

AT A GLANCE

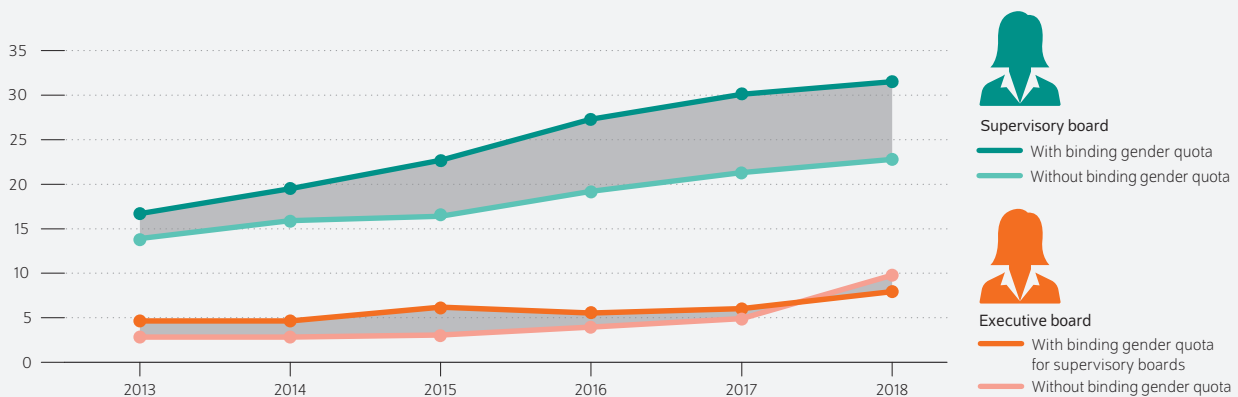
Increasing number of women on supervisory boards of major companies in Germany; executive boards still dominated by men

By Elke Holst and Katharina Wrohlich

- Proportion of women on supervisory boards of large German companies has increased since 2018; growth on executive boards much lower in many places
- Gender quota for supervisory boards is making an impact: on average, quota-subject companies have boards with almost 33 percent female members
- However, first signs that companies are not doing more than the minimum and efforts stop after 30 percent mark is reached
- Quota has no short-term effect on executive boards
- If companies want to avoid a quota for executive boards, they must consistently appoint more women to all hierarchical levels, including those below the board

Gender quota for supervisory boards is having an impact but not on the executive board short-term

Proportion of women in the top 200 companies in percent



Source: Authors' own surveys and calculations.

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FROM THE AUTHORS

"It cannot be assumed, at least in the short term, that more women on the supervisory board will lead to more women on the executive board. The proportion of female board members is even lower in the companies subject to the quota than in other companies."

— Elke Holst —

MEDIA



Audio interview with Elke Holst (in German)
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Increasing number of women on supervisory boards of major companies in Germany; executive boards still dominated by men

By Elke Holst and Katharina Wrohlich

ABSTRACT

The gender quota for supervisory boards is continuing to show its impact: the proportion of women on the supervisory boards of the 200 highest-performing companies in Germany increased by over two percentage points to 27 percent the past year. In the 100 largest companies, it increased by over three percentage points to 28 percent. However, there are now indications that the companies are only doing the bare minimum, as the proportion of women in the group of the 30 largest DAX companies—many of which have already reached the minimum of 30 percent women—has stagnated at one-third. Additionally, it is becoming more and more apparent that the gender quota does not have the impact hoped for on executive boards, at least not in the short term. Even though the ten percent mark was reached for the first time in the top 100 companies, most development is still taking place at a snail's pace. It is still up to companies to stymie demands for binding board member quotas. To do this, however, they must act as quickly as possible and consistently fill all hierarchical levels, especially beneath the board, with more women in order to increase the pool of potential female board members.

DIW Berlin's Women Executives Barometer has been studying the proportion of women on management boards and in executive positions (hereafter referred to as "executive boards") as well as on supervisory and administrative boards (hereafter "supervisory boards") of the largest companies in Germany.¹ DIW Berlin's Women Executives Barometer documents to what extent women hold executive board chair and executive board spokesperson positions (hereafter "CEO")² as well as supervisory board chair positions. This report uses information on the largest 200 companies outside of the financial sector³ and the companies which have been subject to the gender quota for supervisory boards since 2016. It also encompasses the publicly traded companies in the DAX 30, MDAX, SDAX, and TecDAX indices,⁴ and the 60 companies with government-owned shares.⁵ The report closes with a European comparison of the proportion of women serving on top decision-making bodies of the largest companies in each country.

¹ Previously in 2018, cf. Elke Holst and Katharina Wrohlich, "Top-decision making bodies of large businesses: gender quota for supervisory boards is effective while an almost standstill rules the executive boards," *DIW Weekly Report*, no. 3 (2018): 7-31 (available online; accessed on January 4, 2019). This applies to all other online sources in this report unless stated otherwise.

² In publicly traded companies, a supervisory board can appoint a CEO (Section 84, para. 2 of the German Stock Corporation Act [Aktien-gesetz, 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, "Aktien-gesetz: Kommentar," (2015): 1226f. and 1306-1308 (in German).

³ The publication "Die 100 größten Unternehmen" from the *Frankfurter Allgemeine Zeitung* (7/4/2018) was used to select the 100 and 200 highest-performing companies. The list of publicly traded companies in the individual DAX groups was taken from the website *finanzen.net* (in German; available online; accessed November 13, 2018). The list of companies with government-owned shares was published by the Federal Ministry of Finance (*Bundesministerium der Finanzen*) (in German; available online; accessed November 15, 2018). Research into the composition of the top decision-making bodies of these companies was conducted between November and December 2018. The data are based on online company profiles, annual reports, and financial statements for 2017. It also includes information from German Federal Gazette publications as well as specific data requests made to the companies by DIW Berlin.

⁴ The largest companies by market capitalization and stock market turnover are the DAX 30. This is followed by the MDAX companies (mid caps) and the SDAX companies (small caps). The TecDAX companies are the largest technology stocks. DIW Berlin's Women Executives Barometer has been investigating the proportion of women in the top committees of the DAX 30 companies since 2008, the MDAX and SDAX companies since 2011, and the TecDAX companies since 2013.

⁵ We would like to thank our student assistants, Paula Arndt, Denise Barth, and Louisa Schmitt, for their excellent support in data research.

