

## Women Executives Barometer 2017



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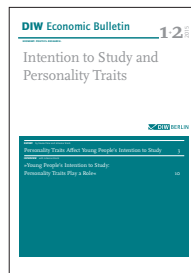
#### Layout and Composition

eScriptum GmbH & Co KG, Berlin

#### Sale and distribution

DIW Berlin  
ISSN 2192-7219

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## NEXT ISSUE OF DIW ECONOMIC BULLETIN

# Refugee integration: a worthwhile investment

# Top decision-making bodies in large companies: gender quota shows initial impact on supervisory boards; executive board remains a male bastion

By Elke Holst and Katharina Wrohlich

The gender quota for supervisory boards that has been mandatory since January 2016 has shown an initial impact. According to DIW Berlin's Women Executives Barometer, at the end of 2016, there were more women on the supervisory boards of the 106 companies subject to the statutory quota than one year before. Their proportion increased by a solid four percentage points to more than 27 percent. And in the other groups of companies studied, the number of female supervisory board members also rose. However, the calculations based on the top 200 companies also showed that in companies in which the supervisory board already consisted of one-third women, the proportion hardly increased or did not increase at all.

The gap between supervisory and executive boards has also widened because growth in the latter has flattened. Women represent only 6,5 percent of the executives at companies subject to the quota—even fewer than in the DAX 30 (11 percent) and the average of the 200 highest performing companies in Germany (eight percent). In companies with government-owned shares, the momentum has decreased significantly—they run the risk of losing their function as role models. To forestall a tightening of the law, companies should ensure more balanced gender representation on all executive levels.

DIW Berlin has studied the proportion of women on management boards and in executive positions (hereafter referred to as “executive boards”) and on supervisory and administrative boards (“supervisory boards” hereafter) in Germany's largest companies for over ten years.<sup>1</sup> We also show the extent to which women hold executive board chair and executive board spokesperson positions (hereafter “CEO”)<sup>2</sup> or act as supervisory board chairs. The present survey encompasses the largest 200 non-financial sector companies<sup>3</sup> as measured by revenues. It also includes the companies subject to the statutory quota in effect since 2016, publicly traded DAX 30, MDAX, SDAX, and TecDax companies,<sup>4</sup> as well as 59 companies with government-owned shares. A comparison among EU states follows which considers the proportion of women

**1** Most recently in 2016. See Elke Holst and Anja Kirsch, “Corporate boards of large companies: more momentum needed for gender parity,” *DIW Economic Bulletin* 3 (2016): 13–25.

**2** In publicly traded companies, a supervisory board can appoint a CEO (Section 84, para. 2 of the German Stock Corporation Act (*Aktiengesetz* (AktG))), while an executive board can determine its own spokesperson. Although the principle of collegiality and the position of *primus inter pares* apply in the case of both CEO and executive board spokespersons, the “decision to select a spokesperson for the executive board (instead of having the supervisory board appoint a CEO) demonstrates a commitment to the blanket validity of the principle of collegiality and the position of executive board spokesperson as *primus inter pares*. At the same time, it rejects the spokesperson of the board as a factual leader.” In contrast to a CEO, a spokesperson of the board is not responsible for internal board supervision and coordination functions. See Karsten Schmidt and Marcus Lutter, eds., *Aktiengesetz: Kommentar* 3rd edition, 1226 et seq. and 1306–08.

**3** The selection was based on Wolters Kluwer Deutschland GmbH, *Die großen 500. Deutschlands Top-Unternehmen*, November 2016. Research on the composition of the top decision-making bodies of the companies was carried out between November 2016 and the beginning of January 2017. The information is based on the companies' self-published online content and their annual reports and financial statements for 2015. It also includes information from Federal Gazette Publishing House publications and responses to direct questions from DIW Berlin.

**4** Germany's largest companies based on market capitalization and trading volume are the DAX 30. They are followed by the MDAX companies (mid caps) and the SDAX companies (small caps). The TecDAX companies are Germany's 30 largest technology companies. DIW Berlin has studied the proportion of women in the top decision-making bodies of the DAX 30 companies for nine years, the MDAX and SDAX companies for six years, and the TecDAX companies for four years.

Table 1

**Women on executive and supervisory boards in Germany's Top 200 companies<sup>1</sup>  
(excluding financial sector)**

	Top 200							Top 100						
	2006	2008	2011	2013	2014	2015	2016	2006	2008	2011	2013	2014	2015	2016
<b>Executive boards/management boards</b>														
Total number of companies	200	200	200	200	200	200	200	100	100	100	100	100	100	100
With data on composition	195	191	197	195	197	197	200	97	96	100	97	97	98	100
With women on executive board	9	17	22	35	43	51	61	1	3	11	19	17	22	35
<b>Percentage</b>	<b>4.6</b>	<b>8.9</b>	<b>11.2</b>	<b>17.9</b>	<b>21.8</b>	<b>25.9</b>	<b>30.5</b>	<b>1.0</b>	<b>3.1</b>	<b>11.0</b>	<b>19.6</b>	<b>17.5</b>	<b>22.4</b>	<b>35.0</b>
Total members <sup>1</sup>	953	934	942	906	877	910	931	531	526	533	484	461	489	498
Men	942	911	914	866	830	853	855	530	519	520	461	442	463	455
Women	11	23	28	40	47	57	76	1	7	13	23	19	26	43
<b>Percentage of women</b>	<b>1.2</b>	<b>2.5</b>	<b>3.0</b>	<b>4.4</b>	<b>5.4</b>	<b>6.3</b>	<b>8.2</b>	<b>0.2</b>	<b>1.3</b>	<b>2.4</b>	<b>4.8</b>	<b>4.1</b>	<b>5.3</b>	<b>8.6</b>
Total number of chairpersons	195	191	198	194	183	180	176	97	96	100	97	92	92	94
Men	195	190	197	190	179	177	171	97	96	100	96	92	92	94
Women	0	1	1	4	4	3	5	0	0	0	1	0	0	0
<b>Percentage of women</b>	<b>0.0</b>	<b>0.5</b>	<b>0.5</b>	<b>2.1</b>	<b>2.2</b>	<b>1.7</b>	<b>2.9</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>1.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Supervisory boards/administrative boards</b>														
Total number of companies	200	200	200	200	200	200	200	100	100	100	100	100	100	100
With data on composition	170	168	163	157	155	158	154	87	88	90	86	85	82	81
With women on supervisory board	110	124	118	123	133	137	138	65	68	68	71	76	75	74
<b>Percentage</b>	<b>64.7</b>	<b>73.8</b>	<b>72.4</b>	<b>78.3</b>	<b>85.8</b>	<b>86.7</b>	<b>89.6</b>	<b>74.7</b>	<b>77.3</b>	<b>75.6</b>	<b>82.6</b>	<b>89.4</b>	<b>91.5</b>	<b>91.4</b>
Total members	2500	2466	2268	2159	2156	2202	2160	1389	1385	1326	1231	1232	1224	1198
Men	2304	2236	1999	1834	1759	1768	1671	1270	1249	1178	1044	1003	976	922
Women	196	230	269	325	397	434	489	119	136	148	187	229	248	276
<b>Percentage of women</b>	<b>7.8</b>	<b>9.3</b>	<b>11.9</b>	<b>15.1</b>	<b>18.4</b>	<b>19.7</b>	<b>22.6</b>	<b>8.6</b>	<b>9.8</b>	<b>11.2</b>	<b>15.2</b>	<b>18.6</b>	<b>20.3</b>	<b>23.0</b>
Total number of chairpersons	170	168	167	160	149	158	153	87	88	91	87	84	82	80
Men	167	166	164	156	144	154	150	85	86	88	83	81	80	78
Women	3	2	3	4	5	4	3	2	2	3	3	3	2	2
<b>Percentage of women</b>	<b>1.8</b>	<b>1.2</b>	<b>1.8</b>	<b>2.5</b>	<b>3.4</b>	<b>2.5</b>	<b>2.0</b>	<b>2.3</b>	<b>2.3</b>	<b>3.3</b>	<b>3.4</b>	<b>3.6</b>	<b>2.4</b>	<b>2.5</b>
Companies with data on employee representation	123	129	105	83	118	126	123	81	66	62	46	63	68	68
Total members	2206	1910	1567	1291	1869	1959	1933	602	1035	912	748	1043	1100	1104
Men	2023	1742	1391	1088	1521	1557	1483	487	940	824	640	845	870	842
Women	183	168	176	203	348	402	450	115	95	88	108	198	230	262
Female employee representatives	139	125	119	110	200	224	233	84	69	65	61	113	128	135
<b>As a percentage of women members</b>	<b>76.0</b>	<b>74.4</b>	<b>67.6</b>	<b>54.2</b>	<b>57.5</b>	<b>55.7</b>	<b>51.8</b>	<b>73.0</b>	<b>72.6</b>	<b>73.9</b>	<b>56.5</b>	<b>57.1</b>	<b>55.7</b>	<b>51.5</b>

<sup>1</sup> Limited to companies that provide data on the composition of their corporate boards.

Source: calculations by DIW Berlin.

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in the top decision-making bodies of the largest publicly traded companies of each country.<sup>5</sup>

A report on the representation of women in the top decision-making bodies of the financial and insurance services sector is presented in a second article in this edition of the *Economic Bulletin*.<sup>6</sup> Encompassing Germany's 100 largest banks and 59 largest insurance companies, the

survey makes comparisons among public sector, private, and cooperative banks. Considered as a whole, the two reports show the extent to which in 2016 women were represented in the executive and supervisory bodies of over 500 publicly traded, private, public, and cooperative companies in Germany, highlighting longer-term trends.

**Top 200 companies: stronger momentum than in the previous year**

The number of women on the executive boards of the 200 largest German companies continues to be very low. In 2016, it rose by just under two percentage points to a solid eight percent (see Table 1 and Overview 1). Five

<sup>5</sup> We would like to thank research assistants Paula Arndt, Anne Marquardt and Anna Raffalski and our intern, Louisa Schmitt, for their excellent support during the data research phase.

<sup>6</sup> See Elke Holst and Katharina Wrohlich, "banks fall behind and now have a lower proportion of women on executive and advisory boards than insurance companies," *DIW Economic Bulletin* 1+2 (2017): 17-29.

Overview 1

Women on executive boards in Germany

100 Top commercial enterprises (excluding financial sector) <sup>1</sup>			101-200 Top commercial enterprises (excluding financial sector) <sup>1</sup>		
Rank	Company	Name	Rank	Company	Name
1	Volkswagen AG	Dr. Christine Hohmann-Dennhardt	104	Stadtwerke München GmbH	Erna-Maria Trixl
2	Daimler AG	Renata Jungo Brüngger, Briitta Seeger	108	DB Regio AG	Marion Rövekamp
5	Bayerische Motoren Werke AG (BMW)	Milagros Caiña Carreiro-Andree	109	B. Braun Melsungen AG	Dr. Annette Beller, Caroll H. Neubauer
6	Siemens AG	Lisa Davis, Janina Kugel	115	HEWLETT-PACKARD GmbH	Angelika Gifford
8	BASF SE	Margret Suckale	118	Roche Deutschland Holding GmbH	Claudia Böckstiegel <sup>2</sup> , Dr. Ursula Redeker
9	Deutsche Telekom AG	Claudia Nemat	123	HELIOS Kliniken GmbH	Karin Gräppi
10	Deutsche Post DHL Group	Melanie Kreis	125	BAUHAUS GmbH & Co. KG	Mirjana Boric
15	BP Europa SE	Claudia Joost	129	DMK Deutsches Milchkontor GmbH	Ines Krummacker
18	BAYER AG	Erica Mann	139	DB Netz Aktiengesellschaft	Ute Plambeck
19	Innogy SE	Hildegard Müller	153	DB Cargo AG	Dr. Ursula Biernert
22	Continental AG	Dr. Ariane Reinhart	157	Sanacorp Pharmaholding AG	Karin Kaufmann
25	Deutsche Lufthansa AG	Dr. Bettina Volkens	158	TUI Deutschland GmbH	Sybillie Reiß
32	TUI AG	Dr. Elke Eller	159	Novartis Deutschland GmbH	Inge Maes, Sandrine Piret-Gerard
34	Daimler Financial Services AG	Yvonne Rosslenbroich	162	Air Berlin PLC & Co. Luftverkehrs KG	Dr. Martina Niemann
35	Henkel AG & Co. KGaA	Kathrin Menges	165	DB Fernverkehr AG	Birgit Bohle <sup>2</sup> , Ulrike Haber-Schilling
40	Bertelsmann SE & Co. KGaA	Anke Schäferkordt	166	IBM Deutschland GmbH	Martina Koederitz <sup>2</sup> , Nicole Reimer
42	GAZPROM Germania GmbH	Elena Vasilieva, Elena Mikhailova	169	Roche Diagnostics GmbH	Dr. Ursula Redeker <sup>2</sup>
49	Boehringer Ingelheim GmbH	Simone Menne	171	Sanofi-Aventis Deutschland GmbH	Martina Ochel
55	Evonik Industries AG	Ute Wolf	172	ALSO Deutschland GmbH	Simone Blome, Sylke Rohbrecht
57	Schaeffler Technologies AG & Co. KG	Corinna Schittenhelm	174	Faurecia Automotive GmbH	Annette Stieve
60	Merck KGaA	Belén Garijo	179	Nestlé Deutschland AG	Béatrice Guillaume-Grabisch <sup>2</sup>
62	Marquard & Bahls AG	Anke Schouten	182	Müller Großhandels Ltd. & Co. KG	Elke Menold
67	Otto GmbH & Co KG	Katy Roewer	186	Linde Material Handling GmbH	Sabine Neuß
73	Südfactoring GmbH	Isabel Rösler	190	Tchibo GmbH	Ines von Jagemann, Senay Küçük
74	Vodafone GmbH	Anna Dimitrova, Bettina Karsch	193	Hornbach Baumarkt AG	Susanne Jäger
78	Liebherr International Deutschland GmbH	Dr. h.c. Isolde Liebherr, Stéfanie Wohlfarth, Sophie Albrecht, Patricia Rűf	194	H & M Hennes & Mauritz B.V. & Co. KG	Susan Astrid Krau
79	DROEGE International Group AG	Natalia Fedossenko, Dr. Hedda im Brahm-Droege			
81	dm-Drogerie Markt GmbH & Co. KG	Kerstin Erbe			
84	T-Systems International GmbH	Anette Bronder			
91	Dirk Rossmann GmbH	Alice Schardt-Roßmann			
92	Telefonica Deutschland Holding AG	Rachel Empay			
93	EWE AG	Ines Kolmsee			
96	BENTELER International AG	Isabel Diaz Rohr			
98	Thyssenkrupp Elevator AG	Gabriele Sons			
100	Globus SB-Warenhaus Holding GmbH & Co. KG	Petra Schäfer			

<sup>1</sup> Limited to companies that provide data on the composition of their corporate boards. Inquiries from November 2016 to January 2, 2017.

<sup>2</sup> Chairwomen.

Source: survey by DIW Berlin.

women currently hold the office of chief executive—two more than in 2015. Yet this yields a proportion of less than three percent in 2016. Three out of ten top 200 companies now have at least one woman on the executive board—this is a gain of ten companies or four percentage points in comparison to the previous year. In the

top 100 companies, the proportion has risen by almost 13 percentage points to 35 percent (13 more companies). The number of women among all executive board members in the top 100 group was equal to the average of the top 200 group. However, there are still no female CEOs in any of the 100 largest companies.

