella, Colombian retailer Exitto, and Santander Brasil, each with two women on nine-member boards (22.2%).
- **A significant number of women serving on boards have family ties to the company.**

Over 1/3 of the 65 women on the boards of the companies in the study are family members of relatives leading the companies. This is particularly true in Brazil with over 40% women with family ties, whereas no Colombian woman director is a family member.



### Regional Comparison of Women on Boards

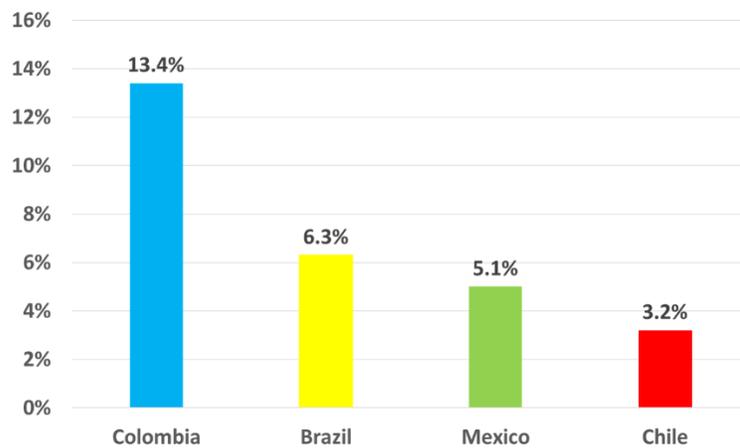


### Top 5 Companies with Highest Percentage of Women Board Directors



Rank	Company	Country	Number of Women Directors	Total Number of Directors	Percentage Women Directors
1 (tie)	Grupo Argos	Colombia	2	7	28.6%
1 (tie)	Cemargos	Colombia	2	7	28.6%
2	Organizacion Soriana	Mexico	2	8	25.0%
3 (tie)	Exito	Colombia	2	9	22.2%
3 (tie)	Falabella	Chile	2	9	22.2%
3 (tie)	Santander Brasil	Brazil	2	9	22.2%
4 (tie)	Walmex	Mexico	2	10	20.0%
4 (tie)	Banco do Brasil Seguridade	Brazil	1	5	20.0%
5	Femsa	Mexico	3	16	18.8%

### Country Comparison of Women on Boards in Latin America



### The Quota Legislative Strategy for Women Directors – Global Overview



Countries with Quotas for Publicly-Listed Companies	Countries with Quotas for State-Owned Companies	Municipalities
 <b>Israel</b> (1999 – 1 woman)	 <b>Israel</b> (1993)	
 <b>Norway</b> (2003)	 <b>South Africa</b> (1996)	
 <b>Spain</b> (2007)	 <b>Denmark</b> (2000)	
 <b>Iceland</b> (2010)	 <b>Finland</b> (2004)	
 <b>France</b> (2010)	 <b>Ireland</b> (2004)	
 <b>Belgium</b> (2011)	 <b>Iceland</b> (2006)	
 <b>Malaysia</b> (2011)	 <b>Kenya</b> (2010)	
 <b>Italy</b> (2011)	 <b>Austria</b> (2011)	
 <b>Netherlands</b> (2012)	 <b>Slovenia</b> (2011)	
 <b>Denmark</b> (2013 – soft target)	 <b>Poland</b> (2012)	
 <b>India</b> (2013 – 1 woman min.)	 <b>UAE</b> (2012)	
 <b>Germany</b> (2014)	 <b>Greece</b> (2012)	<p>©2015. Inf without pe</p>