Table 1

Women on executive and supervisory boards of Germany's largest 200 companies (excluding financial sector)

	Largest 200 companies							Largest 100 companies							
	2006	2008	2011	2013	2015	2017	2018	2006	2008	2011	2013	2015	2017	2018	
Executive boards/management boards															
Total number of companies			200	200	200	200	200	100	100	100	100	100	100	100	
With data on composition			197	195	197	197	192	97	96	100	97	98	98	97	
With women on executive board			22	35	51	62	65	1	3	11	19	22	38	41	
Percentage share			11.2	17.9	25.9	31.5	33.9	1.0	3.1	11.0	19.6	22.4	38.8	42.3	
Total number of members ¹	953	934	942	906	910	956	887	531	526	533	484	489	511	488	
Men			911	914	866	853	879	807	530	519	520	461	463	467	439
Women			23	28	40	57	77	80	1	7	13	23	26	44	49
Percentage share of women			2.5	3.0	4.4	6.3	8.1	9.0	0.2	1.3	2.4	4.8	5.3	8.6	10.0
Total number of chairpersons	195	191	198	194	180	177	171	97	96	100	97	92	85	89	
Men			190	197	190	177	171	164	97	96	100	96	92	85	88
Women			1	1	4	3	6	7	0	0	0	1	0	0	1
Percentage share of women			0.5	0.5	2.1	1.7	3.4	4.1	0	0	0	1.0	0	0	1.1
Supervisory boards/administrative boards															
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	158	145	152	87	88	90	86	82	74	82	
With women on supervisory board	110	124	118	123	137	134	136	65	68	68	71	75	71	77	
Percentage share	64.7	73.8	72.4	78.3	86.7	92.4	89.5	74.7	77.3	75.6	82.6	91.5	95.9	93.9	
Total number of members	2,500	2,466	2,268	2,159	2,202	2,080	2,071	1,389	1,385	1,326	1,231	1,224	1,160	1,266	
Men			2,236	1,999	1,834	1,768	1,569	1,514	1,270	1,249	1,178	1,044	976	867	906
Women			230	269	325	434	511	557	119	136	148	187	248	293	360
Percentage share of women			9.3	11.9	15.1	19.7	24.6	26.9	8.6	9.8	11.2	15.2	20.3	25.3	28.4
Total number of chairpersons	170	168	167	160	158	145	153	87	88	91	87	82	74	83	
Men			166	164	156	154	143	148	85	86	88	83	80	73	80
Women			2	3	4	4	2	5	2	2	3	3	2	1	3
Percentage share of women			1.2	1.8	2.5	2.5	1.4	3.3	2.3	2.3	3.3	3.4	2.4	1.4	3.6
Companies with data on employee representation	123	129	105	83	126	118	116	81	66	62	46	68	65	69	
Total number of members	2,206	1,910	1,567	1,291	1,959	1,854	1,773	602	1,035	912	748	1,100	1,085	1,144	
Men	2,023	1,742	1,391	1,088	1,557	1,387	1,283	487	940	824	640	870	809	813	
Women	183	168	176	203	402	467	490	115	95	88	108	230	276	331	
Female employee representatives	139	125	119	110	224	240	254	84	69	65	61	128	140	171	
As a percentage share of women members	76.0	74.4	67.6	54.2	55.7	51.4	51.8	73.0	72.6	73.9	56.5	55.7	50.7	51.7	

1 At the end of the year. Only companies providing data on the composition of their corporate boards.

Source: Authors' own data collection and calculations.

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The development of the proportion of women on executive and supervisory boards in the financial and insurance sectors is analyzed in the second article in this issue of the DIW Weekly Report.⁶ The article's survey encompasses the 100 largest banks and 60 largest insurance companies in Germany and draws comparisons between public sector, private, and cooperative banks. Together, both reports in the Women Executives Barometer 2019 show the development of the proportion of women in the top decision-making bodies of over 500 businesses in Germany.

Ten percent mark reached on the executive boards of the 100 largest companies for the first time

Almost 34 percent of the 200 highest-performing companies in Germany had at least one woman on their executive board at the end of 2018. The proportion of women serving as executive board members was nine percent, about one percentage point higher than the previous year (Table 1, Overview 1). At four percent, the proportion of female CEOs was much lower: that is seven women out of 171 CEOs total.

In the 100 highest-performing companies, the situation is slightly better than average for the top 200 group: a good 42 percent of the top 100 companies had at least one woman on their executive board at the end of 2018 (2017: almost 39 percent). Additionally, the proportion of women was ten percent for the first time, almost one and a half percentage points higher than in the previous year. However, 99 percent of board chair positions were still held by men.

6 Cf. the other article in this issue of the DIW Weekly Report, Elke Holst and Katharina Wrohlich, "Women on high-level boards of banks and insurance companies: growth coming to a standstill on supervisory boards," DIW Weekly Report, no. 3 (2019): 33-45.

WOMEN EXECUTIVES BAROMETER: COMPANIES

Overview 1

Women executive directors in Germany at the end of the year 2018

100 largest commercial enterprises (excluding financial sector) ¹			101–200 largest commercial enterprises (excluding financial sector) ¹		
Rank	Company ¹	Name	Rank	Company ¹	Name
1	Volkswagen AG	Hiltrud Dorothea Werner	103	Deutsche Leasing Gruppe	Sonja Kardorf
2	Daimler AG	Renata Jungo Brüngger, Britta Seeger	104	B. Braun Melsungen AG	Dr. Annette Beller, Anna-Maria Braun
3	BMW Group	Milagros Caiña Carreiro-Andree	106	Hella GmbH & Co. KGaA	Dr. Nicole Schneider
6	Siemens AG	Lisa Davis, Janina Kugel	107	Roche Deutschland Holding GmbH	Claudia Böckstiegel, Dr. Ursula Redeker
8	Deutsche Telekom AG	Claudia Nemat	108	Agravis Raiffeisen AG	Friederike Brocks
10	BASF SE	Saori Dubourg	112	Noweda-Gruppe	Dr. Sabrina Schröder
11	Deutsche Post AG	Melanie Kreis	134	Sanofi-Aventis Deutschland GmbH	Evelyne Freitag, Martina Ochel
15	Continental AG	Dr. Ariane Reinhart	136	Gea Group AG	Martine Snels
16	Deutsche Bahn AG	Dr. Sabina Jeschke	139	Sanacorp Pharmahandel GmbH	Karin Kaufmann
19	Innogy SE	Hildegard Müller	149	ProSiebenSat.1 Group	Sabine Eckhardt
22	ZF Friedrichshafen AG	Sabine Jaskula	151	Alliance Healthcare Deutschland AG	Aline Seifert
23	Lufthansa Group	Dr. Bettina Volkens	154	Mann + Hummel Gruppe	Emese Weissenbacher ²
25	Fresenius SE & Co. KGaA	Rachel Empey	159	Novartis Deutschland GmbH	Dr. Sidonie Roswitha Golombowski-Daffner ² , Ester Banque
26	BP Europa SE	Dr. Hildegard Bison, Claudia Joost	169	Vonovia SE	Helene von Roeder
29	Daimler Financial Services	Yvonne Rosslensbroich	171	Axel Springer SE	Dr. Stephanie Caspar
31	SAP SE	Adaire Fox-Martin, Jennifer Morgan	179	Wilh.Werhahn KG	Kathrin Dahnke
37	Adidas AG	Karen Parkin	181	Also Deutschland GmbH	Simone Blome-Schwitzki ²
39	Henkel AG & Co KGaA	Kathrin Menges	184	Hewlett-Packard GmbH	Cathie Lesjak, Kim Rivera
40	Shell Deutschland Oil GmbH	Marion Bönsch	185	Tchibo GmbH	Ines von Jagemann
41	TUI AG	Birgit Conix, Dr. Elke Eller	188	McDonald's Deutschland	Sandra Mühlhause, Susan Schramm
42	Tennet TSO GmbH	Manon van Beek ²	191	Nestlé Deutschland	Béatrice Guillaume-Grabisch ²
44	Volkswagen Financial Services AG	Christiane Hesse	194	Tech Data GmbH & Co. oHG	Barbara Koch, Dorothee Stolzenberg
45	Fresenius Medical Care AG	Katarzyna Mazur-Hofsaess	197	Trumpf Gruppe	Dr. Nicola Leibinger-Kammüller ²
47	Bertelsmann SE & Co. KGaA	Anke Schäferkordt	199	FTI Group	Roula Jouny ²
51	Volkswagen Leasing GmbH	Silke Finger			
52	Merck KGaA	Belén Garijo			
54	Evonik Industries AG	Ute Wolf			
57	Schaeffler AG	Corinna Schittenhelm			
59	Otto Group	Petra Scharner-Wolff			
64	Vattenfall Deutschland	Gabriele Ehrlich			
72	Vodafone GmbH	Anna Dimitrova, Bettina Karsch			
73	dm-drogerie markt Gruppe	Kerstin Erbe			
80	ExxonMobil Central Europe Holding GmbH	Dr. Annette Flormann-Pfaff			
83	Dirk Rossmann GmbH	Alice Schardt-Roßmann			
86	HELIOS Kliniken Gruppe	Karin Gräppi			
87	EWE AG	Marion Rövekamp			
88	Benteler Gruppe	Isabel Diaz Rohr			
89	Kion Group AG	Anke Groth, Susanna Schneeberger			
93	Telefónica Deutschland Holding AG	Valentina Daiber, Nicole Gerhardt			
95	Opel Automobile GmbH	Anke Felder			
99	Beiersdorf AG	Dessi Temperley			