Table 2

**Women on executive and supervisory boards in listed companies<sup>1</sup>**

	Subject to quota for supervisory boards <sup>2</sup>		Average of the DAX groups 2016 <sup>3</sup>					
	2015	2016	2011 <sup>3</sup>	2012 <sup>3</sup>	2013	2014	2015	2016
<b>Executive boards/management boards</b>								
Total number of companies	102	106	130	130	160	160	160	160
With data on composition	102	106	130	130	160	160	160	160
With women on executive board	24	26	17	29	37	31	35	37
<b>Percentage</b>	<b>23.5</b>	<b>24.5</b>	<b>13.1</b>	<b>22.3</b>	<b>23.1</b>	<b>19.4</b>	<b>21.9</b>	<b>23.1</b>
Total members <sup>1</sup>	457	477	569	567	681	630	658	686
Men	430	446	549	535	639	596	620	640
Women	27	31	20	32	42	34	38	46
<b>Percentage of women</b>	<b>5.9</b>	<b>6.5</b>	<b>3.5</b>	<b>5.6</b>	<b>6.2</b>	<b>5.4</b>	<b>5.8</b>	<b>6.7</b>
Total number of chairpersons	99	103	130	130	160	157	158	157
Men	98	102	129	129	159	157	158	156
Women	1	1	1	1	1	0	0	1
<b>Percentage of women</b>	<b>1.0</b>	<b>1.0</b>	<b>0.8</b>	<b>0.8</b>	<b>0.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.6</b>
<b>Supervisory boards/administrative boards</b>								
Total companies	102	106	130	130	160	160	160	160
With data on composition	102	105	130	130	160	160	158	159
With women on supervisory board	100	105	82	91	119	121	130	134
<b>Percentage</b>	<b>98.0</b>	<b>100</b>	<b>63.1</b>	<b>70.0</b>	<b>74.4</b>	<b>75.6</b>	<b>81.3</b>	<b>83.8</b>
Total number of members	1515	1562	1406	1434	1668	1661	1653	1698
Men	1165	1134	1228	1216	1384	1346	1284	1261
Women	350	428	178	218	286	315	369	437
<b>Percentage of women</b>	<b>23.1</b>	<b>27.4</b>	<b>12.7</b>	<b>15.2</b>	<b>17.1</b>	<b>19.0</b>	<b>22.3</b>	<b>25.7</b>
Total number of chairpersons	102	104	130	130	158	158	158	157
Men	99	100	129	129	154	153	152	152
Women	3	4	1	1	4	5	6	5
<b>Percentage of women</b>	<b>2.9</b>	<b>3.8</b>	<b>0.8</b>	<b>0.8</b>	<b>2.5</b>	<b>3.2</b>	<b>3.8</b>	<b>3.2</b>
Companies with data on employee representation	99	101	100	87	72	94	98	96
Total members	1479	1520	1074	911	891	1263	1284	1292
Men	1137	1103	952	783	737	999	973	924
Women	342	417	122	128	164	264	311	368
Female employee representatives	194	222	90	85	101	148	167	192
<b>As a percentage of women members</b>	<b>56.7</b>	<b>53.2</b>	<b>73.8</b>	<b>66.4</b>	<b>61.6</b>	<b>56.1</b>	<b>53.7</b>	<b>52.2</b>

<sup>1</sup> At the end of the year. Limited to companies that provide data on the composition of their corporate boards.

<sup>2</sup> See FidAR (2016): Women-on-Board-Index 100 – number of companies as of November 2016.

<sup>3</sup> Calculations without TecDax Companies.

Source: calculations by DIW Berlin.

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Almost nine out of ten of the top 200 companies had at least one woman on their supervisory board. The proportion of women among all supervisory board members of this group of companies was slightly under 23 percent in 2016—almost three percentage points more than in the previous year. However, there were only three female supervisory board chairs, one less than in 2015.<sup>7</sup>

In the past, the majority of the women on supervisory boards were employee delegates. In the meantime, the

shareholders have caught up, delegating supervisory board positions to approximately the same number of women.

### Publicly traded companies

In the publicly traded companies in the study, the proportion of women in top decision-making bodies was also increasing, although growth was higher on supervisory boards than on executive boards.

Overall, 23 percent of the DAX groups in the study (DAX 30, MDAX, SDAX, and TecDAX) had at least one woman on the executive board in 2016 (see Table 2, Overview 2). In comparison to the previous year, that was a solid percentage point higher (two companies added). The DAX

<sup>7</sup> The following women are supervisory board chairs of top 200 companies: Dr. Simone Bagel-Trah (Henkel AG & Co. KGaA; DAX 30 company), Eva Castillo Sanz (Telefonica Deutschland Holding AG; TecDAX company), and Cathrina Claas-Mühlhäuser of Claas KGaA GmbH.

companies lagged behind the group of the 200 largest companies, 30 percent of which had at least one woman on the executive board. With a proportion of female CEOs of almost seven percent (one additional percentage point compared to 2015), the DAX companies in the study also lagged somewhat behind the top 200 companies. Only one of the DAX companies in the study—one listed on the TecDAX—had a female CEO.<sup>8</sup>

At most of the DAX companies (84 percent), at least one woman was a member of the supervisory board last year. The proportion of women among all supervisory board members was higher than in 2015, increasing by more than three percentage points to almost 26 percent. This put it above the comparable value of the top 200 companies (23 percent). Five women (three percent) were chairs of their company’s supervisory board—one less than in 2015.

The DAX companies showed the same trend as the top 200 companies in the study: shareholders are putting more and more women on the supervisory board. However, half of the female supervisory board members were employee appointees.

### DAX 30 companies in the lead

A comparison of the DAX groups in the study reveals significant differences in both the current proportion of women on executive and supervisory boards and the increase in the number of women in these bodies over time (see Table 3).

Highly visible to the public, the DAX 30 companies have traditionally had the highest number of women on their boards. In 2016 the proportion was 11 percent; while at the end of 2011 it was not even four percent. Most recently, however, the momentum has slowed somewhat. Seventeen of the DAX 30 companies had at least one woman on the executive board at the end of last year—11 more than in 2011. This is equal to a proportion of 57 percent.

The other DAX groups have significantly lower proportions. Only 14 percent of the MDAX companies, 22 percent of the SDAX and less than seven percent of the TecDAX companies had a woman on the executive board. The total proportion of female executive board members was four percent at the MDAX companies, six percent at the SDAX companies, and almost four percent at the TecDAX companies.

Among all of the DAX groups studied, the DAX 30 companies also had the highest proportion of women on

### Overview 2

## Women on executive boards in listed companies<sup>1</sup> in Germany, 2016 (end of the year)

Company	Name	Quota for supervisory boards
<b>DAX-30</b>		
Allianz SE	Dr. Helga Jung, Jacqueline Hunt	yes
BASF SE	Margret Suckale	yes
BAYER AG	Erica Mann	yes
BMW AG	Milagros Caiña Carreiro-Andree	yes
Continental AG	Dr. Ariane Reinhart	yes
Daimler AG	Renata Jungo Brüngger, Britta Seeger	yes
Deutsche Bank AG	Sylvie Matherat, Kim Hammonds	yes
Deutsche Börse AG	Hauke Stars	no
Deutsche Lufthansa AG	Dr. Bettina Volkens	yes
Deutsche Post DHL Group	Melanie Kreis	yes
Deutsche Telekom	Claudia Nemat	yes
Henkel AG & Co. KGaA	Kathrin Menges	yes
Merck KGaA	Belén Garijo	yes
Munich RE	Giuseppina Albo, Dr. Doris Höpke	yes
ProSiebenSat1 Media SE	Sabine Eckhardt	no
Siemens AG	Lisa Davis, Janina Kugel	yes
Volkswagen AG	Dr. Christine Hohmann-Dennhardt	yes
<b>MDAX</b>		
TAG Immobilien AG	Claudia Hoyer	no
RTL Group	Anke Schäferkordt	no
Schaeffler Technologies AG & Co. KG	Corinna Schittenhelm	no
Innogy SE	Hildegard Müller	yes
Fuchs Petrolub SE	Dagmar Steinert	no
Fraport AG	Anke Giesen	yes
Evonik Industries AG	Ute Wolf	yes
Aareal Bank	Dagmar Knopek, Christiane Kunisch-Wolff	no
<b>SDAX</b>		
Deutsche Beteiligungs AG	Susanne Zeidler	no
Deutz AG	Dr. Margarete Haase	yes
DIC Asset AG	Sonja Wärntges	no
GfK	Alessandra Cama	no
GRENKE	Antje Leminsky	no
Hamburger Hafen und Logistik AG	Angela Titzrath	yes
KWS SAAT SE	Eva Kienle	no
Tele Columbus AG	Diana-Camilla Matz	no
WashTec AG	Karoline Kalb	no
ZEAL-Network SE	Susan Standiford	no
zooplus AG	Andrea Skersies	no
<b>TecDAX</b>		
GFT Technologies SE	Marika Lulay	no
Medigene AG	Prof. Dr. Dolores J. Schendel <sup>2</sup>	no
MorphoSys	Dr. Marlies Sproll	no
Telefónica Deutschland Holding AG	Rachel Empay	yes
<b>Further companies subject to the quota</b>		
TUI AG	Sybille Reiß	yes
Solarworld AG	Colette Rückert-Hennen	yes
HSBC Trinkaus & Burkhardt AG	Carola Gräfin v. Schmettow <sup>2</sup>	yes
Oldenburgische Landesbank AG	Karin Katerbau	yes

<sup>1</sup> At the end of the year. Limited to companies that provide data on the composition of their corporate boards.  
<sup>2</sup> Chairwomen.

Source: survey by DIW Berlin.

<sup>8</sup> Prof. Dr. Dolores J. Schendel, CEO of Medigene AG.

supervisory boards. In 2016, at least one woman was on the supervisory board of each DAX 30 company and the proportion of women among all supervisory board mem-

Table 3

**Women on executive and supervisory boards in companies of different DAX-groups<sup>1</sup>**

	DAX-30							MDAX							SDAX						TecDAX			
	2008	2011	2012	2013	2014	2015	2016	2011	2012	2013	2014	2015	2016	2011	2012	2013	2014	2015	2016	2013	2014	2015	2016	
<b>Executive boards / management boards</b>																								
Total number of companies	30	30	30	30	30	30	30	50	50	50	50	50	50	50	50	50	50	50	50	30	30	30	30	
With data on composition	30	30	30	30	30	30	30	50	50	50	50	50	50	50	50	50	50	50	50	30	30	30	30	
With women on executive board	1	6	13	10	12	16	17	5	5	8	5	5	7	6	11	11	10	11	11	8	4	3	2	
<b>Percentage</b>	<b>3.3</b>	<b>20.0</b>	<b>43.3</b>	<b>33.3</b>	<b>40.0</b>	<b>53.3</b>	<b>56.7</b>	<b>10.0</b>	<b>10.0</b>	<b>16.0</b>	<b>10.0</b>	<b>10.0</b>	<b>14.0</b>	<b>12.0</b>	<b>22.0</b>	<b>22.0</b>	<b>20.0</b>	<b>22.0</b>	<b>22.0</b>	<b>26.7</b>	<b>13.3</b>	<b>10.0</b>	<b>6.7</b>	
Total members	183	188	193	191	188	197	195	213	210	213	187	195	206	168	164	170	162	165	178	107	93	101	107	
Men	182	181	178	179	174	178	173	208	205	205	182	190	197	160	152	157	152	154	167	98	88	98	103	
Women	1	7	15	12	14	19	22	5	5	8	5	5	9	8	12	13	10	11	11	9	5	3	4	
<b>Percentage of women</b>	<b>0.5</b>	<b>3.7</b>	<b>7.8</b>	<b>6.3</b>	<b>7.4</b>	<b>9.6</b>	<b>11.3</b>	<b>2.3</b>	<b>2.4</b>	<b>3.8</b>	<b>2.7</b>	<b>2.6</b>	<b>4.4</b>	<b>4.8</b>	<b>7.3</b>	<b>7.6</b>	<b>6.2</b>	<b>6.7</b>	<b>6.2</b>	<b>8.4</b>	<b>5.4</b>	<b>3.0</b>	<b>3.7</b>	
Total number of chairpersons	30	30	30	30	30	30	30	50	50	50	49	48	48	50	50	50	48	50	49	30	30	30	30	
Men	30	30	30	30	30	30	30	50	50	49	49	48	48	49	49	50	48	50	49	30	30	30	29	
Women	0	0	0	0	0	0	0	0	0	1	0	0	0	1	1	0	0	0	0	0	0	0	1	
<b>Percentage of women</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>2</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3.3</b>	
<b>Supervisory boards / administrative boards</b>																								
Total number of companies	30	30	30	30	30	30	30	50	50	50	50	50	50	50	50	50	50	50	50	30	30	30	30	
With data on composition	30	30	30	30	30	30	30	50	50	50	50	50	49	50	50	50	50	49	50	30	30	29	30	
With women on supervisory board	27	26	28	28	28	28	30	35	42	45	47	46	45	21	21	27	26	33	36	19	20	23	23	
<b>Percentage</b>	<b>90.0</b>	<b>86.7</b>	<b>93.3</b>	<b>93.3</b>	<b>93.3</b>	<b>93.3</b>	<b>100</b>	<b>70.0</b>	<b>84.0</b>	<b>90.0</b>	<b>94.0</b>	<b>92.0</b>	<b>91.8</b>	<b>42.0</b>	<b>42.0</b>	<b>54.0</b>	<b>52.0</b>	<b>67.3</b>	<b>72.0</b>	<b>63.3</b>	<b>66.7</b>	<b>79.3</b>	<b>76.7</b>	
Total members	527	479	494	489	490	488	490	581	588	584	595	599	579	346	352	388	366	365	414	207	210	201	215	
Men	458	404	398	384	369	357	342	515	506	489	492	472	427	309	312	337	316	302	326	174	169	153	166	
Women	69	75	96	107	121	131	148	66	82	95	103	127	152	37	40	51	50	63	88	33	41	48	49	
<b>Percentage of women</b>	<b>13.1</b>	<b>15.7</b>	<b>19.4</b>	<b>21.9</b>	<b>24.7</b>	<b>26.8</b>	<b>30.2</b>	<b>11.4</b>	<b>13.9</b>	<b>16.3</b>	<b>17.3</b>	<b>21.2</b>	<b>26.3</b>	<b>10.7</b>	<b>11.4</b>	<b>13.1</b>	<b>13.7</b>	<b>17.3</b>	<b>21.3</b>	<b>15.9</b>	<b>19.5</b>	<b>23.9</b>	<b>22.8</b>	
Total number of chairpersons	k.A.	30	30	30	30	30	30	50	50	48	49	50	48	50	50	50	50	49	49	30	29	29	30	
Men	k.A.	29	29	29	29	29	29	50	50	46	48	48	47	50	50	50	49	48	48	29	27	27	28	
Women	k.A.	1	1	1	1	1	1	0	0	2	1	2	1	0	0	0	1	1	1	1	2	2	2	
<b>Percentage of women</b>	<b>k.A.</b>	<b>3.3</b>	<b>3.3</b>	<b>3.3</b>	<b>3.3</b>	<b>3.3</b>	<b>3.3</b>	<b>0.0</b>	<b>0.0</b>	<b>4.2</b>	<b>2.0</b>	<b>4.0</b>	<b>2.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>3.3</b>	<b>6.9</b>	<b>6.9</b>	<b>6.7</b>	
Companies with data on employee representation	24	24	20	23	29	28	27	35	28	25	36	37	35	41	39	17	19	21	22	7	10	12	12	
Total members	423	395	322	310	484	470	463	397	329	331	480	498	469	282	260	172	188	198	236	78	111	118	124	
Men	367	334	259	250	363	342	324	358	283	279	398	389	336	260	241	146	154	155	171	62	84	87	93	
Women	56	61	63	70	121	128	139	39	46	52	82	109	133	22	19	26	34	43	65	16	27	31	31	
Female employee representatives	41	43	40	40	66	70	74	28	30	33	45	57	65	19	15	17	19	22	33	11	18	18	20	
<b>As a percentage of women members</b>	<b>73.2</b>	<b>70.5</b>	<b>63.5</b>	<b>57.1</b>	<b>54.5</b>	<b>54.7</b>	<b>53.2</b>	<b>71.8</b>	<b>65.2</b>	<b>63.5</b>	<b>54.9</b>	<b>52.3</b>	<b>48.9</b>	<b>86.4</b>	<b>78.9</b>	<b>65.4</b>	<b>55.9</b>	<b>51.2</b>	<b>50.8</b>	<b>68.8</b>	<b>66.7</b>	<b>58.1</b>	<b>64.5</b>	

<sup>1</sup> At the end of the year. Limited to companies that provide data on the composition of their corporate boards.

Source: calculations by DIW Berlin.

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bers was 30 percent. This equals a growth rate of more than three percent in comparison to the previous year. The group consisting of the DAX 30 companies therefore achieved the statutory gender quota for supervisory boards of 30 percent—at least on average. In comparison, the MDAX and SDAX companies had lower proportions of women on their supervisory boards (26 and 21 percent respectively), but against the previous year the former was able to grow by five percentage points and the latter by four. The proportion of women on the supervisory boards of the TecDAX companies was almost 23 percent at the end of 2016, which was almost one percentage point lower than in the previous year.

### Companies with government-owned shares: growth has recently flattened

Companies with government-owned shares are usually smaller, thus their structures are only comparable to the other groups of companies in the study to a limited extent. And in public companies, supervisory board seats are often linked to executive positions in public administration or political mandates. Because membership in these bodies is tied to specific functions, the proportion of women in senior public administration positions and political offices influences the proportion of women on the supervisory boards of public companies.