¹ At the end of the year. Only companies providing data on the composition of their corporate boards.

² Chairwoman.

Source: Authors' own data collection.

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The proportions of women on supervisory boards has also risen: by two percentage points to almost 27 percent in the top 200 group and by three percentage points to over 28 percent in the top 100 group. On the other hand, similar to the executive boards, almost all of the chair positions were held by men.⁷

Whereas ten years ago three quarters of all female supervisory board members were appointed by employees, the number of shareholder appointees has increased in recent years. Since 2016, employee- and shareholder-appointed delegates have been almost equal in number. At the end of 2018, the employee delegates were slightly ahead with a share of just under 52 percent.

⁷ The five women on supervisory boards in this group of companies are: Dr. Elke Simon (Boehringer Ingelheim), Dr. Simone Bagel-Trah (Henkel AG & Co KGaA), Laura Abasolo García de Baquedano (Telefónica Deutschland Holding AG), Cathrina Claas-Mühlhäuser (Claas KGaA mbH), and Patrycja Klarecka (Orlen Deutschland).

WOMEN EXECUTIVES BAROMETER: COMPANIES

Table 2

Women on executive and supervisory boards of selected listed companies¹

	Subject to quota for supervisory boards ²			Average of the DAX groups							
	2016	2017	2018	2011 ³	2012 ³	2013	2014	2015	2016	2017	2018
Executive boards/management boards											
Total number of companies	106	105	104	130	130	160	160	160	160	160	160
With data on composition	106	105	104	130	130	160	160	160	160	160	160
With women on executive board	26	33	34	17	29	37	31	35	37	43	51
Percentage share	24.5	31.4	32.7	13.1	22.3	23.1	19.4	21.9	23.1	26.9	31.9
Total number of members ¹	447	495	483	569	567	681	630	658	686	697	709
Men	446	456	442	549	535	639	596	620	640	647	651
Women	31	39	41	20	32	42	34	38	46	50	58
Percentage share of women	6.5	7.9	8.5	3.5	5.6	6.2	5.4	5.8	6.7	7.2	8.2
Total number of chairpersons	103	104	104	130	130	160	157	158	157	155	153
Men	102	101	102	129	129	159	157	158	156	150	149
Women	1	3	2	1	1	1	0	0	1	5	4
Percentage share of women	1.0	2.9	1.9	0.8	0.8	0.6	0	0	0.6	3.2	2.7
Supervisory boards/administrative boards											
Total number of companies	106	105	104	130	130	160	160	160	160	160	160
With data on composition	105	105	104	130	130	160	160	158	159	160	160
With women on supervisory board	105	105	104	82	91	119	121	130	134	137	140
Percentage share	100	100	100	63.1	70.0	74.4	75.6	81.3	83.8	85.6	87.5
Total number of members	1,562	1,597	1,511	1,406	1,434	1,668	1,661	1,653	1,698	1,761	1,709
Men	1,134	1,116	1,016	1,228	1,216	1,384	1,346	1,284	1,261	1,284	1,195
Women	428	481	495	178	218	286	315	369	437	477	514
Percentage share of women	27.4	30.1	32.8	12.7	15.2	17.1	19.0	22.3	25.7	27.1	30.1
Total number of chairpersons	104	105	104	130	130	158	158	158	157	160	160
Men	100	101	100	129	129	154	153	152	152	155	151
Women	4	4	4	1	1	4	5	6	5	5	9
Percentage share of women	3.8	3.8	3.8	0.8	0.8	2.5	3.2	3.8	3.2	3.1	5.6
Companies with data on employee representation	101	104	102	100	87	72	94	98	96	98	95
Total number of members	1,520	1,573	1,502	1,074	911	891	1,263	1,284	1,292	1,360	1,308
Men	1,103	1,101	1,009	952	783	727	999	973	924	955	877
Women	417	472	493	122	128	164	264	311	368	405	431
Female employee representatives	222	249	255	90	85	101	148	167	192	205	219
As a percentage share of women members	53.2	52.8	51.7	73.8	66.4	61.6	56.1	53.7	52.2	50.6	50.8

¹ At the end of the year. Only companies providing data on the composition of their corporate boards.

² FidAR, "Women on Board Index 2018," (2018).

³ Calculations without TecDAX companies.

Source: Authors' own data collection and calculations.

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Publicly traded companies: ten percent mark for executive boards not yet in sight

In 2018, the average proportion of women on the executive boards of the publicly traded companies analyzed here (DAX 30, MDAX, SDAX, and TexDAX⁸) was a good eight percent (Table 2, Overview 2). The proportion of female CEOs fell slightly compared to last year to just under three percent in 2018.

Compared to the executive boards, development on the supervisory boards of the DAX groups analyzed was quite dynamic on average: in 2018, the proportion of women rose by three percentage points to just over 30 percent, again higher than in the top 100 and 200 groups. For the first time, the proportion of female supervisory board chairs increased slightly more strongly, by two and a half percentage points to around six percent (nine women).⁹

⁸ The composition and definition of the DAX indices was changed in September 2018. Firstly, the MDAX and SDAX groups were expanded: MDAX from 50 to 60 listed companies, SDAX from 50 to 70 listed companies. Secondly, now all TecDAX companies can be listed in the DAX 30, MDAX, or SDAX (in addition to being listed on the TecDAX). Cf. Georg Buschmann, "So sieht der neue Dax aus," *Wirtschaftswoche Online*, September 6, 2018 (in German; available online).

⁹ DAX 30: Dr. Simone Bagel-Trah (Henkel AG & Co. KGaG), MDAX: Laura Abasolo García de Baquedano (Telefónica Deutschland Holding AG) (TecDax), Marija Korsch (Aareal Bank AG), SDAX: Bärbel Schomberg (HAMBORNER REIT AG), Susanne Klatten (SGL CARBON), Heather Joan Graham (Steinhoff), Martina Merz (SAF HOLLAND S.A.), Sandy Möser (RIB Software AG), and Ayla Busch (Pfeiffer Vacuum AG).

Women on executive boards of listed companies¹ in Germany at the end of 2018

Company	Name	Quota for the supervisory board	Company	Name	Quota for the supervisory board
DAX 30			SDAX		
Adidas AG	Karen Parkin	yes	ProSiebenSat.1 Group	Sabine Eckhardt	
ALLIANZ SE	Dr. Helga Jung, Jacqueline Hunt	yes	QIAGEN GmbH	Dr. Annette Koch	
BASF SE	Saori Dubourg	yes	Schaeffler AG	Corinna Schittenhelm	yes
Beiersdorf AG	Dessi Temperley	yes	TAG Immobilien AG	Claudia Hoyer	
BMW Group	Milagros Caiña Carreiro-Andree	yes	Telefónica Deutschland Holding AG	Valentina Daiber, Nicole Gerhardt	yes
Continental AG	Dr. Ariane Reinhart		TecDAX		
Daimler AG	Renata Jungo Brüngger, Britta Seeger	yes	Deutsche Telekom AG	Claudia Nemat	yes
Deutsche Bank AG	Sylvie Matherat	yes	Dialog Semiconductor	Julie Pope	
Deutsche Börse AG	Hauke Stars		Pfeiffer Vacuum AG	Nathalie Benedikt	
Deutsche Post AG	Melanie Kreis	yes	QIAGEN GmbH	Dr. Annette Koch	
Deutsche Telekom AG	Claudia Nemat	yes	SAP SE	Adaire Fox-Martin, Jennifer Morgan	yes
Fresenius Medical Care AG	Katarzyna Mazur-Hofsaess		Telefónica Deutschland Holding AG	Valentina Daiber, Nicole Gerhardt	yes
Fresenius SE & Co. KGaA	Rachel Empey	yes	Wirecard AG	Susanne Steidl	
Henkel AG & Co. KGaA	Kathrin Menges	yes	Further companies subject to the quota		
Lufthansa Group	Dr. Bettina Volkens		BREMER LAGERHAUS-GESELLSCHAFT	Andrea Eck	yes
Merck KGaA	Belén Garijo	yes	HSBC Trinkaus & Burkhardt AG	Carola Gräfin von Schmettow ²	yes
Münchener Rückversicherungs-Gesellschaft AG	Dr. Doris Höpke	yes	Mainova AG	Diana Rauhut	yes
SAP SE	Adaire Fox-Martin, Jennifer Morgan	yes	Oldenburgische Landesbank AG	Karin Katerbau	yes
Siemens AG	Lisa Davis, Janina Kugel	yes	TUI AG	Birgit Conix, Dr. Elke Eller	yes
Volkswagen AG	Hiltrud Dorothea Werner	yes	üstra Hannoversche Verkehrs-betriebe	Denise Hain	yes
Vonovia SE	Helene von Roeder		HORNBACH Baumarkt AG	Susanne Jäger	yes
Wirecard AG	Susanne Steidl				
MDAX					
Aareal Bank AG	Dagmar Knopek, Christiane Kunisch-Wolff				
Airbus SE	Grazia Vittadini				
Axel Springer SE	Dr. Stephanie Caspar				
Commerzbank AG	Dr. Betina Orlopp	yes			
Evonik Industries AG	Ute Wolf	yes			
Fraport AG	Anke Giesen	yes			
FUCHS PETROLUB AG	Dagmar Steinert				
Gea Group AG	Martine Snels	yes			
Hella GmbH & Co. KGaA	Dr. Nicole Schneider	yes			
Innogy SE	Hildegard Müller	yes			
Kion Group AG	Anke Groth, Susanna Schneeberger	yes			

1 Only companies providing data on the composition of their corporate boards.

2 Chairwomen.

Source: Authors' own data collection and calculations.

Large discrepancy in the proportion of female CEOs between the DAX groups

In all groups, the proportion of companies with at least one women on their executive board increased last year, albeit at very different levels. At 73 percent, the proportion was highest amongst the DAX 30 companies. It was the lowest in the SDAX companies at almost 19 percent (Table 3).

The average proportion of women on executive boards was significantly lower. Here, too, the DAX 30 companies that were the focus of public attention at the end of last year were ahead with a little under 14 percent—just under one percentage point more than in the previous year. A stronger increase

was observed in the MDAX companies, where the proportion of women increased by over three percentage points to almost eight percent. This increase moved the MDAX group from last to second place. They are followed by the TecDAX companies, whose proportion of women serving on executive boards increased to 6.5 percent by the end of 2018. The SDAX companies again came in last place, with the proportion of women on the executive board stagnating at around five percent—the same as in the starting year of 2011—compared to 2017. Since then, this proportion had only been slightly higher.

At the end of 2018, there was not a single female CEO in any of the DAX 30 companies. This is also true for the MDAX

WOMEN EXECUTIVES BAROMETER: COMPANIES

Table 3

Women on executive and supervisory boards in the DAX company groups¹

	DAX 30									MDAX					SDAX					TecDAX			
	2008	2011	2012	2013	2014	2015	2016	2017	2018	2011	2013	2015	2017	2018	2011	2013	2015	2017	2018	2013	2015	2017	2018
Executive boards/management boards																							
Total number of companies	30	30	30	30	30	30	30	30	30	50	50	50	50	60	50	50	50	50	70	30	30	30	30
With data on composition	30	30	30	30	30	30	30	30	30	50	50	50	50	60	50	50	50	50	70	30	30	30	30
With women on executive board	1	6	13	10	12	16	17	21	22	5	8	5	8	16	6	11	11	9	13	8	3	5	7
Percentage share	3.3	20.0	43.3	33.3	40.0	53.3	56.7	70.0	73.3	10.0	16.0	10.0	16.0	26.7	12.0	22.0	22.0	18.0	18.6	26.7	10.0	16.7	23.3
Total number of members ¹	183	188	193	191	188	197	195	200	189	213	213	195	208	253	168	170	165	172	267	107	101	117	139
Men	182	181	178	179	174	178	173	174	163	208	205	190	199	234	160	157	154	163	254	98	98	111	130
Women	1	7	15	12	14	19	22	26	26	5	8	5	9	19	8	13	11	9	13	9	3	6	9
Percentage share of women	0.5	3.7	7.8	6.3	7.4	9.6	11.3	13.0	13.8	2.3	3.8	2.6	4.3	7.5	4.8	7.6	6.7	5.2	4.9	8.4	3.0	5.1	6.5
Total number of chairpersons	30	30	30	30	30	30	30	30	30	50	50	48	48	58	50	50	50	48	65	30	30	29	29
Men	30	30	30	30	30	30	30	30	30	50	49	48	47	58	49	50	50	46	61	30	30	27	29
Women	0	0	0	0	0	0	0	0	0	0	1	0	1	0	1	0	0	2	4	0	0	2	0
Percentage share of women	0	0	0	0	0	0	0	0	0	0	2.0	0	2.1	0	2.0	0	0	4.2	6.2	0	0	6.9	0
Supervisory boards/administrative boards																							
Total number of companies	30	30	30	30	30	30	30	30	30	50	50	50	50	60	50	50	50	50	70	30	30	30	30
With data on composition	30	30	30	30	30	30	30	30	30	50	50	50	50	60	50	50	49	50	70	30	29	30	30
With women on supervisory board	27	26	28	28	28	28	30	30	30	35	45	46	47	56	21	27	33	35	54	19	23	25	27
Percentage share	90.0	86.7	93.3	93.3	93.3	93.3	100	100	100	70.0	90.0	92.0	94.0	93.3	42.0	54.0	67.3	70.0	77.1	63.3	79.3	83.3	90.0
Total number of members	527	479	494	489	490	488	490	490	478	581	584	599	631	650	346	388	365	399	581	207	201	241	259
Men	458	404	398	384	369	357	342	327	319	515	489	472	461	451	309	337	302	309	425	174	153	187	183
Women	69	75	96	107	121	131	148	163	159	66	95	127	170	199	37	51	63	90	156	33	48	54	76
Percentage share of women	13.1	15.7	19.4	21.9	24.7	26.8	30.2	33.3	33.3	11.4	16.3	21.2	26.9	30.6	10.7	13.1	17.3	22.6	26.9	15.9	23.9	22.4	29.3
Total number of chairpersons	30	30	30	30	30	30	30	30	30	50	48	50	50	60	50	50	49	50	70	30	29	30	30
Men	29	29	29	29	29	29	29	29	29	50	46	48	49	58	50	50	48	49	64	29	27	28	27
Women	1	1	1	1	1	1	1	1	1	0	2	2	1	2	0	0	1	1	6	1	2	2	3
Percentage share of women	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	3.3	0	4.2	4.0	2.0	3.3	0	0	2.0	2.0	8.6	3.3	6.9	6.7	10.0
Companies with data on employee representation	24	24	20	23	29	28	27	27	27	35	25	37	38	38	41	17	21	23	30	7	12	10	14
Total number of members	423	395	322	310	484	470	463	464	455	397	331	498	542	506	282	172	198	242	347	78	118	112	166
Men	367	334	259	250	363	342	324	310	304	358	279	389	393	341	260	146	155	169	232	62	87	83	110
Women	56	61	63	70	121	128	139	154	151	39	52	109	149	165	22	26	43	73	115	16	31	29	56
Female employee representatives	41	43	40	40	66	70	74	79	80	28	33	57	78	82	19	17	22	35	57	11	18	13	28
As a percentage share of women members	73.2	70.5	63.5	57.1	54.5	54.7	53.2	51.3	53.0	71.8	63.5	52.3	52.3	49.7	86.4	65.4	51.2	47.9	49.6	68.8	58.1	44.8	50.0