The German federal government is subject to the Federal Act on Appointment to Bodies (*Bundesgremienbesetzungsgesetz* (BGremBG)), which obliges it to create or retain equal gender participation in official bodies. In the wake of the new law for the equal participation of men and women in executive positions, it was amended.<sup>9</sup>

But the law obviously needs time to take hold. Growth in the number of women in top decision-making bodies has slowed down significantly in the companies with government-owned shares—on both executive and supervisory boards. A solid one-third (34 percent) of these companies had at least one female executive board member in 2016, which is one percentage point more than in the previous year (see Table 4 and Overview 3). The proportion of women on executive boards was 15.5 percent in 2016, the same level as the year before. The number of female CEOs almost doubled to a total of seven—at the end of 2016, their proportion was almost 17 percent.

The drop in the number of companies with at least one woman on the supervisory board came as a surprise. In 2016 the proportion was 81 percent, but only one year earlier it was over 96 percent. Overall, the proportion of women was 29 percent (a gain of 1.5 percentage points compared to the previous year). Six women now

Table 4

**Women on executive and supervisory boards in companies with government-owned shares<sup>1</sup>**

	2006	2008	2011	2013	2014	2015	2016
<b>Executive boards/management boards</b>							
Total number of companies	61	60	60	60	60	61	59
With data on composition	60	60	60	60	60	61	59
With women on executive board	9	10	12	14	17	20	20
<b>Percentage</b>	<b>15.0</b>	<b>16.7</b>	<b>20.0</b>	<b>23.3</b>	<b>28.3</b>	<b>32.8</b>	<b>33.9</b>
Total members	152	147	143	143	135	144	142
Men	142	135	127	125	115	122	120
Women	10	12	16	18	20	22	22
<b>Percentage of women</b>	<b>6.6</b>	<b>8.2</b>	<b>11.2</b>	<b>12.6</b>	<b>14.8</b>	<b>15.3</b>	<b>15.5</b>
Total number of chairpersons <sup>2</sup>	54	55	57	56	52	37	42
Men	51	52	51	51	47	33	35
Women	3	3	6	5	5	4	7
<b>Percentage of women</b>	<b>5.6</b>	<b>5.5</b>	<b>10.5</b>	<b>8.9</b>	<b>9.6</b>	<b>10.8</b>	<b>16.7</b>
<b>Supervisory boards/administrative boards</b>							
Total number of companies	61	60	60	60	60	61	59
With data on composition	54	55	54	51	54	55	50
With women on supervisory board	46	42	43	41	50	53	48
<b>Percentage</b>	<b>85.2</b>	<b>76.4</b>	<b>79.6</b>	<b>80.4</b>	<b>92.6</b>	<b>96.4</b>	<b>81.4</b>
Total members	577	587	579	553	602	595	554
Men	472	483	464	453	459	431	393
Women	105	104	115	100	142	164	161
<b>Percentage of women</b>	<b>18.2</b>	<b>17.7</b>	<b>19.9</b>	<b>18.1</b>	<b>23.6</b>	<b>27.6</b>	<b>29.1</b>
Total number of chairpersons	53	53	53	47	49	55	50
Men	45	45	42	39	40	48	44
Women	8	8	11	8	9	7	6
<b>Percentage of women</b>	<b>15.1</b>	<b>15.1</b>	<b>20.8</b>	<b>17.0</b>	<b>18.4</b>	<b>12.7</b>	<b>12.0</b>

<sup>1</sup> Limited to companies that have a supervisory board and provide data on the composition of their corporate boards.

<sup>2</sup> Due to a change in calculations, comparisons with previous years are not possible.

Source: calculations by DIW Berlin.

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<sup>9</sup> See Federal Ministry for Family Affairs, Senior Citizens, Women and Youth (BMFSFJ), "Mehr Frauen in Führungspositionen. Fragen und Antworten zur Novellierung des Bundesgremienbesetzungsgesetzes," <https://www.bmfsfj.de/bmfsfj/themen/gleichstellung/frauen-und-arbeitswelt/fragen-und-antworten-zur-novellierung-des-bundesgremienbesetzungsgesetzes/111528> (accessed December 18, 2016).

Overview 3

**Female chairs of supervisory boards in companies with government-owned shares<sup>1</sup>**

German Energy Agency (Deutsche Energie-Agentur GmbH) Gesellschaft für Anlagen- und Reaktorsicherheit mbH	Iris Gleicke Rita Schwarzelühr-Sutter	Parliamentary State Secretary, Federal Ministry for Economic Affairs and Energy Parliamentary State Secretary, Federal Ministry for the Environment, Nature Conservation, Building and Nuclear Safety
German Research Center for Environmental Health (Helmholtz Zentrum München, Deutsches Forschungszentrum für Gesundheit und Umwelt GmbH)	Bärbel Brumme-Bothe	Director-General, Department Head, Federal Ministry of Education and Research
Kulturveranstaltungen des Bundes in Berlin GmbH	Prof. Monika Grütters	Minister of State to the Federal Chancellor and Federal Government Commissioner for Culture and Media
National Organisation Hydrogen and Fuel Cell Technology (NOW GmbH Nationale Organisation Wasserstoff- und Brennstoffzellentechnologie)	Birgitta Woringen	Sub-department Head, Federal Ministry of Transport and Digital Infrastructure
Transit Film GmbH	Ulrike Schauz	Department Head, Federal Government Commissioner for Culture and Media

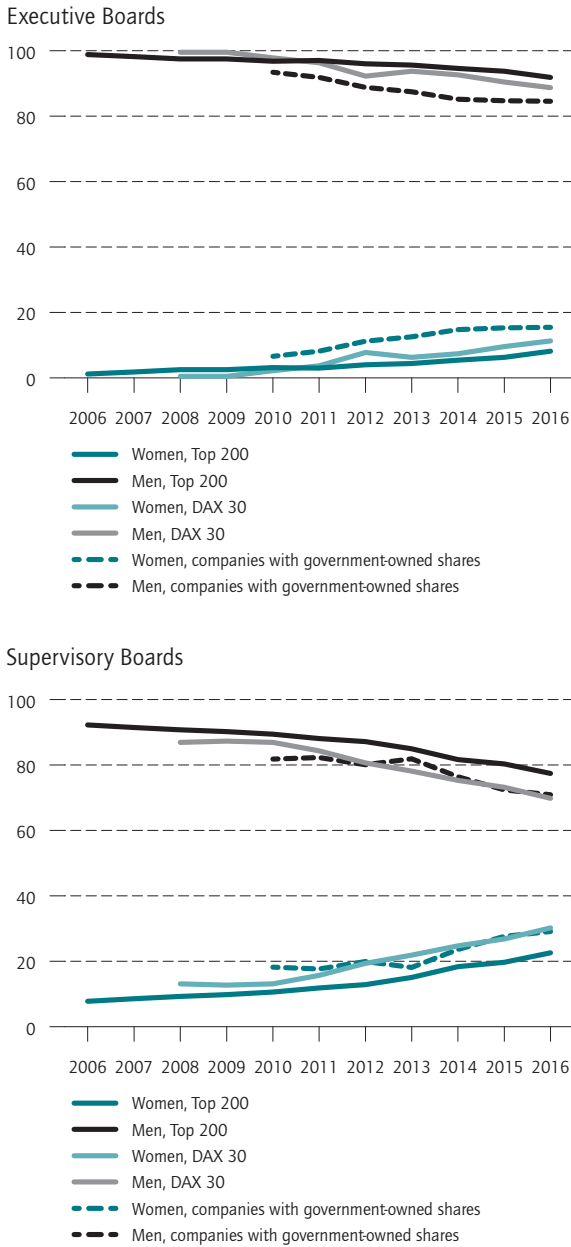
<sup>1</sup> Status: November 2016.

Source: survey by DIW Berlin.

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Figure 1

**Share of women and men by selected groups of companies**



Source: calculations by DIW Berlin.

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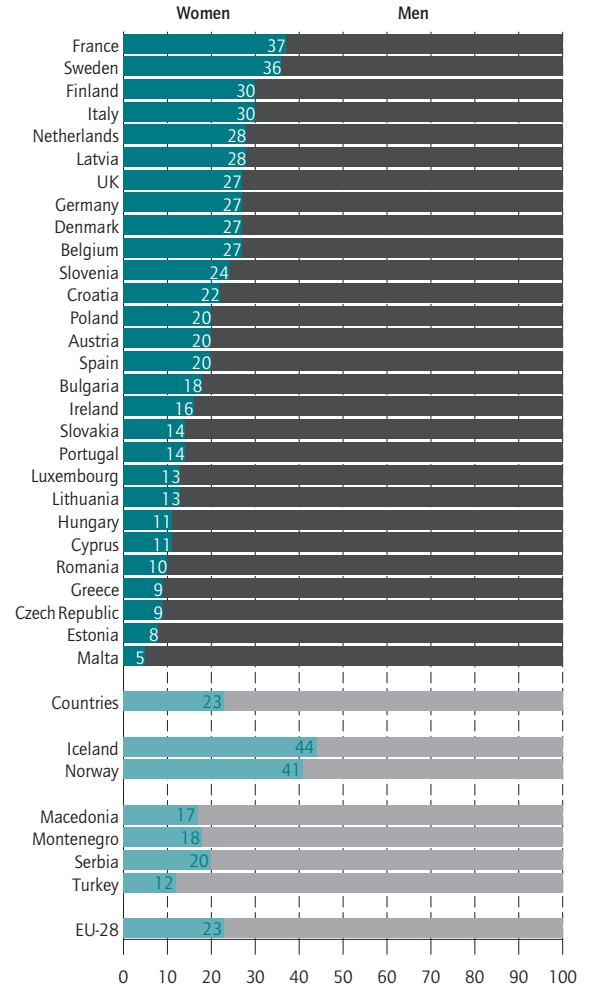
The difference between men and women as members of advisory boards is decreasing at a faster rate than in executive boards.

chair the supervisory boards at companies with government-owned shares (12 percent)—one less than in 2015. This is the lowest proportion of female supervisory board chairs since this group of companies became part of the “Women Executives Barometer” survey in 2010.

Figure 2

**Women in the highest decision-making bodies<sup>1</sup> of the Top listed companies in Europe, 2016**

in percent



<sup>1</sup> Members of the board. If monitoring and executive functions are separated: members of the supervisory board. Data collected between April 1 and 30, 2016.

Source: European Commission, Database on women and men in decision making, April 2016. [http://ec.europa.eu/justice/gender-equality/gender-decision-making/database/business-finance/supervisory-board-board-directors/index\\_en.htm](http://ec.europa.eu/justice/gender-equality/gender-decision-making/database/business-finance/supervisory-board-board-directors/index_en.htm).

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Germany is far behind front runner France.

**Companies with government-owned shares in the lead with executive boards; DAX 30 companies at the forefront for supervisory boards**

A comparison of the trends in selected groups of companies shows that the gap between the proportions of

women and men on supervisory boards is closing more quickly than that of executive boards (see Figure 1). With respect to executive boards, the gap between the DAX 30 companies and the top 200 has widened since 2011. In recent years, companies with government-owned shares have always been ahead of all other groups of companies, but growth has slowed here—as is the case with the DAX 30 companies.

As for supervisory boards, the DAX 30 companies recently took over the lead from the companies with government-owned shares, which lost their front-runner status. At around 30 percent, both groups of companies had average proportions of women on supervisory boards in 2016. The top 200 companies were also able to increase the proportion of female supervisory board members, but the group average was less than one quarter.

Of the DAX 30 companies, in 2016 more than half had a proportion of women on the supervisory board of at least 30 percent. In the companies with government-owned shares and the MDAX companies, the proportion almost reached 50 percent (48 and just under 47 percent respectively). The TecDAX companies had 40 percent and the SDAX companies, 30 percent (see Table 5 and Overview 4). With the exception of the companies with government-owned shares, all of the groups of companies showed progress.

### Comparing European countries: Germany far behind front runner France

The European Commission publishes statistics on gender equality in top policy-making and economic posi-

tions in the European states.<sup>10</sup> More precisely, there is information on the proportion of women in the top decision-making bodies of the largest publicly traded companies in the 28 EU member states, five accession candidates (Montenegro, Iceland, the former Yugoslavian Republic of Macedonia, Serbia, and Turkey), and Norway.<sup>11</sup>

On average among all EU states, the proportion of women in the top decision-making bodies of the largest publicly traded companies is 23 percent (see Figure 2). At 27 percent, Germany is four percentage points above this value but ten percentage points behind front runner France.<sup>12</sup> Sweden, Finland, Italy, the Netherlands, Latvia, and Great Britain are also ahead of Germany in the ranking. With their proportions of women in top decision-making bodies of 44 and 41 percent respectively, Iceland and Norway are ahead of all the EU states. In candidate countries Montenegro, Macedonia, Serbia, and Turkey, the relevant values are significantly lower than the EU average.

<sup>10</sup> See European Commission, *Database on the participation of women and men in decision-making processes*. [https://ec.europa.eu/justice/genderequality/gender-decision-making/database/business-finance/central-banks/index\\_en.htm](https://ec.europa.eu/justice/genderequality/gender-decision-making/database/business-finance/central-banks/index_en.htm) (accessed December 28, 2016).

<sup>11</sup> Here, we mean the companies from the leading stock market index of the most widely traded stocks registered in the respective country: for example, the DAX 30 in Germany, CAC 40 in France, and IBEX 35 in Spain.

<sup>12</sup> The differences in Germany's proportion of women in Table 3 reflect the different survey periods. The data from the EU Commission are from April 2016.

Table 5

### Share of women on supervisory boards, by company group in percent

	2016							2016	Difference between 2015 and 2016 (percentage points)
	Zero	1 to 9	10 to 19	20 to 29	30 to 39	40 to 49	50 and over		
Companies subject to the gender quota	0.0	3.8	17.1	32.4	38.1	7.6	1.0	46.7	19.2
Top 200	10.4	7.8	26.0	22.1	27.3	3.9	2.6	33.8	14.8
DAX 30	0.0	0.0	3.3	36.7	46.7	13.3	0.0	60.0	13.3
MDAX	10.2	2.0	18.4	22.4	36.7	8.2	2.0	46.7	22.7
SDAX	28.0	2.0	30.0	10.0	24.0	6.0	0.0	30.0	7.6
TecDAX	23.3	3.3	10.0	23.3	36.7	3.3	0.0	40.0	5.5
Companies with government-owned shares	4.0	0.0	6.0	42.0	28.0	14.0	6.0	48.0	-1.1

Source: calculations by DIW Berlin.

## Overview 4

**Top 200 companies<sup>1</sup> (excluding financial sector) with more than 20 percent women on supervisory board at the end of 2016<sup>1</sup>**

Rank	Company	Total members	Number of women members	Percentage of women
38	DROEGE International Group AG	6	3	50.0
90	Vattenfall Europe Sales GmbH	6	3	50.0
102	GEA Group AG	12	6	50.0
117	TUI Deutschland GmbH	16	8	50.0
25	Covestro AG	12	5	41.7
64	Bilfinger SE	12	5	41.7
130	Sanofi-Aventis Deutschland GmbH	12	5	41.7
74	BP Europa SE	12	5	41.7
68	Deutsche Telekom AG	20	8	40.0
69	Deutsche Post AG	20	8	40.0
19	Merck KGaA	16	6	37.5
75	Hella KGaA Hueck & Co.	16	6	37.5
94	Henkel AG & Co. KGaA	16	6	37.5
14	Evonik Industries AG	20	7	35.0
43	T-Systems International GmbH	20	7	35.0
67	DB Regio AG	20	7	35.0
87	EnBW Energie Baden-Württemberg AG	20	7	35.0
4	Fresenius Medical Care AG & Co. KGaA	6	2	33.3
34	BRENTAG GmbH	3	1	33.3
42	Hapag-Lloyd AG	12	4	33.3
74	HEWLETT-PACKARD GmbH	12	4	33.3
78	Infineon Technologies AG	15	5	33.3
91	Celesio AG	12	4	33.3
92	NOWEDA eG Apothekergenossenschaft	9	3	33.3
109	Alliance Healthcare Deutschland AG	12	4	33.3
125	IBM Deutschland GmbH	12	4	33.3
129	Duerr AG	12	4	33.3
154	SMS Group GmbH	12	4	33.3
156	Bosch Thermotechnik GmbH	12	4	33.3
158	TenneT TSO GmbH	6	2	33.3
83	Fresenius SE & Co. KGaA	12	4	33.3
20	BSH Hausgeräte GmbH	16	5	31.3
33	Vodafone GmbH	16	5	31.3
51	Telefónica Deutschland Holding AG	16	5	31.3
77	Roche Deutschland Holding GmbH	16	5	31.3
95	KION Group AG	16	5	31.3
138	Nestlé Deutschland AG	16	5	31.3
85	HOCHTIEF AG	16	5	31.3
44	Salzgitter AG	20	6	30.0
60	AGRAVIS Raiffeisen AG	20	6	30.0
98	DB Netz Aktiengesellschaft	20	6	30.0
99	Stadtwerke Köln GmbH	20	6	30.0
112	DB Cargo AG	20	6	30.0
146	MVV Energie AG	20	6	30.0
64	BMW AG	20	6	30.0
65	Siemens AG	20	6	30.0
70	Metro AG	20	6	30.0
75	RWE AG	20	6	30.0
78	Innogy SE	20	6	30.0
80	Deutsche Bahn AG	20	6	30.0
84	Deutsche Lufthansa AG	20	6	30.0
91	TUI AG	20	6	30.0

Source: calculations by DIW Berlin.