¹ Only companies providing data on the composition of their corporate boards.

Source: Authors' own data collection and calculations.

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and TecDAX companies. However, the SDAX performed well in this regard, as the number of female CEOs in this group increased by two to four, which corresponds to a share of a good six percent.

Proportion of women serving on supervisory boards stagnating at one-third in the DAX 30 group

As in previous years, the DAX 30 companies achieved the highest proportion of women on supervisory boards of all DAX groups. The 30 percent mark was reached in 2016 (the year the gender quota for publicly traded companies and those which have employee representation on their supervisory boards [full codetermination] was introduced). It remained exactly one third in 2017 and 2018. This stagnation emphasizes the result of an analysis from the Women Executives Barometer 2018: apparently, many companies

reduce or completely stop their efforts to recruit women to supervisory boards after reaching the legally stipulated proportion of women.¹⁰

In all other DAX groups, the proportion of female supervisory board members rose, albeit from a lower level than in the DAX 30 companies: The TecDAX companies made the biggest leap with a plus of almost seven percentage points to a good 29 percent. The SDAX companies' proportion increased by a good four percentage points to almost 27 percent. With an increase of almost four percentage points, the MDAX group surpassed the 30 percent mark for the first time, achieving a proportion of 31 percent. While at least one woman has been serving on the supervisory boards of all companies in the DAX 30 group since 2016, almost

¹⁰ Cf. Holst and Wrohlich, "Top-decision making bodies of large businesses."

Table 4

Women on executive and supervisory boards of companies with government-owned shares¹

	2010	2011	2012	2013	2014	2015	2016	2017	2018
Executive boards/management boards									
Total number of companies	61	60	60	60	60	61	59	61	60
With data on composition	60	60	60	60	60	61	59	60	60
With women on executive board	9	10	12	14	17	20	20	22	20
Percentage share	15.0	16.7	20.0	23.3	28.3	32.8	33.9	36.7	33.3
Total number of members ¹	152	147	143	143	135	144	142	140	150
Men	142	135	127	125	115	122	120	115	129
Women	10	12	16	18	20	22	22	25	21
Percentage share of women	6.6	8.2	11.2	12.6	14.8	15.3	15.5	17.9	14.0
Total number of chairpersons	54	55	57	56	52	37	42	41	45
Men	51	52	51	51	47	33	35	36	38
Women	3	3	6	5	5	4	7	5	7
Percentage share of women	5.6	5.5	10.5	8.9	9.6	10.8	16.7	12.2	15.6
Supervisory boards/administrative boards									
Total number of companies	61	60	60	60	60	61	59	61	60
With data on composition	54	55	54	51	54	55	50	51	55
With women on supervisory board	46	42	43	41	50	53	48	50	55
Percentage share	85.2	76.4	79.6	80.4	92.6	96.4	81.4	98.0	100
Total number of members	577	587	579	553	602	595	554	530	577
Men	472	483	464	453	459	431	393	368	380
Women	105	104	115	100	142	164	161	162	197
Percentage share of women	18.2	17.7	19.9	18.1	23.6	27.6	29.1	30.6	34.1
Total number of chairpersons	53	53	53	47	49	55	50	51	56
Men	45	45	42	39	40	48	44	41	46
Women	8	8	11	8	9	7	6	10	10
Percentage share of women	15.1	15.1	20.8	17.0	18.4	12.7	12.0	19.6	17.9

1 Only companies which provide data on the composition of their corporate boards and which have a supervisory board.

Source: Authors' own data collection and calculations.

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23 percent of the SDAX companies' supervisory boards were completely comprised of men in 2018. In the TecDAX group this was ten percent and in the MDAX group almost seven percent.

There was only one female supervisory board chairperson in the DAX 30 businesses in 2018.¹¹ In all other DAX groups, there was at least one additional female chair—in the SDAX group there were even five more women heading a supervisory board than in the previous year. The corresponding share of nine percent was only exceeded by the TecDAX companies: every tenth company had a female supervisory board chair.

It is important to note that in September 2018, the number of MDAX companies increased by ten to 60 and the number of SDAX companies by 20 to 70.¹² Since then, TecDAX companies can be present in the other DAX groups at the same time and vice versa. That means that, for example, some DAX 30 companies are now also listed in the TecDAX. However, the total number of all DAX companies remains unchanged at 160.

Companies with government-owned shares: proportion of women on executive boards decreasing

Companies with government-owned shares are usually smaller, thus they can only be compared with the other groups of companies examined to a limited extent. In contrast to the private sector, supervisory board seats in public companies are often in conjunction with leadership 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.¹³

After rising continuously from almost seven percent to just under 18 percent between 2010 and 2017, 2018 was a turning point for the proportion of women on the executive boards of companies with government-owned shares: it fell by almost four percentage points to 14 percent (Table 4, Overview 3). The number of female CEOs rose from five to seven, which corresponds to a share of around 16 percent.

11 Dr. Simone Bagel-Trah (Henkel AG & Co. KGaA).

12 Cf. Footnote 8.

13 Cf. Daniela Arregui Coka, Ronny Freier, and Johanna Mollerstrom, "Gender Parity in German Politics: Further Effort Required," DIW Economic Bulletin, no. 37 (2017): 365-373 (available online).

Overview 3

Female chairs of supervisory boards of companies with government-owned shares¹

Gesellschaft für Anlagen- und Reaktorsicherheit (GRS) gGmbH	Rita Schwarzelühr-Sutter	Parliamentary State Secretary, Federal Ministry for the Environment, Nature Conservation and Nuclear Safety
German Research Center for Environmental Health (Helmholtz Zentrum München, Deutsches Forschungszentrum für Gesundheit und Umwelt GmbH)	Petra Steiner-Hoffmann	Deputy Head of Department, Federal Ministry of Education and Research
Bayreuther Festspiele GmbH	Brigitte Merk-Erbe	Mayor of Bayreuth
Zentrale Stelle zur Abrechnung von Arzneimittelrabatten	Dr. Birgit König	Chairwomen of Allianz Private Krankenversicherungs-AG
National Organisation Hydrogen and Fuel Cell Technology (NOW GmbH Nationale Organisation Wasserstoff- und Brennstoffzellentechnologie)	Dr. Julia Reuss	Federal Ministry of Transport and Digital Infrastructure
DFS Deutsche Flugsicherung GmbH	Dr. Martina Hinricher	Director-General, Head of Central-Department, Federal Ministry of Transport and Digital Infrastructure
Fernleitungsbetriebsgesellschaft mbH	Imke von Bornstaedt-Küpper	Director-General, Federal Government Commissioner, Federal Ministry of Defense
Kulturveranstaltungen des Bundes in Berlin GmbH	Monika Grütters	Minister of State to the Federal Chancellor and Federal Government Commissioner for Culture and Media
Helmholtz Centre for Infection Research (Helmholtz-Zentrum für Infektionsforschung GmbH)	Dr. Veronika von Messling	Head of Department, Federal Ministry of Education and Research
Transit-Film-Gesellschaft mbH	Ulrike Schauz	Department Head, Federal Government Commissioner for Culture and Media

¹ Date: November 2018.

Source: Authors' own data collection.

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This positive development is continuing on the supervisory boards: all of the companies with government-owned shares analyzed here now have at least one woman on their supervisory board. At the end of 2018, the average proportion of women on supervisory boards was 34 percent, even higher than the corresponding figure for the DAX 30 group. Traditionally, companies with government-owned shares have the highest proportion of female supervisory board chairs compared to all other groups of companies surveyed, with just under 18 percent in 2018.

Companies with government-owned shares lose lead in female executive board members, DAX 30 no longer leading in female supervisory board members

A comparison of the development of select groups of companies shows that the gender gap between the proportions of men and women on supervisory boards continues to narrow more quickly and strongly than the executive board gap (Figure 1). For years, companies with government-owned shares were leading in terms of the number of women on their executive board. However, due to the recent decline, they are now tied with the DAX 30 companies. Both groups of companies each have around 14 percent female members, significantly higher than the top 200 companies (9 percent).

In regards to supervisory boards, the DAX 30 companies were slightly ahead in 2016 and 2017 before the companies with government shares caught up to them in 2018.

The large difference in the development of the proportion of women on executive and supervisory boards is also illustrated by linear extrapolation: if the average development of the proportion of women on the executive boards of the top 200 companies over the past twelve years were to progress linearly, gender equality in these bodies would be reached in

63 years. In contrast, it would take 14 years for the supervisory boards. However, the most recent trends indicate that actual development is likely to lag behind a linear development.

Impact of the gender quota: more women on supervisory boards but not executive boards

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*, FüPoG) has been in effect since May 2015. The law mandates that as of 2016, publicly traded companies which also have employee representation on their supervisory board (full codetermination) must have at least 30 percent female supervisory board members.¹⁴ As of January 1, 2016, the affected businesses must comply with the quota for all new, open positions on their supervisory board. In the event of non-compliance, relevant appointments will not be valid and any seats intended for female board members will remain vacant (“empty seat”). Since then, businesses that are either publicly traded or have employee representation on their supervisory board must set target goals for increasing the proportion of women on their supervisory board, executive board, and in the highest management levels.¹⁵

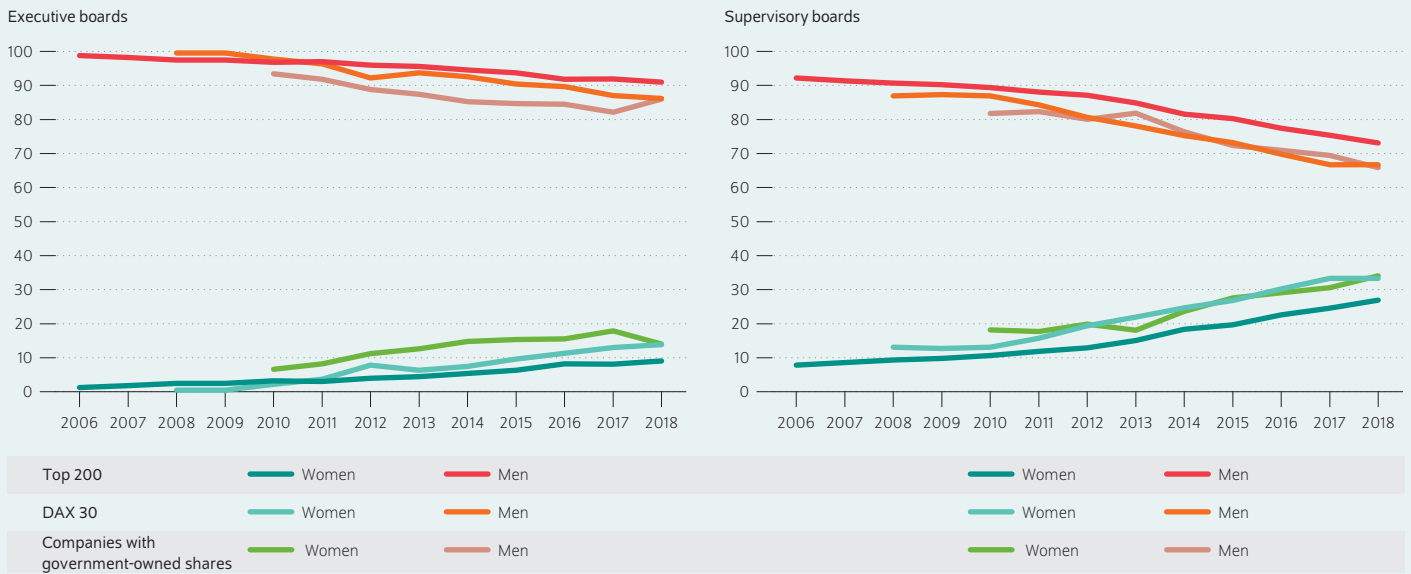
Three years after introducing the statutory gender quota for supervisory boards, there was some evidence that FüPoG was actually having an impact: a good three quarters of all companies which must adhere to the quota had 30 percent or more female members on their supervisory board at the end

¹⁴ Cf. Elke Holst and Anja Kirsch, “Corporate Boards of Large Companies: More Momentum Needed for Gender Parity,” *DIW Economic Bulletin*, no. 3 (2016): 38-39 (available online).