**Gender quota for supervisory boards shows initial effect in top 200 companies**

The Equal Participation of Women and Men in Leadership Positions in the Private and Public Sectors Act (*Gesetz für die gleichberechtigte Teilhabe von Frauen und Männern an Führungspositionen*) has been in effect since May 2015. As of 2016, the act obligates publicly traded companies subject to equitable codetermination (*paritätische Mitbestimmung*) to ensure a gender quota of 30 percent (women) on supervisory boards.<sup>13</sup> Since then, companies that are publicly traded or subject to equitable codetermination have been required to specify concrete targets for boosting the number of female CEOs and members of supervisory and executive boards.

Almost half (around 47 percent) of the companies subject to the statutory gender quota<sup>14</sup> had proportions of at least 30 percent women on their supervisory boards in 2016. With an increase of 19 percentage points in comparison to 2015, this group's progress was greater than that of the DAX 30 companies, for example (see Table 5). We drew a comparison between the companies in the top 200 group that are now subject to the statutory gender quota for supervisory boards and those that are not subject to the quota. The data since 2013 showed that in the former, the number of female supervisory board members was not only higher in the first year; it also rose at a higher rate thereafter than in the companies without a mandatory quota (see Figure 3). While the proportion of women in both groups showed similar growth between 2013 and 2014, since 2014 the gap between the two has widened. Companies immune to the statutory gender quota in 2016 had an average of 19 percent women on their supervisory boards, but those obligated to comply with the quota had almost 28 percent.

**After achieving the 30-percent mark, the proportion of women on supervisory boards plateaus**

A linear extrapolation of the ten-year trend in the proportion of women on supervisory and executive boards would show the executive boards of the top 200 companies achieving gender equality in 60-plus years, and it would take supervisory boards 18 years. However, a linear approach might be too optimistic.

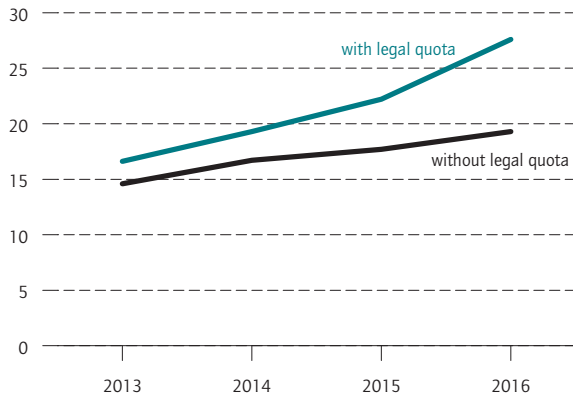
First calculations have demonstrated that companies, whose proportion of female supervisory board members

<sup>13</sup> See Holst and Kirsch, "Corporate boards of large companies," 38 et seq.

<sup>14</sup> At the beginning of November 2016, according to FidAR e.V., *Women-on-Board-Index*, 100 out of 106 were subject to the statutory gender quota. <http://www.wob-index.de> (Accessed December 19, 2016).

Figure 3

**Share of women on advisory boards of companies with or without legal quota (Top 200 companies)**



Source: calculations by DIW Berlin.

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Companies that are subject to the statutory gender quota have increased the share of women on advisory boards to a larger extent than other companies.

was already at least one third, have reached a plateau (see Figure 4). However, there are always exceptions to the rule. For example, the German telecommunications giant, Deutsche Telekom, has been a role model since it publicly announced its gender quota in 2010. At the end of 2016, its proportion of female supervisory board members was 40 percent, an increase of five percentage points in comparison to the previous year.

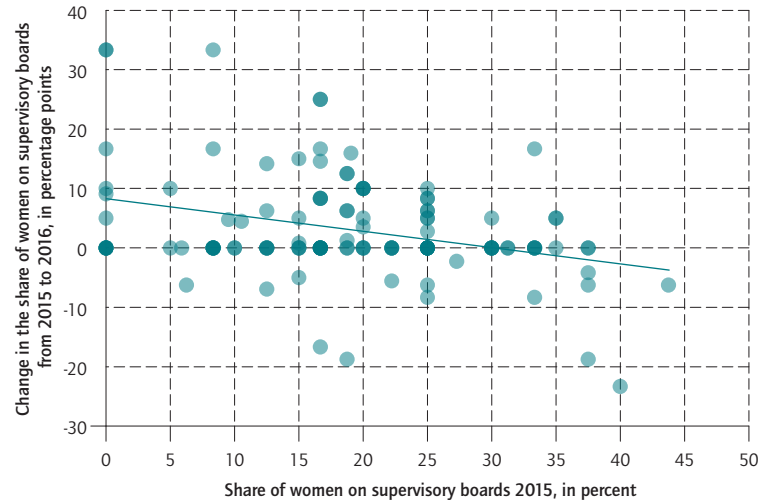
There was also a negative relationship between the proportion of women in the previous year and its change in 2016 for supervisory boards. Not one of the top 200 companies that had a proportion of female executive board members of 25 percent or more was able to increase it (see Figure 5).

**Consequences of more women on supervisory boards for executive boards**

The statutory gender quota for supervisory boards is linked to the expectation that women will generally gain improved access to executive positions. We found that the proportion of women on supervisory boards of publicly traded, fully codetermined companies has actually increased to a greater extent than in companies immune to the statutory quota. But in the middle term, will a higher proportion of female supervisory board members also lead to an increase in their proportion on executive boards? A linear regression of the proportion of women on supervisory boards to the change in their proportion on executive boards (at

Figure 4

**Correlation between the share of women on supervisory boards in 2015 and the change between 2015 and 2016 (Top 200 companies)**



Note:  $R^2=0,12$ ,  $p$ -Value: 0,00,  $n=123$ .

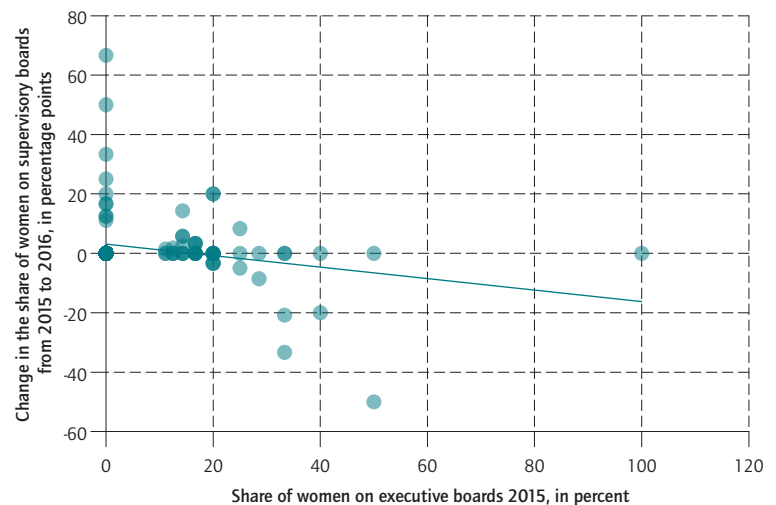
Source: calculations by DIW Berlin.

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Companies with advisory boards that already have 30 percent women as members hardly increase the share of women on this board any further.

Figure 5

**Correlation among the share of women on executive boards in 2015 and the change between 2015 and 2016 (Top 200 companies)**



Note:  $R^2=0,06$ ,  $p$ -Value: 0,00,  $n=170$ .

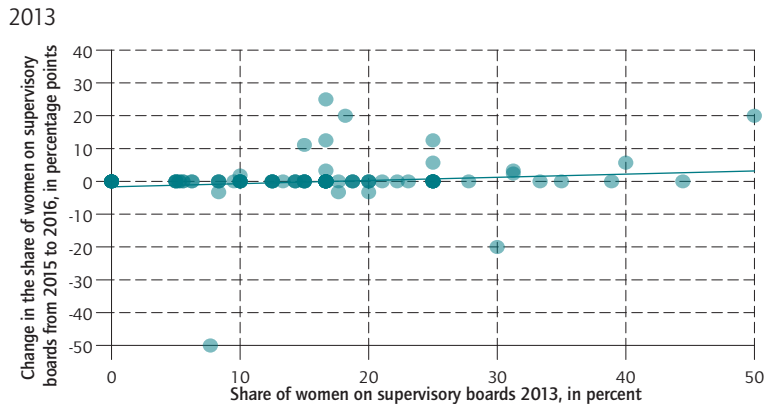
Source: calculations by DIW Berlin.

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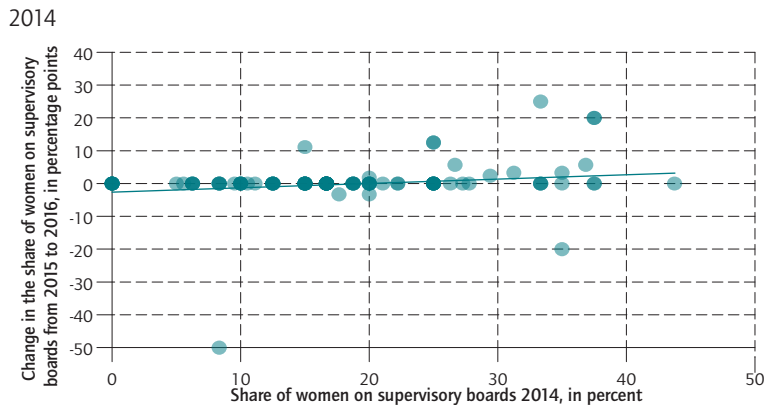
For executive boards we also find a negative correlation between the share of women in 2015 and its change from 2015 to 2016.

Figure 6

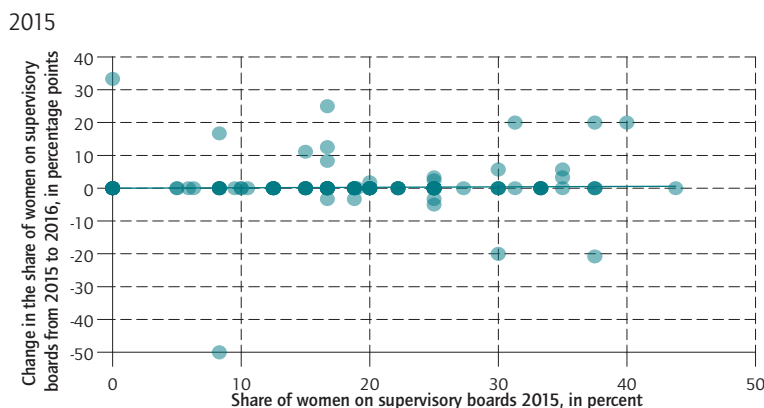
**Correlation between the share of women on supervisory boards 2013, 2014 or 2015 and the change in the share of women on executive boards from 2015 to 2016 (Top 200 companies)**



Note:  $R^2=0,03$ ,  $p$ -Value:  $0,07$ ,  $n=99$



Note:  $R^2 = 0,06$ ,  $p$ -value =  $0,01$ ,  $n=103$ .



Note:  $R^2= 0,00$ ;  $p$ -value =  $0,8$ ,  $n=123$ .

Source: calculations by DIW Berlin.

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There is a positive – albeit small – correlation between the share of women on the advisory board and the change of the women's share on the executive board two to three years later.

a later time) shows a small positive, statistically significant relationship (see Figure 6). This applies in particular to the relationship between the proportion of women on supervisory boards in 2013 or 2014 and the change in the gender make-up of executive boards between 2015 and 2016.<sup>15</sup> Although this relationship cannot be interpreted as conclusive evidence of a causal effect between the two proportions, it indicates that there is a correlation between the two variables over the medium term. It is also possible that the statutory quota for supervisory boards indirectly has a positive influence (albeit significantly weakened) on the number of women on executive boards.

**Economic effects of more women on supervisory boards methodologically difficult to determine**

Many studies have been conducted on the effects of a higher proportion of women in executive bodies, in particular supervisory boards.<sup>16</sup> However, the empirical evidence from these numerous studies has not led to any conclusive results. This is due to both the empirical approach and the institutional context. Studies from Norway and Denmark, for example, have yielded contradictory results.<sup>17</sup> And studies for France and Italy have shown positive effects.<sup>18</sup> It can be said that in this context, it is difficult to identify generalizable causal effects.<sup>19</sup> For Germany in particular, there is still a considerable

<sup>15</sup> There was no statistically significant relationship between the proportion of women on supervisory boards in 2015 and the change in the proportion of women on executive boards between 2015 and 2016.

<sup>16</sup> For an overview of the literature, see Norma Schmidt, "Towards a Gender Quota," *DIW Economic Bulletin* 40 (2015): 527-36 or Nina Smith, "Gender quotas on boards of directors: Little evidence that gender quotas for women on boards of directors improve firm performance," *IZA World of Labor* 7 (2014): 1-10.

<sup>17</sup> Kenneth R. Ahern and Amy K. Dittmar, "The Changing of Boards: The Impact on Firm Valuation of Mandated Female Board Representation," *The Quarterly Journal of Economics* 1 (2012): 137-97; David A. Matsa and Amalia R. Miller, "A Female Style in Corporate Leadership? Evidence from Quotas," *American Economic Journal: Applied Economics* 3 (2013): 136-69; Nina Smith, Valdemar Smith, and Mette Verner, "Do women in top management affect firm performance? A panel study of 2,500 Danish firms," *International Journal of Productivity and Performance Management* 55 (2006): 469-593; and Harald Pål Schöne Dale-Olson and Mette Verner, "Diversity among directors—The impact on performance of a quota for women on company boards," *Feminist Economics* 19:4 (2013): 110-35.

<sup>18</sup> Marena Sabatier, "A Women's Boom in the Boardroom: Effects on Performance?" *Applied Economics* 26 (2015): 2717-27; and Giulia Ferrari et al., "Gender Quotas: Challenging the Boards, Performance and the Stock Market," *IZA Discussion Paper* 10239 (2016).

<sup>19</sup> Many of the studies listed here call upon the implementation of a statutory gender quota for supervisory boards as an instrument for identifying a causal effect. Since as a rule such laws only take effect years after they are first announced, companies have a long time to prepare for the changes involved. Therefore, the implementation of the statutory quota at a specific point in time cannot be used as an exogenous variation. It is also unclear which companies can serve as a suitable control group. Companies that are not subject to the statutory quota are very different from companies immune to it, which can mean they are not necessarily a suitable control group (also see Ferrari et al., "Gender Quotas").

need for research—dependent of course on the availability of meaningful data.<sup>20</sup>

## Conclusion

The current DIW Berlin “Women Executives Barometer” shows that the proportion of women in the top decision-making bodies of the larger companies in Germany increased again last year. While progress on the executive boards of most of the groups of companies was minimal, the momentum on the supervisory boards has been more dynamic in recent years. Last year, this applied in particular to companies subject to the statutory gender quota of 30 percent women when appointing people to vacant supervisory board seats. The 106 companies in question had an average proportion of female supervisory board members of over 27 percent—a gain of more than four percentage points in comparison to the previous year. We can interpret this as an initial effect of the statutory quota.

However, the calculations also show that once companies exceeded the 30-percent threshold, the proportion of women on their supervisory boards plateaued. For this reason, it is unrealistic to assume that last year’s growth will show a linear continuation. But even if this were the case, it would take 60 years for the executive boards of the 200 strongest companies in Germany to have an equal number of female and male members. Supervisory boards would achieve gender parity in 18 years.

**20** For example, some companies lack the transparency required to accurately determine the composition of the executive and supervisory boards. This is why companies are advised to “publish line-ups of their supervisory boards and other key bodies as well as the number of (...) members on their websites,” which is now also stipulated for institutions of the federal government in Section 6 para. 1 BGGremBG.

We do not anticipate that companies will add a significant number of women to their executive boards in the near future. The “Equal participation of women and men in leadership positions in the private and public sectors act” requires companies to set targets, but has not had the anticipated effect. Of the 160 DAX companies, 110 have not set concrete targets or set targets of zero, meaning they do not plan to have any women on their executive boards by June 30, 2017.<sup>21</sup>

The gender quota is a top-down measure and requires supplementary policy measures with bottom-up effects: for example, financial incentives to encourage more fathers to participate in raising their children. They could include an increase in the number of “partner months” in the parental benefit<sup>22</sup> or the implementation of a financial benefit for “family working time.”<sup>23</sup> Policies like these would counteract prevailing gender stereotypes and make it easier for women to achieve a productive work/family balance.

Companies are well advised to restructure their organizational systems in a way that gives employees more control over their time and to accept that a temporary reduction in working hours is not necessarily a sign of lacking career ambition. This is also vital from an economic viewpoint. When employee potential is not fully tapped due to prejudice and gender stereotyping, for instance, cost increases and lower productivity are the results. They in turn weaken companies’ competitiveness.

**21** Oliver Wyman, “Women in Financial Services,” <http://tinyurl.com/zmp8y8h> (accessed December 9, 2016).

**22** See Mathias Huebener et al., “Parental benefit celebrates its 10th: a key family policy measure comes of age,” *DIW Economic Bulletin* 49 (2016): 1159–66.

**23** Also see Kai-Uwe Müller, Michael Neumann and Katharina Wrohlich, “Familienarbeitszeit: Mehr Arbeitszeit für Mütter, mehr Familienzeit für Väter,” *DIW Wochenbericht* 46 (2016): 1095–103.

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JEL: D22, J16, J59, J78, L21, L32, M14, M51

**Keywords:** corporate boards, board composition, boards of directors, board diversity, Europe, women directors, gender equality, gender quota, Germany, management, private companies, public companies, supervisory boards, executive boards, CEOs, women

# Financial sector: Banks fall behind and now have a lower proportion of women on executive *and* advisory boards than insurance companies

By Elke Holst and Katharina Wrohlich

Women are still in the clear minority among the financial sector's top decision-making bodies. According to DIW Berlin's Women Executives Barometer, at the end of 2016, 21 percent of the supervisory and administrative board members of the 100 largest banks were female. The number has stagnated compared to last year. Since 2010, when the discussion about the gender quota for supervisory boards gained momentum, growth has been relatively flat—particularly in comparison to the top 100 companies outside the financial sector. At insurance companies, the proportion of women on supervisory boards was a solid 22 percent (an increase of around three percentage points). This puts insurance companies ahead of banks for the first time since 2006. Also of note: companies whose supervisory boards contained one-third women were not able to increase this number in 2016. Extrapolating from the past decade, supervisory boards of banks would need 50 years for the ratio of women to men to be equal. Gender parity in executive boards would be reached in 80 years. The proportion of women on executive boards remained very low overall as it reached roughly ten percent at insurance companies and eight percent at banks.

For over ten years, DIW Berlin has studied the proportion of women on management boards and in executive positions (hereafter referred to as “executive boards”) and on supervisory and administrative boards (“supervisory boards” hereafter)<sup>1</sup> in Germany's financial and insurance services (“financial sector” hereafter).<sup>2</sup> Also the number of women who head supervisory or executive boards is reported.<sup>3</sup> The DIW Berlin survey includes the 100 largest banks—measured by balance sheet total—and the 59 largest insurance companies—measured by revenue from contributions.<sup>4</sup> This report also provides information on the proportion of women in the decision-making bodies of the European Central Bank, the European Banking Authority, and the national central banks of the EU member states.

<sup>1</sup> In case a company had a supervisory as well as an administrative board, only the supervisory board was considered in this analysis.

<sup>2</sup> For the latest report, see Elke Holst and Anja Kirsch (2016): Financial Sector: Share of Women on Corporate Boards Increases Slightly but Men Still Call the Shots, DIW Economic Bulletin 3/2016, 27–38.

<sup>3</sup> In publicly traded companies, a supervisory board can appoint a CEO (Section 84, para. 2 of the German Stock Corporation Act (*Aktiengesetz* (AktG))), while an executive board can determine its own spokesperson. Although the principle of collegiality and the position of *primus inter pares* apply in the case of both CEO and executive board spokespersons, the “decision to select a spokesperson for the executive board (instead of having the supervisory board appoint a CEO) demonstrates a commitment to the blanket validity of the principle of collegiality and the position of executive board spokesperson as *primus inter pares*. At the same time, it rejects the spokesperson of the board as a factual leader.” In contrast to a CEO, a spokesperson of the board is not responsible for internal board supervision and coordination functions. See Karsten Schmidt and Marcus Lutter, eds., *Aktiengesetz: Kommentar* 3rd edition, 1226 et seq. and 1306–08.

<sup>4</sup> The selection of the largest banks (measured by balance sheet total) was based on Stefan Hirschmann (2106): Comeback der Klassiker. *Die Bank, Zeitschrift für Bankpolitik und Praxis* 8, 8–16. The selection of the largest insurance companies (measured by revenue from contributions) was based on *Die großen 500. Deutschlands Top-Unternehmen*, November 2016. Groups that do not have an advisory board because they only exist as brand were excluded. Research on the composition of the top decision-making bodies of the banks and insurance companies was carried out between November and December 2016. The information is based on the companies' self-published online content and their annual reports and financial statements for 2015. It also includes information from Federal Gazette Publishing House publications and responses to direct questions from DIW Berlin.



Table 1

**Share of women in employment subject to social insurance contributions by economic sector**  
in percent

	1999	2000	2005	2010	2014	2015	2016
Provision of financial services <sup>1</sup>	57.0	57.1	57.6	57.2	57.0	57.0	56.7
Central banks and credit Institutions	57.2	57.3	58.0	57.6	57.7	57.8	57.7
Insurance companies, reinsurance companies, and pension funds (excluding social security) <sup>2</sup>	46.8	47.2	48.8	49.2	49.5	49.9	49.9
Activities associated with financial and insurance services <sup>3</sup>	60.2	60.0	62.1	60.9	59.4	58.8	58.9

1 Listed as "Credit Services Industry" up until 2008.

2 Listed as "Insurance Industry" up until 2008.

3 Listed as "Activities Associated with the Credit and Insurance Industry" up until 2008.

Source: German Federal Employment Agency, *Arbeitsmarkt in Zahlen, Sozialversicherungspflichtig Beschäftigte nach Wirtschaftszweigen (WZ 2008)*, Nuremberg, March 2015.

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We show the extent to which women are represented on the executive and supervisory boards of non-financial sector companies in a separate report in this issue of the *Economic Bulletin*. That survey encompasses the largest 200 non-financial sector companies, the publicly traded companies in the DAX-30, MDAX, SDAX, and TecDAX indices, and the 60 companies with government-owned shares.<sup>5</sup> Considered together, the two reports provide an overview of the extent to which women are represented in the executive bodies of over 500 German companies.<sup>6</sup>

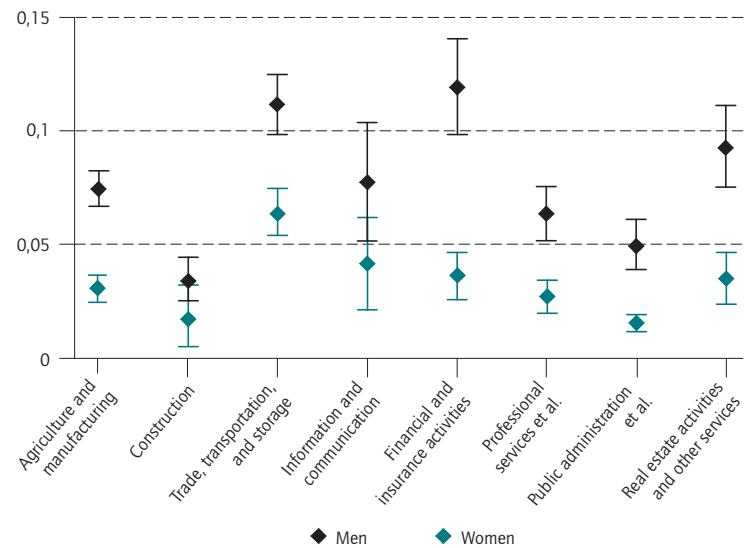
**Majority of financial sector employees are women**

The financial sector still employs more women than men, although the number employed by banks differs from that of insurance companies (see Table 1). In the "provision of financial services" sector, the women's proportion of all employees who contribute to the social insurance system has hovered around 57 percent for more than 15 years. In the central banks and credit institutions, the proportion is similar. At around 50 percent, the proportion is somewhat lower for "insurance and reinsurance companies and pension funds." In 2016, around 59 percent of those employed in "activities connected to financial and insurance services" were women. Despite the high number of women among employees, men hold most executive positions in the financial sector. A comparison across sectors showed that the likelihood of

women being in an executive position was particularly low in the financial sector (see Figure 1).

Figure 1

**Predicted probability of occupying a senior management position**  
by industry and gender, 2001–2014 (predictive margins)



How to read this figure: The probability that a male employee in the financial and insurance activities occupied a senior management position in 2001 to 2014 was 12 percent, while the probability that a female employee did this was only 4 percent. Hence men were 3 times more likely to hold a senior leadership position in financial and insurance activities than women. The 95-percent-confidence band, which represents statistical uncertainty, was 4 percentage points wide for men and 2 percentage points wide for women.

Source: Elke Holst and Martin Friedrich (2016): Women's likelihood of holding a senior management position is considerably lower than men's—especially in the financial sector. *DIW Economic Bulletin* 37 (2016): 449–59.

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Women's likelihood of holding a senior management position is lowest in the financial sector.

5 See Elke Holst and Katharina Wrohlich, "Top decision-making bodies in large companies: gender quota exerts initial impact on supervisory boards; executive board remains a male bastion," *DIW Economic Bulletin* No. 1–2 (2017): 3–15.

6 We would like to thank research assistants Paula Arndt, Anne Marquardt, and Anna Raffalski, and our intern Louisa Schmitt, for their excellent support during the data research phase.

Table 2

**Women on the supervisory boards and executive boards of large banks and insurance companies in Germany<sup>1</sup>**

	Banks <sup>2</sup>							Insurance companies <sup>3</sup>						
	2006	2008	2011	2013	2014	2015	2016	2006	2008	2011	2013	2014	2015	2016
<b>Executive boards/management boards</b>														
Total number of companies	100	100	100	100	100	100	100	63	58	59	60	60	59	59
With data on composition	100	100	100	100	100	100	100	63	58	59	60	60	59	59
With women on executive board	10	7	12	24	23	28	30	10	9	14	29	27	27	31
<b>Percentage</b>	<b>10</b>	<b>7.0</b>	<b>12.0</b>	<b>24.0</b>	<b>23.0</b>	<b>28.0</b>	<b>30.0</b>	<b>15.9</b>	<b>15.5</b>	<b>23.7</b>	<b>48.3</b>	<b>45</b>	<b>45.8</b>	<b>52.5</b>
Total members	442	414	404	396	387	394	404	394	372	385	396	353	353	357
Men	431	406	391	371	361	364	371	384	363	370	362	323	321	322
Women	11	8	13	25	26	30	33	10	9	14	34	30	32	35
<b>Percentage of women</b>	<b>2.5</b>	<b>1.9</b>	<b>3.2</b>	<b>6.3</b>	<b>6.7</b>	<b>7.6</b>	<b>8.2</b>	<b>2.5</b>	<b>2.4</b>	<b>3.6</b>	<b>8.6</b>	<b>8.5</b>	<b>9.1</b>	<b>9.8</b>
Total number of chairpersons	100	100	100	100	100	98	98	63	58	59	60	60	59	59
Men	98	100	99	97	98	95	94	63	57	59	59	59	58	58
Women	2	0	1	3	2	3	4	0	0	0	1	1	1	1
<b>Percentage of women</b>	<b>2.0</b>	<b>0.0</b>	<b>1.0</b>	<b>3.0</b>	<b>2.0</b>	<b>3.1</b>	<b>4.1</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>1.7</b>	<b>1.7</b>	<b>1.7</b>	<b>1.7</b>
<b>Supervisory boards/administrative boards</b>														
Total number of companies	100	100	100	100	100	100	100	63	58	59	60	60	59	59
With data on composition	100	100	100	100	97	98	98	63	58	59	60	60	59	59
With women on supervisory board	89	85	88	89	89	93	95	46	42	45	50	48	50	52
<b>Percentage</b>	<b>89</b>	<b>85</b>	<b>88</b>	<b>89</b>	<b>91.8</b>	<b>94.9</b>	<b>96.9</b>	<b>73</b>	<b>72.4</b>	<b>76.3</b>	<b>83.3</b>	<b>80</b>	<b>84.7</b>	<b>88.1</b>
Total members	1633	1566	1567	1485	1504	1518	1520	812	727	689	683	661	640	639
Men	1387	1324	1307	1230	1234	1194	1194	720	629	599	572	547	518	498
Women	246	242	260	255	270	324	326	92	98	90	111	114	122	141
<b>Percentage of women</b>	<b>15.1</b>	<b>15.5</b>	<b>16.6</b>	<b>17.2</b>	<b>18</b>	<b>21.3</b>	<b>21.4</b>	<b>11.3</b>	<b>13.5</b>	<b>13.1</b>	<b>16.3</b>	<b>17.2</b>	<b>19.1</b>	<b>22.1</b>
Total number of chairpersons	100	100	100	100	97	98	98	63	58	59	60	60	59	59
Men	97	97	98	97	92	92	91	63	57	58	59	58	57	58
Women	3	3	2	3	5	6	7	0	1	1	1	2	2	1
<b>Percentage of women</b>	<b>3.0</b>	<b>3.0</b>	<b>2.0</b>	<b>3.0</b>	<b>5.2</b>	<b>6.1</b>	<b>7.1</b>	<b>0.0</b>	<b>1.7</b>	<b>1.7</b>	<b>1.7</b>	<b>3.3</b>	<b>3.4</b>	<b>1.7</b>
Companies with data on employee representation	33	51	53	36	76	81	81	24	38	33	27	59	48	49
Total members	599	767	738	564	1159	1255	1269	291	444	385	312	647	573	584
Men	496	654	628	455	943	968	981	256	390	347	266	534	461	449
Women	103	113	110	109	216	288	288	35	54	38	46	113	112	135
Female employee representatives	85	84	78	69	131	157	151	32	41	36	34	81	71	81
<b>As a percentage of women members</b>	<b>82.5</b>	<b>74.3</b>	<b>70.9</b>	<b>63.3</b>	<b>60.6</b>	<b>54.5</b>	<b>52.4</b>	<b>91.4</b>	<b>75.9</b>	<b>94.7</b>	<b>73.9</b>	<b>71.7</b>	<b>63.4</b>	<b>59.6</b>

<sup>1</sup> At the end of the year. Limited to companies that provide data on the composition of their corporate boards.

<sup>2</sup> See FidAR (2016): Women-on-Board-Index 100, number of companies as of November 2016.

<sup>3</sup> Calculations without TecDax Companies.

Source: Calculations by DIW Berlin.

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## Top 100 banks

### Consistently few women on executive boards

Of the 100 largest banks, 30 had at least one woman on the executive board at the end of last year—two more than the year before (see Table 2). The proportion of women on executive boards continued to be almost eight percent (see Overview).

### Supervisory boards: 26 banks with a minimum of 30 percent women

As a rule, at least one of the supervisory board members at the large banks is now a woman (97 percent; an increase

of two percentage points compared to 2015). Overall, the share of women in supervisory board seats was a solid 21 percent. This is equal to 326 of a total 1,520 seats.

Seven banks had a female supervisory board member—one more than in the previous year. Since 2006, the number of female supervisory board members has increased from four to seven.<sup>7</sup>

<sup>7</sup> In 2016, they were: Edith Sitzmann (Landesbank Baden-Württemberg), Marija G. Korsch (Aareal Bank AG), Karoline Linnert (Bremer Landesbank), Ilse Aigner (LfA Förderbank Bayern), Dr. Dietlind Tiemann (Mittelbrandenburgische Sparkasse Potsdam), Charlotte Britz (Sparkasse Saarbrücken), and Liselotte Peuker (Sparda-Bank München).