¹⁵ Cf. also Deutscher Bundestag, *Erste jährliche Information der Bundesregierung über die Entwicklung des Frauen- und Männeranteils an Führungsebenen und in Gremien der Privatwirtschaft und des öffentlichen Dienstes* (Bundestagsdrucksache 18/11500, 2017) (in German; available online).

Figure 1

Percentage of women and men in selected company categories
In percent



Source: Authors' own data collection and calculations.

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The gender gap in the supervisory boards is clearly decreasing faster than in the executive boards.

Table 5

Company category groups by share of women on supervisory boards
In percent

Company	2018							2018	Change compared to 2017 (in percentage points)
	Zero	1 to 9	10 to 19	20 to 29	30 to 39	40 to 49	50 and more	30 and more	
Companies subject to the gender quota	0	0	1.9	21.2	62.5	14.4	0	76.9	16.0
Top 200	10.5	3.9	13.8	23.7	40.1	6.6	1.3	48.0	10.5
DAX 30	0	0	3.3	13.3	73.3	6.7	3.3	83.3	16.7
MDAX	6.7	1.7	10.0	20.0	48.3	13.3	0	61.7	7.7
SDAX	22.9	0	21.4	12.9	30.0	8.6	4.3	42.9	6.9
TecDAX	10.0	0	26.7	16.7	33.3	10.0	3.3	46.7	13.3
Companies with government-owned shares	0	0	7.3	29.1	25.5	18.2	20.0	63.6	4.8

Source: Authors' own data collection and calculations.

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of 2018, 16 percentage points higher than the previous year (Table 5, Overview 4). With a good 83 percent (an increase of almost 17 percentage points compared to 2017), this proportion was only higher in the DAX 30 group.¹⁶ Companies with government-owned shares had the lowest growth rate with almost five percentage points. The SDAX and TecDAX companies have a lot of catching up to do, as an average of

just under 43 percent and 47 percent, respectively, of their supervisory boards have at least 30 percent women. In the top 200 companies, the proportion of companies with at least 30 percent women on their supervisory boards was only a bit higher at 48 percent.

The correlation between the development of the proportion of women on supervisory boards and the compulsory gender quota is also confirmed by a comparison of the top

¹⁶ Twenty-five of the DAX 30 companies are subject to the gender quota for the supervisory board.

200 businesses subject to the statutory quota with those not subject to it. The companies subject to the quota were already slightly ahead of the other groups in 2013, but this gap has widened significantly since then and was almost nine percentage points at the end of 2018, as in 2017 (31 percent female members on the supervisory board compared to 23 percent, Figure 2).

The law stipulates a required gender quota for supervisory boards of listed companies with equal representation of shareholders and employees. However, it was hoped that a higher proportion of women on supervisory boards would lead to spill-over effects and that this would also increase the proportion of women on executive boards of the companies affected.¹⁷ Evidence of such effects has been shown, for example, by studies for Australia and Norway.¹⁸

For Germany, however, there is currently no empirical evidence of such (short-term) spill-over effects. Within the group of the top 200 companies, the development of the proportion of women on the executive board of quota-subject companies was almost parallel to that of non-subject companies between 2013 and 2017 (Figure 3). Recently, an increase in the proportion of women on executive boards could be observed in both groups. However, the proportion of female executive board members in companies that are not subject to the statutory gender quota increased more strongly in 2018 and, at ten percent, exceeded the proportion of female executive board members in quota companies (eight percent). This indicates that—at least in the short term—it cannot be assumed that a higher proportion of women on supervisory boards will automatically lead to a higher proportion of women on executive boards.¹⁹

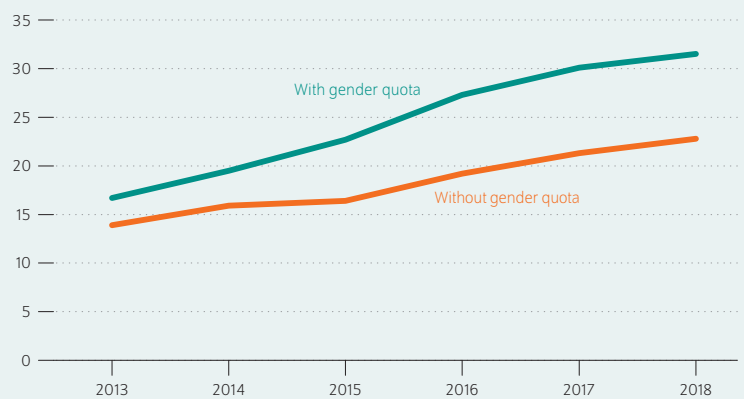
European comparison: countries with quotas have more women on their top decision-making bodies

European countries differ greatly when it comes to policies regarding gender diversity in companies. Some have implemented statutory gender quotas for the top decision-making

Figure 2

Percentage of women in supervisory boards in the top 200 companies with and without gender quota

In percent



Source: Authors' own data collection and calculations.

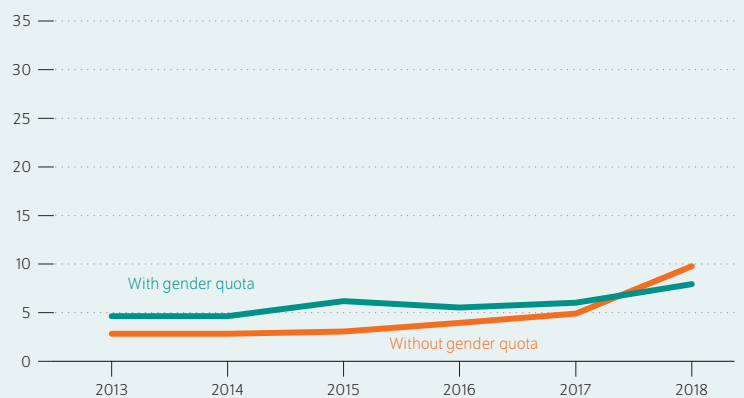
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The gap between companies with and without a gender quota has not increased further in terms of the proportion of women on the supervisory board.

Figure 3

Percentage of women in executive boards in the top 200 companies with and without gender quota

In percent



Source: Authors' own data collection and calculations.

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The gender quota for supervisory boards does not affect the share of women at the executive board, at least in the short term.

¹⁷ A goal of the law was to "increase the proportion of women in leadership positions in the private and public sectors in order to promote equal participation of women and men in these areas." Cf. Deutscher Bundestag, "Bericht der Bundesregierung über den Frauen- und Männeranteil an Führungsebenen und in Gremien der Privatwirtschaft und des öffentlichen Dienstes," Drucksache no. 18/13333, 11 (in German; available online).

¹⁸ Cf. for example Jill A. Gould, Carol T. Kulik, and Shruiti R. Sardeshmukh, "Trickle-down effect: The impact of female board members on executive gender diversity," *Human Resource Management* vol. 57 (2018): 931-945; as well as Astrid Kunze and Amalia R. Miller, "Women Helping Women? Evidence from Private Sector Data on Workplace Hierarchies," *Review of Economics and Statistics* 99, no. 5 (2018): 769-775.