## WOMEN EXECUTIVES BAROMETER: FINANCIAL SECTOR

### Overview

#### Women on the executive boards of large banks and insurance companies in Germany, end of 2016

Rank	Banks	Women on executive boards	Pillar
1	Deutsche Bank AG	Kim Hammonds, Sylvie Matherat	private
3	KfW Kreditanstalt für Wiederaufbau	Dr. Ingrid Hengster	public
8	Norddeutsche Landesbank Girozentrale	Ulrike Brouzi	public
10	Postbank AG	Susanne Klöß-Braekler	private
11	ING-DiBa AG	Katharina Herrmann	private
12	NRW Bank	Gabriela Pantring	public
13	Deka Bank Deutsche Girozentrale	Manuela Better	public
20	Aareal Bank AG	Dagmar Knopek, Christiane Kunisch-Wolff	private
22	Landesbank Berlin AG	Tanja Müller-Ziegler	public
23	Hamburger Sparkasse AG	Bettina Poullain	independent saving bank <sup>1</sup>
33	Deutsche Hypothekbank	Sabine Barthauer	private
35	Sparkasse KölnBonn	Dr. Nicole Handschuer	public
41	Wüstenrot Bausparkasse AG	Dr. Susanne Riess (Vorsitz)	private
42	HSBC Trinkaus & Burkhardt AG	Carola Gräfin v. Schmettow (Vorsitz)	private
46	IBB Investitionsbank Berlin	Sonja Kardorf	public
47	Stadtsparkasse München	Marlies Mirbeth	public
48	Comdirect Bank AG	Martina Palte	private
49	Targobank AG & Co. KGaA	Maria Topaler	private
52	Investitionsbank des Landes Brandenburg	Jacqueline Tag	public
53	Oldenburgische Landesbank AG	Karin Katerbau	private
54	Sparkasse Hannover	Kerstin Berghoff-Ising, Marina Barth	public
59	Berliner Volksbank e.G.	Marija Kolak	cooperative
64	Stadtsparkasse Düsseldorf	Karin-Brigitte Göbel	public
72	Sparda-Bank Südwest e.G.	Karin Schwartz	cooperative
74	BB Bank e.G.	Gabriele Kellermann	cooperative
76	Frankfurter Volksbank e.G.	Eva Wunsch-Weber (Vorsitz)	cooperative
77	Teambank AG	Dr. Christiane Decker	cooperative
83	Sparkasse Krefeld	Dr. Birgit Roos (Vorsitz)	public
89	SWN Kreissparkasse Waiblingen	Ines Dietze	public
100	Sparda-Bank München	Petra Müller	cooperative
Rank	Insurance companies	Women on executive boards	
2	Munich RE	Giuseppina Albo, Dr. jur. Doris Höpke	
4	Allianz Deutschland AG	Dr. Birgit König	
9	AXA Konzern AG	Dr. Andrea van Aubel, Dr. Astrid Stange	
11	Allianz SE	Jacqueline Hunt, Dr. Helga Jung	
12	Versicherungskammer Bayern	Barbara Schick	
13	HUK-COBURG -Konzern	Sarah Rössler	
15	R + V Lebensversicherung AG	Julia Merkel	
16	Deutsche Krankenversicherung AG DKV	Silke Lautenschläger	
22	AXA Versicherung AG	Dr. Andrea van Aubel	
23	Generali Lebensversicherung AG	Claudia Andersch	
25	R + V Allgemeine Versicherung AG	Julia Merkel	
28	ERGO Versicherung AG	Silke Lautenschläger	
29	Allianz Private Krankenversicherungs-AG	Dr. Birgit König (Vorsitz)	
30	AXA Krankenversicherung AG	Dr. Andrea van Aubel	
31	AXA Lebensversicherung AG	Dr. Andrea van Aubel	
32	Provinzial Rheinland Konzern	Sabine Krummenerl	
33	ERGO Lebensversicherung AG	Silke Lautenschläger	
34	General Reinsurance AG GenRe	Janice Englesbe	
35	Bayern-Versicherung Lebensversicherung AG	Barbara Schick	
36	Alte Leipziger Lebensversicherung a.G.	Wiltrud Pekarek	
38	Cosmos Lebensversicherung-Aktiengesellschaft	Claudia Andersch (Vorsitz)	
40	Württembergische Lebensversicherung AG	Dr. Susanne Pauser	
42	HDI Lebensversicherungs-AG	Barbara Riebeling <sup>2</sup>	
45	R + V Versicherung AG	Julia Merkel	
50	Generali Versicherung AG	Dr. Monika Sebold-Bender	
51	HUK-COBURG Allgemeine Versicherungs-Aktiengesellschaft	Sarah Rössler	
53	Württembergische Versicherung AG	Dr. Susanne Pauser	
55	Bayerische Beamtenkrankenkasse AG	Manuela Kiechle	
59	HDI Versicherung AG	Barbara Riebeling <sup>2</sup>	
60	Provinzial Rheinland Lebensversicherung AG	Sabine Krummenerl	
61	Allianz Global Corporate & Speciality AG	Nina Klingspor, Sinéad Browne	

<sup>1</sup> Counted as private bank.

<sup>2</sup> Switched to Talanx AG as of January 1, 2017.

Source: survey by DIW Berlin.

Table 3

**Largest 100 banks<sup>1</sup> with at least 25 percent women supervisory board members**

Rank	Banks	Total number of members	Women	Percentage of women	Pillar
52	Investitionsbank des Landes Brandenburg, Potsdam	18	9	50.0	public
45	Investitionsbank Schleswig-Holstein (IB), Kiel	12	6	50.0	public
44	IBB Investitionsbank Berlin, Berlin <sup>2</sup>	8	4	50.0	public
30	Dexia Kommunalbank Deutschland AG, Berlin	6	3	50.0	private
48	Comdirect Bank AG, Quickborn	6	3	50.0	private
24	Santander Consumer Bank AG, Mönchengladbach	11	5	45.5	private
72	BB Bank e.G., Karlsruhe	15	6	40.0	cooperative
54	Sparkasse Hannover, Hannover	18	7	38.9	public
83	Sparkasse Krefeld, Krefeld	18	7	38.9	public
14	HSH Nordbank AG, Hamburg/Kiel	16	6	37.5	public
1	Deutsche Bank AG, Frankfurt/M.	20	7	35.0	private
2	Commerzbank AG, Frankfurt/M.	20	7	35.0	private
10	Postbank AG, Bonn	20	7	35.0	private
6	Landesbank Baden-Württemberg, Stuttgart	21	7	33.3	public
17	Landeskreditbank Baden-Württemberg - Förderbank (L-Bank), Karlsruhe	15	5	33.3	public
73	Sparkasse Leipzig, Leipzig	15	5	33.3	public
79	Sparkasse Dortmund, Dortmund	15	5	33.3	public
20	Aareal Bank AG, Wiesbaden	12	4	33.3	private
41	Wüstenrot Bausparkasse AG, Ludwigsburg	12	4	33.3	private
53	Oldenburgische Landesbank AG, Oldenburg	12	4	33.3	private
18	Deutsche Pfandbriefbank AG, Unterschleißheim	9	3	33.3	private
84	Sächsische Aufbaubank - Förderbank, Dresden	9	3	33.3	public
40	LfA Förderbank Bayern, München	6	2	33.3	public
50	Landesbank Saar, Saarbrücken	13	4	30.8	public
19	Bausparkasse Schwäbisch Hall AG, Schwäbisch Hall	20	6	30.0	cooperative
35	Sparkasse KölnBonn, Köln	20	6	30.0	public
91	Sparkasse Karlsruhe Ettlingen, Karlsruhe	24	7	29.2	public
92	Sparkasse Mainfranken, Würzburg	25	7	28.0	public
8	Norddeutsche Landesbank Girozentrale, Hannover	18	5	27.8	public
82	Kreissparkasse Esslingen-Nürtingen, Esslingen	18	5	27.8	public
12	NRW Bank, Düsseldorf	15	4	26.7	public
51	Sparda-Bank Baden-Württemberg e.G., Stuttgart	15	4	26.7	cooperative
68	Sparkasse Aachen, Aachen	15	4	26.7	public
95	Stadtparkasse Wuppertal, Wuppertal	15	4	26.7	public
5	Hypo Vereinsbank - Unicredit Bank AG, München	12	3	25.0	private

<sup>1</sup> Limited to banks that provide data on the composition of their supervisory board.

<sup>2</sup> One man left the advisory board after the research was completed.

Source: calculations by DIW Berlin.

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Thirty-five (26) of the largest banks have attained a proportion of at least 25 percent (30 percent) women on their supervisory boards (see Table 3). Five banks had a female share on supervisory boards of 50 percent. The supervisory boards of three banks were composed of men only.<sup>8</sup>

### Private banks at the top

Since 2010, the DIW Berlin study has differentiated among three main pillars of the financial sector in Germany: private, public sector, and cooperative banks. Last year's analysis showed that cooperative banks had the worst record with regard to the number of female board members. The situation has changed since then: at almost seven percent, the public sector banks are at the

bottom of the ranking. Cooperative banks were able to increase their numbers by around two percentage points, putting them just under eight percent (see Table 4). As with last year, in 2016 private banks were at the top of the ranking. Women made up ten percent of their boards.

And when it comes to CEOs, women remained the big exception. Among the private banks, two women performed this function—one more than in 2015. The cooperative banks still had only one female CEO—the same as the public sector and savings banks.

With regard to supervisory boards, cooperative banks are catching up, but at 17.5 percent women (a gain of around two percentage points compared to 2015), they are still at least four percentage points behind public sector banks (almost 22 percent) and private banks (almost 24 percent). Among the latter, the increase was somewhat smaller compared to 2015, and the proportion of

<sup>8</sup> They were: Wüstenrot Bank AG Pfandbriefbank, Debeka Bausparkasse AG, and Düsseldorfer Hypothekbank AG.

Table 4

**Women on supervisory and executive boards of large banks in Germany,<sup>1</sup> by pillar**

	Public banks							Private banks <sup>2</sup>							Cooperative banks						
	2010	2011	2012	2013	2014	2015	2016	2010	2011	2012	2013	2014	2015	2016	2010	2011	2012	2013	2014	2015	2016
<b>Executive boards/management boards</b>																					
Total number of companies	52	53	51	50	52	52	52	36	34	35	31	32	31	30	12	13	14	16	16	17	18
With data on composition	52	53	51	50	52	52	52	36	34	35	31	32	31	30	12	13	14	16	16	17	18
With women on executive board	3	4	7	8	10	14	13	5	5	7	10	9	10	11	2	3	3	5	4	4	6
<b>Percentage</b>	<b>5.8</b>	<b>7.5</b>	<b>13.7</b>	<b>16.0</b>	<b>19.2</b>	<b>26.9</b>	<b>25.0</b>	<b>13.9</b>	<b>14.7</b>	<b>20.0</b>	<b>32.3</b>	<b>28.1</b>	<b>32.3</b>	<b>36.7</b>	<b>16.7</b>	<b>23.1</b>	<b>21.4</b>	<b>31.3</b>	<b>25.0</b>	<b>23.5</b>	<b>33.3</b>
Total members	203	197	195	193	190	203	198	157	151	153	128	132	128	130	48	56	59	62	65	63	76
Men	199	192	188	184	177	187	184	151	146	146	118	123	118	117	46	53	56	57	61	59	70
Women	4	5	7	9	13	16	14	6	5	7	10	9	10	13	2	3	3	5	4	4	6
<b>Percentage of women</b>	<b>2.0</b>	<b>2.5</b>	<b>3.6</b>	<b>4.7</b>	<b>6.8</b>	<b>7.9</b>	<b>7.1</b>	<b>3.8</b>	<b>3.3</b>	<b>4.6</b>	<b>7.8</b>	<b>6.8</b>	<b>7.8</b>	<b>10.0</b>	<b>4.2</b>	<b>5.4</b>	<b>5.1</b>	<b>8.1</b>	<b>6.2</b>	<b>6.3</b>	<b>7.9</b>
Total number of chairpersons	52	53	51	50	50	52	52	36	34	35	31	28	29	28	12	13	14	16	15	17	18
Men	52	53	50	49	49	51	51	34	33	34	30	28	28	26	12	13	13	15	14	16	17
Women	0	0	1	1	1	1	1	2	1	1	1	0	1	2	0	0	1	1	1	1	1
<b>Percentage of women</b>	<b>0.0</b>	<b>0.0</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>1.9</b>	<b>1.9</b>	<b>5.6</b>	<b>2.9</b>	<b>2.9</b>	<b>3.2</b>	<b>0.0</b>	<b>3.4</b>	<b>7.1</b>	<b>0.0</b>	<b>0.0</b>	<b>7.1</b>	<b>6.3</b>	<b>6.7</b>	<b>5.9</b>	<b>5.6</b>
<b>Supervisory boards/administrative boards</b>																					
Total members	52	53	51	50	52	52	52	36	34	35	31	32	31	30	12	13	14	16	16	17	18
With data on composition	52	53	51	50	51	52	52	36	34	35	31	30	29	28	12	13	14	16	16	17	18
With women on supervisory board	48	50	48	47	50	52	52	29	26	27	24	24	25	25	11	12	13	15	15	16	18
<b>Percentage</b>	<b>92.3</b>	<b>94.3</b>	<b>94.1</b>	<b>94.0</b>	<b>98.0</b>	<b>100</b>	<b>100</b>	<b>80.6</b>	<b>76.5</b>	<b>77.1</b>	<b>77.4</b>	<b>80.0</b>	<b>86.2</b>	<b>89.3</b>	<b>91.7</b>	<b>92.3</b>	<b>92.9</b>	<b>93.8</b>	<b>93.8</b>	<b>94.1</b>	<b>100</b>
Total members	960	999	909	885	906	933	930	396	349	354	321	323	311	293	192	219	228	244	275	274	297
Men	802	831	741	730	735	725	726	333	291	293	264	264	239	223	160	185	192	204	235	231	245
Women	158	168	168	155	171	208	204	63	58	61	57	59	73	70	32	34	36	40	40	43	52
<b>Percentage of women</b>	<b>16.5</b>	<b>16.8</b>	<b>18.5</b>	<b>17.5</b>	<b>18.9</b>	<b>22.3</b>	<b>21.9</b>	<b>15.9</b>	<b>16.6</b>	<b>17.2</b>	<b>17.8</b>	<b>18.3</b>	<b>23.5</b>	<b>23.9</b>	<b>16.7</b>	<b>15.5</b>	<b>15.8</b>	<b>16.4</b>	<b>14.5</b>	<b>15.7</b>	<b>17.5</b>
Total number of chairpersons	52	53	51	50	51	52	52	36	34	35	31	30	29	28	12	13	14	16	16	17	18
Men	49	51	48	48	47	47	48	36	34	35	30	29	28	27	12	13	14	16	16	17	16
Women	3	2	3	2	4	5	4	0	0	0	1	1	1	1	0	0	0	0	0	0	2
<b>Percentage of women</b>	<b>5.8</b>	<b>3.8</b>	<b>5.9</b>	<b>4.0</b>	<b>7.8</b>	<b>9.6</b>	<b>7.7</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>3.2</b>	<b>3.3</b>	<b>3.4</b>	<b>3.6</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>11.1</b>

1 At the end of the year. Limited to companies that provide data on the composition of their corporate boards.

2 Two of the private banks are independent savings banks.

Source: calculations by DIW Berlin.

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women in the regulatory bodies of public sector banks has in fact slightly decreased.

While four public sector and savings banks had chairwomen leading their supervisory boards at the end of 2016, there was only one chairwoman among the private banks. For the first time, cooperative banks appointed two women to chair their supervisory boards. This is equal to 11 percent of all supervisory board chairs.<sup>9</sup>

### Top 59 insurance companies

In 31 of the 59 largest insurance companies in Germany, at least one woman was an executive board member or a company executive in 2016—four more than in the previous year. At almost ten percent, the proportion of women among all executive board members was around

two percentage points higher than that of the banks. One insurance company had a female CEO.

At around 22 percent, the proportion of women supervisory board members in insurance companies was also comparable to that of the banks. Of the 59 insurance companies studied, only one had a female chair. In the preceding year, there were two. Nineteen of the largest insurance companies reached a share of 30 percent women on their supervisory boards (see Table 5). The supervisory boards of seven insurance companies did not have a single female member.<sup>10</sup>

<sup>9</sup> Charlotte Britz was appointed supervisory board chair of Sparkasse Saarbrücken and Lieselotte Peuker as supervisory board chair of Sparda-Bank München.

<sup>10</sup> They were: Axa Krankenversicherung AG, Cosmos Lebensversicherung-Aktiengesellschaft, LVM Landwirtschaftlicher Versicherungsverein Münster, HDI Lebensversicherung AG, VHV Allgemeine Versicherung AG, HDI Versicherung AG, and Generali Lebensversicherung AG.

Table 5

**Largest 60 insurance companies with at least 25 percent women on the supervisory board, end of 2016**

Rank	Company	Total members	Men	Women	Percentage of women
57	Allianz Global Corporate & Speciality AG	6	3	3	50.0
8	Allianz Versicherungs-AG	6	3	3	50.0
1	Munich RE	20	12	8	40.0
18	Wüstenrot und Württembergische AG	16	10	6	37.5
4	ERGO Group AG	16	10	6	37.5
50	Barmenia Krankenversicherung AG	6	4	2	33.3
26	Allianz Private Krankenversicherungs-AG	6	4	2	33.3
25	ERGO Versicherung AG	3	2	1	33.3
20	AXA Versicherung AG	3	2	1	33.3
19	HDI Global SE	6	4	2	33.3
17	Zurich Deutscher Herold Lebensversicherungs-AG	9	6	3	33.3
14	DKV Deutsche Krankenversicherung AG	3	2	1	33.3
12	Debeka Krankenversicherungsverein AG	12	8	4	33.3
11	HUK-COBURG Versicherungsgruppe	9	6	3	33.3
9	Allianz SE	12	8	4	33.3
6	Hannover Rückversicherungs-AG	9	6	3	33.3
30	ERGO Lebensversicherung AG	3	2	1	33.3
7	AXA Konzern AG	16	11	5	31.3
3	Allianz Deutschland AG	20	14	6	30.0
34	Provinzial NordWest Lebensversicherungs-AG	15	11	4	26.7
16	Provinzial NordWest Konzern	19	14	5	26.3
49	Württembergische Versicherung AG	12	9	3	25.0
43	CENTRAL Krankenversicherung AG	8	6	2	25.0
42	R + V Versicherung AG	16	12	4	25.0
37	Württembergische Lebensversicherung AG	12	9	3	25.0
2	Talanx AG (Konzern)	16	12	4	25.0

Source: calculations by DIW Berlin.

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**2006 to 2016: Trend less dynamic at banks than insurance companies**

Germany is still far from having gender parity on the executive and supervisory boards of companies in the financial sector. Since 2006, the proportion of women on the executive boards of the 100 largest banks has increased from 2.5 percent to a solid eight percent. This means that men still hold over 90 percent of executive board positions. The trend has been significantly flatter since 2013 (see Figure 2). Starting at the same level, insurance companies have reached almost ten percent. In the financial sector overall, the rate of increase recently has been lower than it was before 2013. Since 2006, the proportion of female supervisory board members at banks has risen by six percentage points to 21 percent and at insurance companies from 11 to 22 percent. The latter have therefore successfully positioned themselves ahead of the banks when it comes to both executive and supervisory boards.

Figure 2

**Women and men on executive and supervisory boards in the financial sector in percent**



Source: calculations by DIW Berlin.

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The difference between the share of men and women as members of executive and advisory boards of banks has been decreasing more slowly than on the boards of insurance companies.

If the 2006–2016 trend were to continue linearly, it would take another 80 years to achieve gender parity on the executive boards of banks. For the advisory boards, the same outcome would take almost 50 years. However, it is probably too optimistic to assume a linear projection here. In most companies, the proportion of women on supervisory boards rises to around one-third (36 percent) and then plateaus or even decreases (see Figure 3). Comparing the proportion of women on supervisory boards in the previous year (2015) to the change rate in percentage points for the subsequent year (2016) showed that the proportion of women on the supervisory boards of banks and insurance companies rose most significantly where it was especially low in 2015. The banks and insurance companies that already had a solid one-third women on their supervisory boards in 2015 did not improve their ratios. Companies in the financial sector with 25 percent women supervisory board members in 2015 were able to increase by a maximum of ten percent in 2016. And some also decreased significantly. The relationship was similar for executive boards (see Figure 4). Once banks or insurance companies had filled their executive

boards with a one-quarter ratio of women, the proportion typically remained at that level. An exception was *Aareal Bank*, whose female representation on the executive board rose from 33.3 percent in 2015 to 40 percent in 2016. The bank also had a supervisory board chairwoman.

As a result, almost three quarters of all banks and more than two-thirds of all insurance companies achieved a maximum 29 percent share of female supervisory board members (see Table 6). At around 19 percent of banks and 27 percent of insurance companies, between 30 and 39 percent of the supervisory board members were women. Five percent of banks and three percent of insurance companies were above this level.

Moreover, there is a statistically significant negative relationship between the size of a bank or insurance company and the proportion of women on the supervisory board. The larger the bank/insurance company, the lower is the share of women on the supervisory board (see Figure 5). For executive boards, however, no such relationship has been found (see Figure 6).

The top 100 non-financial sector companies have now surpassed the top 100 banks with regard to the proportion of women on supervisory boards (see Figure 7). This is explained by the banks' plateau in this area since 2010, the year the discussion surrounding the number of women on supervisory boards gained momentum.

### Women underrepresented in governing bodies of most central banks and the European Banking Authority

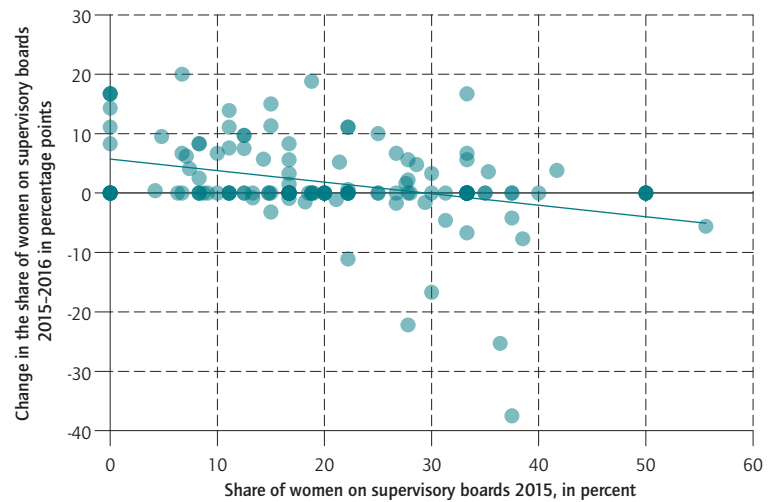
The low number of women in the financial sector's governing bodies is also mirrored at the level of the European Union (EU) and the euro area. We examined the Governing Council of the European Central Bank (ECB), the Single Supervisory Mechanism (SSM) of the European Banking Authority, and the key decision-making bodies of the EU member countries' national central banks.

The Governing Council is the ECB's key decision-making body, consisting of a six-member Executive Board and the presidents of the national central banks of the euro area's 19 member countries. Since 2014, two women have had seats in the 25-person body (see Table 7): Sabine Lautenschläger from Germany, a member of the Governing Council, and Chrystalla Georghadji, the president of the Cypriot Central Bank.

Since 2014, the SSM has been tasked with centrally supervising the top banks in participating EU states. The ECB and the national supervisory bodies of participating coun-

Figure 3

### Correlation between the share of women on supervisory boards in 2015 and the change in the share between 2015 and 2016



Note:  $R^2=0,13$ ,  $p$ -Value: 0,00,  $n=139$ .

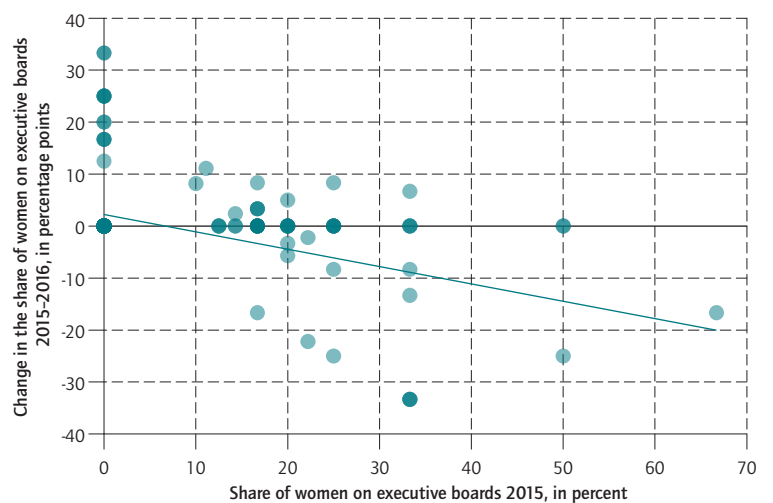
Source: calculations by DIW Berlin.

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In most companies the share of women on advisory boards increases only up to one third.

Figure 4

### Correlation between the share of women on executive boards in 2015 and the change in the share between 2015 and 2016



Note:  $R^2=0,19$ ,  $p$ -Value: 0,00,  $n=148$ .

Source: calculations by DIW Berlin.

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Banks and insurance companies with a share of women on the executive board of 25 percent usually do not increase this share any more.

Table 6

**Shares in supervisory boards of banks and insurance companies**  
in percent

Companies	2016							2016	Change from 2015 to 2016, in percentage points
	Zero	1 to 9	10 to 19	20 to 29	30 to 39	40 to 49	50 and over	30 and more	
Financial sector	7.5	5.4	34.1	23.6	23.3	1.9	4.2	29.4	2.6
Banks	3.1	9.2	37.8	23.5	19.4	2.0	5.1	26.5	0.0
Insurance companies	11.9	1.7	30.5	23.7	27.1	1.7	3.4	32.2	5.1

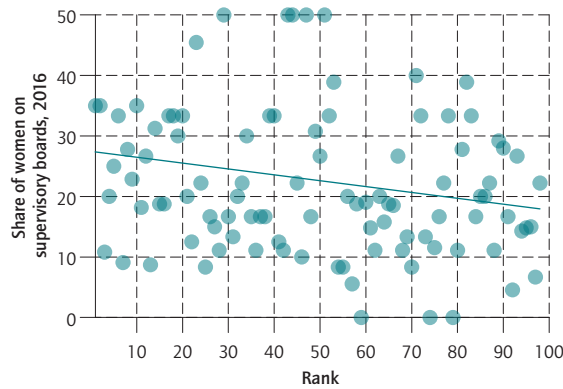
Source: calculations by DIW Berlin.

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Figure 5

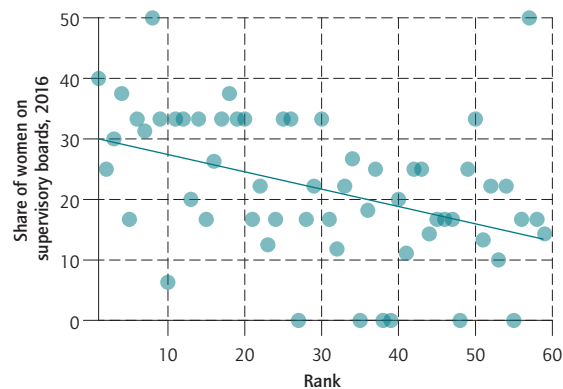
**Share of women on supervisory boards by rank**

Banks (balance sheet total)



Note:  $R^2=0,04$ ,  $p$ -Value:  $0,05$ ,  $n=100$ .

Insurance companies (premium income)



Note:  $R^2=0,17$ ,  $p$ -Value:  $0,00$ ,  $n=59$ .

Source: calculations by DIW Berlin.

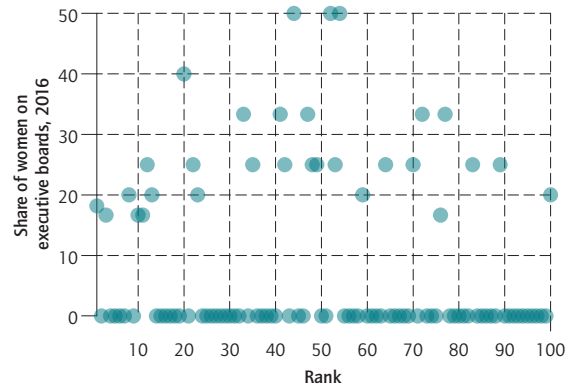
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There is a negative correlation between the rank order of the bank (by balance sheet total) or insurance company (by premium income) and the share of women on the supervisory board.

Figure 6

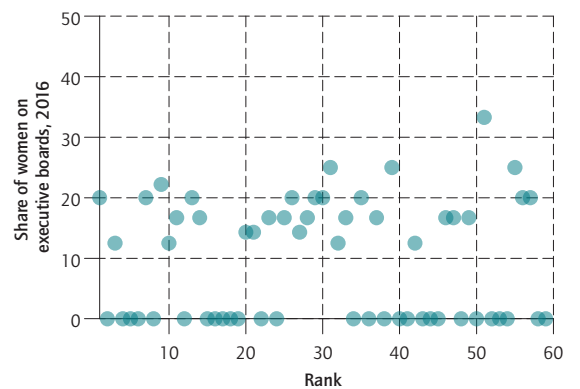
**Share of women on executive boards by rank**

Banks (balance sheet total)



Note:  $n=100$ .

Insurance companies (premium income)



Note:  $n=59$ .

Source: calculations by DIW Berlin.

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There is no correlation between the rank order of a bank or insurance company and the share of women on the executive board.



tries appoint the SSM’s members. In 2016, the ECB delegated three women and two men.<sup>11</sup> The 26 members the national supervisory bodies appointed in 2016 included four women and 22 men—the same composition as the previous year. Overall, the proportion of women in this supervisory body was 25 percent (see Table 8). Danièle Nouy is its chairperson and Sabine Lautenschläger its deputy chairperson: two women run this body.

Every year since 2003, the European Commission has published the proportion of women in the governing bodies of the EU states’ national central banks. According to its report, the mean percentage of women in the governing bodies of the national central banks was 20 percent in 2016.<sup>12</sup> However, there are significant differences between individual countries. For the first time, one country had more women (57 percent) than men in the governing bodies of its central bank: Bulgaria (see Figure 8). At 45 and 40 percent women respectively, France and Slovenia held second and third place. There is one woman—Claudia Buch—on the six-person governing board of Deutsche Bundesbank, Germany’s central bank. This equals 17 percent female representation, putting the Bundesbank in the lower section of the middle range of the EU member states’ central banks. Six countries (Netherlands, Greece, Slovakia, Austria, Croatia, and the Czech Republic) did not have any women in the governing bodies of their central banks.

### Gender pay gap particularly high in the financial sector

The low number of women in executive positions in the financial sector is also partially reflected in the gap between men’s earnings and women’s earnings. In the German financial sector, the gender pay gap<sup>13</sup> is around 30 percent (see Table 9). There is only one sector of the economy in which it is even higher (“Provision of freelance, scientific and technical services”). In all other sectors, the gender pay gap is smaller—sometimes significantly. In other European countries, the financial sector is also one of the economic sectors with the highest gap in earnings between men and women. At over 40 percent, the gender pay gap is largest in the Eastern European countries of Latvia, Estonia, and the Czech Republic. It is over 35 percent in Lithuania, Great Britain, Hun-

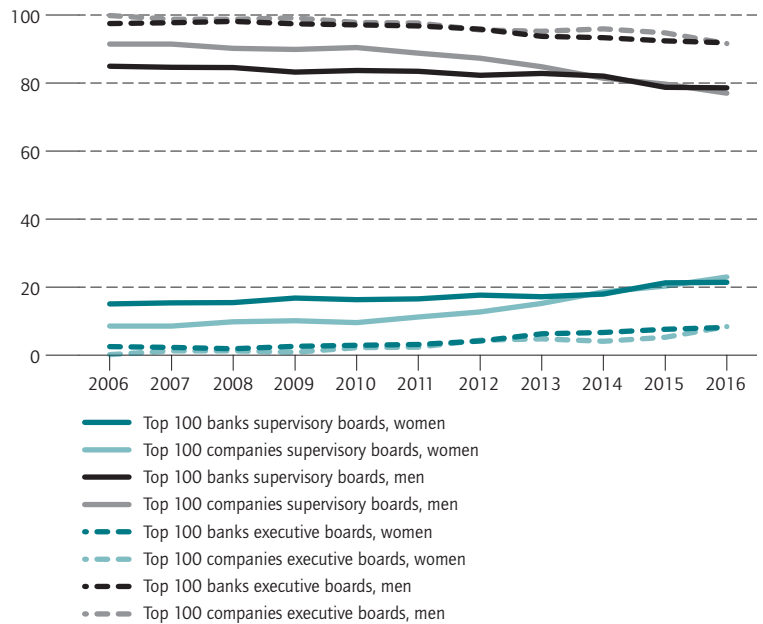
11 One seat remained vacant.

12 See European Commission, *EU database on the participation of women and men in decision-making processes*, [http://ec.europa.eu/justice/gender-equality/gender-decision-making/database/business-finance/central-banks/index\\_en.htm](http://ec.europa.eu/justice/gender-equality/gender-decision-making/database/business-finance/central-banks/index_en.htm) (accessed December 9, 2016).

13 The gender pay gap compares the mean gross hourly pay of all male and female employees—in this case, in one sector of the economy. Also see the relevant entry in the DIW Berlin glossary (in German only): [http://diw.de/de/diw\\_01.c.543722.de/](http://diw.de/de/diw_01.c.543722.de/).html.

Figure 7

Share of women on executive and supervisory boards of the top 100 banks and top 100 companies (excluding financial sector) in percent



Source: calculations by DIW Berlin.

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Top 100 companies now have a higher share of women on the advisory board on average than Top 100 banks.

Table 7

Women on the ECB Governing Council<sup>1</sup>

	Total members	Men	Women	Percentage of Women
2003	17	16	1	5.9
2004	17	16	1	5.9
2005	17	16	1	5.9
2006	17	16	1	5.9
2007	19	18	1	5.3
2008	21	20	1	4.8
2009	22	21	1	4.5
2010	22	21	1	4.5
2011	23	23	0	0.0
2012	23	23	0	0.0
2013	23	23	0	0.0
2014	24	22	2	8.3
2015	25	23	2	8.0
2016	25	23	2	8.0

1 Since January 1, 2015, due to the entry of Lithuania in the EU-25 members of the board.

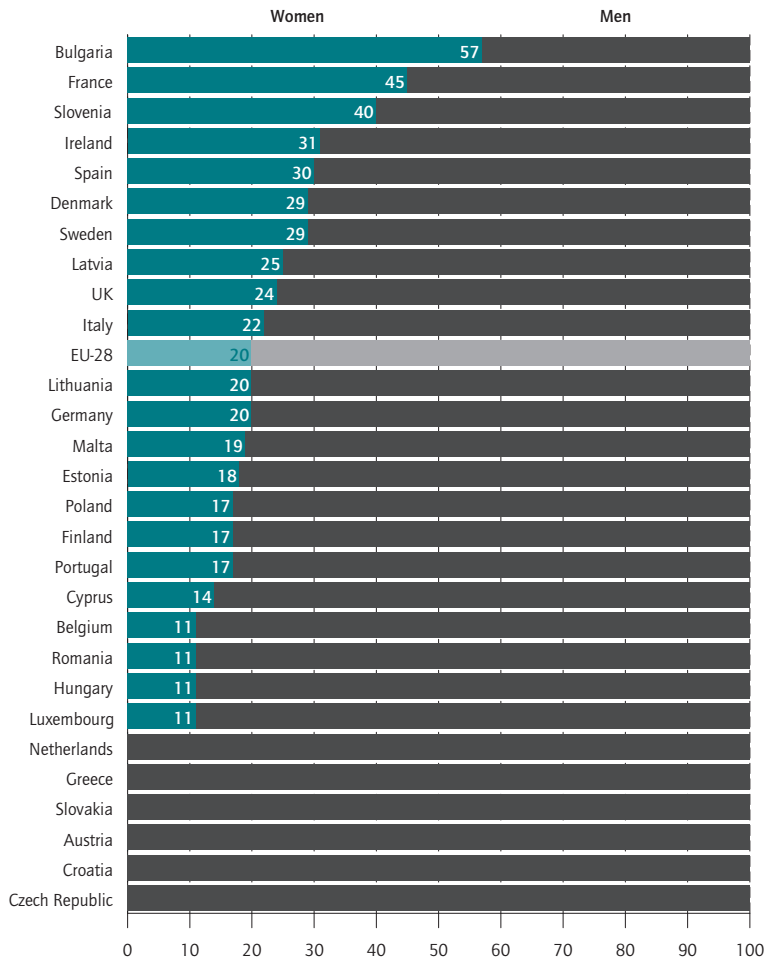
Source: Europäische Kommission, *Datenbank über die Mitwirkung von Frauen und Männern an Entscheidungsprozessen*: [http://ec.europa.eu/justice/gender-equality/gender-decision-making/database/business-finance/financial-institutions/index\\_en.htm](http://ec.europa.eu/justice/gender-equality/gender-decision-making/database/business-finance/financial-institutions/index_en.htm) (accessed Dezember 8, 2016).

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Figure 8

**Women and men in the key decision-making bodies of national central banks in the EU, 2016<sup>2</sup>**

in percent



1 Members of the executive council.  
2 Date of Information: August 2016.

Source: EU database on the participation of women and men in decision-making processes, [http://ec.europa.eu/justice/gender-equality/gender-decision-making/database/business-finance/central-banks/index\\_en.htm](http://ec.europa.eu/justice/gender-equality/gender-decision-making/database/business-finance/central-banks/index_en.htm) (accessed December 9, 2016).

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Germany (one woman out of six members of the executive board of the Bundesbank) meets the average of the EU countries.

gary, Poland, Slovakia, and Iceland. Croatia boasts the lowest gender pay gap.

**Conclusion**

The trend in the proportion of women in the financial sector’s top decision-making bodies exhibited little momentum in 2016. On the supervisory boards, the

Table 8

**Men and women on the supervisory board of the European Banking Supervision, 2016**

	Women	Men
ECB members <sup>1</sup>	3	2
Representatives of the national supervisors	4	22
Belgium	0	1
Germany	0	2
Estonia	0	2
Finland	1	1
France	0	1
Greece	0	1
Ireland	0	1
Italy	0	1
Latvia	1	1
Lithuania	1	0
Luxembourg	0	2
Malta	0	2
Netherlands	0	1
Austria	0	2
Portugal	1	0
Slovakia	0	1
Slovenia	0	1
Spain	0	1
Cyprus	0	1
Total	7	24

1 One seat among ECB members remained vacant.

Source: ECB Banking Supervision, Supervisory Board, <https://www.bankingsupervision.europa.eu/organisation/whoiswho/supervisoryboard/html/index.de.html> (accessed December 8, 2016).

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banks relinquished their spearheading role—also in comparison to the top 100 non-financial sector companies. The banks’ stagnation in this respect has been obvious since 2010, the year in which the discussion on the proportion of women on supervisory boards gained momentum. The trend was more positive among insurance companies—especially on supervisory boards, where the proportion of female members is now larger than that of the banks in the study. It showed that the banks and insurance companies that had already achieved one-third of female supervisory board members did not increase this proportion.

In May 2015, the Equal Participation of Women and Men in Leadership Positions in the Private and Public Sectors Act (*Gesetz für die gleichberechtigte Teilhabe von Frauen und Männern an Führungspositionen*) went into effect. It obligates publicly traded companies subject to equitable codetermination (*paritätische Mitbestimmung*) to a gender quota of 30 percent on supervisory boards.<sup>14</sup> Since then, companies that are publicly traded or subject to equita-

14 See Elke Holst and Anja Kirsch, “Corporate boards of large companies: More momentum needed for gender parity,” *DIW Economic Bulletin 2* (2016): 38 et seq.

Table 9

**Gender Pay Gap in 2014<sup>1</sup> in European countries, by economic sector**  
 in percent

Countries	Financial and insurance activities	Trade, transportation and storage	Agriculture and manufacturing	Energy supply	Water supply et al.	Construction	Information and Communication	Real estate activities and other services	Professional services et al.
Latvia	42.3	15.4	18.5	18.7	6.7	-1.3	24.5	-6.3	12.6
Estonia	42.2	27.4	29.2	13.7	9.3	12.3	29.4	35.3	16.1
Czech Republic	40.6	15.7	27.3	17.9	-5.0	7.3	31.6	10.1	25.1
Lithuania	39.9	16.8	25.2	9.4	11.9	0.9	28.8	11.2	17.4
UK	38.0	20.0	18.1	23.9	-3.3	16.6	16.9	23.4	23.8
Hungary	36.8	14.1	22.6	7.3	-5.4	-17.9	24.1	7.3	12.8
Poland	36.7	17.7	20.9	1.7	-0.4	-11.4	25.5	14.5	19.2
Slovakia	36.0	21.8	29.0	12.0	-5.4	4.5	30.5	20.1	18.9
Finland <sup>2</sup>	32.8	17.1	11.6	14.4	1.4	5.1	13.4	18.5	16.8
Germany <sup>2</sup>	29.5	25.0	26.3	20.4	1.7	8.7	25.6	23.1	32.5
Sweden	28.7	10.5	6.0	8.8	-2.4	1.0	11.1	10.0	16.0
Luxembourg <sup>2</sup>	28.3	13.2	13.8	3.3	-14.4	-10.8	16.2	27.9	21.1
Netherlands	28.3	21.6	19.1	17.5	2.2	12.8	17.8	16.6	24.1
Malta	28.1	12.9	14.5	:	-6.9	-0.5	10.2	26.6	3.1
Romania <sup>3</sup>	27.7	8.7	21.9	5.6	-1.5	-25.4	12.0	-0.3	3.3
France <sup>2</sup>	27.4	13.5	14.4	10.3	-11.8	-8.9	15.2	17.9	21.0
Italy	25.9	13.2	10.9	:	:	:	:	:	24.8
Bulgaria	25.4	13.5	23.7	9.2	2.0	-9.4	13.3	-4.7	14.9
Cyprus	25.2	24.8	29.0	7.3	-5.8	14.1	29.8	13.3	31.6
Spain <sup>2</sup>	24.5	23.8	23.5	13.3	14.7	4.4	16.4	19.2	20.4
Portugal	22.1	22.0	30.7	3.8	-19.3	-13.2	10.7	33.2	21.5
Belgium	21.5	14.9	10.6	29.0	-1.1	-2.4	14.8	17.2	18.8
Slovenia	21.4	6.7	10.8	7.2	-17.9	-17.9	12.8	2.2	10.8
Denmark	20.6	16.5	12.7	21.0	6.0	9.9	18.0	9.6	21.1
Croatia <sup>2</sup>	15.8	11.2	19.2	4.8	0.7	-16.0	13.0	21.0	11.6
Austria	:	24.3	:	:	:	:	:	:	:
Iceland	37.5	19.5	22.7	11.0	-1.1	4.1	19.4	:	:
Norway	29.6	17.6	11.5	8.3	-5.5	2.0	15.3	19.0	20.5

<sup>1</sup> Companies with ten or more employees, NACE Rev. 2.

<sup>2</sup> Preliminary numbers.

<sup>3</sup> Estimated numbers.

: Data not available.

Source: Eurostat – Statistics Explained: Gender pay Gap Statistics. [http://ec.europa.eu/eurostat/statistics-explained/index.php/File:The\\_unadjusted\\_GPG\\_by\\_economic\\_activity\\_\(%25\)\\_2014\\_\(%C2%B9\).png](http://ec.europa.eu/eurostat/statistics-explained/index.php/File:The_unadjusted_GPG_by_economic_activity_(%25)_2014_(%C2%B9).png) (accessed December 8, 2016).

ble codetermination are obligated to specify concrete targets for boosting the number of female CEOs and members of supervisory and executive boards. In this respect, banks are subject to the same obligations as insurance companies.<sup>15</sup> It is impossible to say whether the law has already had an effect (or differentiated effects). Until now, only the 160 DAX companies' targets are public information—and most of them have chosen the number zero for executive boards.<sup>16</sup> The extent of the voluntary commitment and target levels of the other companies subject to the law remain to be seen. However, the trends

and targets that are now available indicate that without more pressure—especially on executive boards—the movement toward equality will not develop sufficient momentum in the foreseeable future.

In order to change this situation, financial institutions would be well advised to develop highly qualified women for future executive positions as soon as possible. This would also require shifts in corporate culture and organization. In the U.S., the high level of gender inequality in the financial sector is attributed to the lack of options for part-time employment in the sector and the widespread phenomenon of relatively inflexible working hours.<sup>17</sup> In

<sup>15</sup> Only four of the banks and four of the insurance companies included in this study are subject to the mandatory quota for supervisory boards.

<sup>16</sup> AllBright Foundation, "Zielgröße: Null Frauen. Die verschenkte Chance deutscher Unternehmen," Berlin (2016).

<sup>17</sup> Claudia Goldin, "A Grand Gender Convergence: Its Last Chapter," *American Economic Review* 104 (4) (2014): 1091-119.

Germany, the number of part-time jobs in the financial sector is in the average cross-sector range, but in the financial sector working part-time is a known career killer.<sup>18</sup> Part-time employees are often judged as less ambitious.<sup>19</sup> Higher acceptance and development of part-time executive positions and greater flexibility with regard to working hours and career paths could help to improve the situation.

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**18** Elke Holst and Martin Friedrich, "Women's likelihood of holding a senior management position is considerably lower than men's – especially in the financial sector," *DIW Economic Bulletin* 37 (2016): 449-59.

**19** Melanie Sanders et al., "The Power of Flexibility: A Key Enabler to Boost Gender Parity and Employee Engagement," *Bain & Company Report*, (2015).

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**JEL:** G2, J16, J78, L32, M14, M51

**Keywords:** board composition, board diversity, boards of directors, central banks, corporate boards, Europe, finance industry, financial sector, female directors, Gender gap, gender equality, gender quota, Germany, insurance companies, management, public and private banks, supervisory boards, women CEOs

The debate surrounding more women in executive positions is not an elitist matter. With more women performing executive functions in companies, the hope is to compel corporate culture to change more quickly, to allow for the everyday realities of women, equal to those of men, as a principle of corporate organization rather than an exception. Women executives can act as the catalyst for the changes and adjustments the financial sector urgently requires to join a modern working world free of gender inequality. This would also motivate subsequent generations of women to aspire to these positions and contribute to the more efficient use of the labor supply, thereby improving the competitiveness.

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## SEVEN QUESTIONS FOR ELKE HOLST

# »Companies should have more women on all levels of the hierarchy«

1. Since January 1, 2016, Germany has a statutory gender quota for corporate supervisory boards. Women must be appointed to vacant positions until the board has a proportion of 30 percent. Mrs. Holst, it's been almost exactly one year – is it possible to draw any initial conclusions? *The law is showing some initial effects. For example, the companies subject to the gender quota have increased the proportion of women on their supervisory boards to 27 percent, which is over four percent more than the previous year. The 200 strongest companies in Germany in terms of revenue reached almost 23 percent, an increase of just under three percentage points. The proportion only fell in the group representing the TecDAX companies.*
2. Which companies excel in complying with the law? Which ones are lagging behind? *There is a statutory gender quota for supervisory boards only for fully co-determined publicly traded companies. This is why among the group of top 200 companies, we compared the progress of companies subject to the statutory gender quota and those unaffected by it. In the companies subject to the quota, on average the proportion of female supervisory board members increased more significantly than in the other companies.*
3. There has already been progress in implementing the gender quota on supervisory boards. Did you observe similar progress on the executive boards of the major German companies? *Growth is still sluggish there. And considering that the proportion of women on executive boards was low to begin with, that is extremely unfortunate. With a solid 11 percent, the DAX 30 group achieved the highest proportion of female executive board members. In the top 200 companies, the proportion was eight percent, and in the companies subject to the gender quota it was an even lower 6.5 percent. The TecDAX group is at the bottom of the ranking with just under four percent. There is plenty of room for improvement.*
4. What is the hold up? *The problem is that women are generally underrepresented in executive positions. To change this, ambitious goals and their consistent implementation are required. But change must go hand in hand with company restructuring and changes in corporate culture.*
5. It seems that companies with government-owned shares should be setting an example for women in top decision-making bodies. Is this indeed the case? *Because they are usually small, companies with government-owned shares can only be compared with the other groups of companies to a limited extent. They have 15.5 percent women – the highest proportion – and on supervisory boards, the proportion of women is only slightly lower than in the DAX 30 groups. However, we also observed that the momentum of filling positions on top decision-making bodies with women has slowed down. The companies with government-owned shares run the risk of losing their function as role models.*
6. Are there differences among the individual sectors? *Yes, there are. For example, the financial sector is falling behind. The banks in particular. The proportion of women on bank supervisory boards has plateaued at 21 percent; in the public sector banks, the proportion is even falling. The top 200 companies have now surpassed the banks. In 2006, the banks were over seven percentage points ahead. From other studies, we know that in the financial sector women find it difficult to become top decision makers. This should give the sector cause for reflection.*
7. What must happen to reach the 30-percent target for women on both executive and supervisory boards? Are additional laws required? *We need new ways of thinking. If companies voluntarily fill more positions on all hierarchical levels with women in the foreseeable future, tougher laws will not be necessary. This would make the way to the top as normal for women as it is for men. The statistics do not show that new ways of thinking have made any broad inroads, however. "Hope springs eternal."*

Interview by Erich Wittenberg