¹⁹ Another study comes to the same conclusion: Viktor Bozhinov, Jasmin Joecks, and Katrin Scharfenkamp, "Gender spillovers from supervisory boards to management boards," (unpublished working paper, 2018). The study shows that there is no positive correlation between the number of women on a supervisory board of a company and the number of women on an executive board of that same company. However, the authors found a positive correlation between the number of women on supervisory boards delegated by employers and the number of women on the executive board. The reason for this is that only the supervisory board members appointed by employers have the right social network to be able to recruit female managers for the executive board. This study is therefore somewhat more optimistic that the proportion of women on supervisory boards could have a positive impact on executive boards in the medium term.

WOMEN EXECUTIVES BAROMETER: COMPANIES

Overview 4

Largest 200 companies¹ (excluding financial sector) with more than 30 percent women on supervisory board at the end of 2018

Rank	Company	Total number of members	Number of female members	Percentage share of women
78	Liebherr International	8	5	62.5
143	Hornbach Holding AG	6	3	50.0
184	Hewlett-Packard GmbH	15	7	46.7
21	Metro AG	20	9	45.0
34	Ceconomy AG	20	9	45.0
64	Vattenfall Deutschland	16	7	43.8
136	Gea Group AG	12	5	41.7
146	Osram Licht AG	12	5	41.7
150	Bilfinger SE	12	5	41.7
159	Novartis Deutschland GmbH	12	5	41.7
160	Stihl Holding AG & Co. KG	12	5	41.7
8	Deutsche Telekom AG	20	8	40.0
31	SAP SE	18	7	38.9
39	Henkel AG & Co. KGaA	16	6	37.5
43	Boehringer Ingelheim	16	6	37.5
52	Merck KGaA	16	6	37.5
58	BSH Hausgeräte GmbH	16	6	37.5
93	Telefónica Deutschland Holding AG	16	6	37.5
98	Infineon Technologies AG	16	6	37.5
106	Hella GmbH & Co. KGaA	16	6	37.5
191	Nestlé Deutschland	16	6	37.5
18	ThyssenKrupp AG	19	7	36.8
6	Siemens AG	20	7	35.0
11	Deutsche Post AG	20	7	35.0
12	Audi AG	20	7	35.0
19	Innogy SE	20	7	35.0
23	Lufthansa Group	20	7	35.0
41	TUI AG	20	7	35.0
54	Evonik Industries AG	20	7	35.0
100	Südzucker AG	20	7	35.0
122	Stadtwerke Köln GmbH	20	7	35.0
9	Uniper SE	12	4	33.3
10	BASF SE	12	4	33.3
26	BP Europa SE	12	4	33.3
38	McKesson Europe AG	12	4	33.3
46	Heidelberg Cement AG	12	4	33.3
48	Linde AG	12	4	33.3

Rank	Company	Total number of members	Number of female members	Percentage share of women
55	MAN SE	15	5	33.3
56	Covestro AG	12	4	33.3
65	Marquard & Bahls AG	6	2	33.3
66	Brenntag AG	6	2	33.3
69	Aurubis AG	12	4	33.3
119	Bosch Rexroth AG	15	5	33.3
125	MTU Aero Engines AG	12	4	33.3
129	Leoni AG	12	4	33.3
151	Alliance Healthcare Deutschland AG	12	4	33.3
163	Dürr AG	12	4	33.3
169	Vonovia SE	12	4	33.3
170	Bechtle AG	12	4	33.3
174	freenet AG	12	4	33.3
175	Norma	6	2	33.3
177	Kuka AG	12	4	33.3
178	Jungheinrich AG	12	4	33.3
192	OMV Deutschland GmbH	15	5	33.3
197	Trumpf Gruppe	12	4	33.3
112	Noweda-Gruppe	9	3	33.3
149	ProSiebenSat.1 Group	9	3	33.3
171	Axel Springer SE	9	3	33.3
28	Hochtief AG	16	5	31.3
72	Vodafone GmbH	16	5	31.3
96	Stadtwerke München GmbH	16	5	31.3
1	Volkswagen AG	20	6	30.0
2	Daimler AG	20	6	30.0
3	BMW Group	20	6	30.0
15	Continental AG	20	6	30.0
17	RWE AG	20	6	30.0
24	Bayer AG	20	6	30.0
35	EnBW Energy Baden-Württemberg AG	20	6	30.0
44	Volkswagen Financial Services AG	10	3	30.0
67	Airbus Operations GmbH	20	6	30.0
84	Salzgitter AG	20	6	30.0
108	Agravis Raiffeisen AG	20	6	30.0
152	MVV Energie AG	20	6	30.0

¹ Only companies which provide data on the composition of their corporate boards and which have a supervisory board.

Source: Authors' own data collection and calculations.

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bodies²⁰ of certain companies, such as Norway (2003), France (2011), Germany (2016), and most recently, Portugal (Box). The second group of countries has no statutory gender quota for corporate decision-making bodies, but there are recommendations on gender diversity in their respective

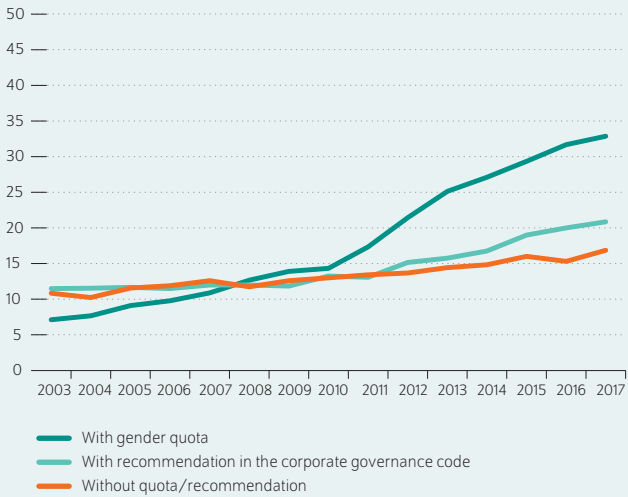
²⁰ Not all European countries have a dual system as in Germany (as well as Austria and the Netherlands) where the executive and supervisory bodies are separated. Some countries have a monistic system with a single top decision-making body (executive committee), such as in Spain and Belgium. A third group of countries allow both systems and companies may choose for themselves which they would like to implement. These countries include Sweden, France, and Italy. In Belgium and Spain, the gender quota applies to the entire executive committee. In countries that allow companies to choose, the quota applies to the non-executive members of the supreme decision-making body (France) or to the entire highest decision-making body (Italy) of the companies that choose a monistic system. Cf. Elke Holst, Anne Busch, and Lea Kröger, "Führungskräfte-Monitor 2012," *DIW Politikberatung kompakt*, no. 65 (2012): 87 (in German; available online).

Corporate Governance Codes (CGC). These codes are voluntary, country-specific guides to good and responsible corporate governance issued by government commissions. They contain basic legal requirements for managing and supervising companies and provide recommendations based on current national and international standards. To date, 21 European countries have included a set of gender equality targets in their CGC. Ten of these countries have an additional statutory gender quota. Furthermore, there is a third group of countries which have neither a statutory gender quota nor a statement on gender diversity in their CGC that recommends increasing the proportion of women in the highest decision-making bodies.

Figure 4

Average share of women on the highest decision-making bodies in EU countries and selected European countries with either gender quota, recommendation in the CGC, or neither

In percent



Source: Authors' own calculations based on European Commission, "Database of Women and Men in Highest Decision-Making Bodies."

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A comparison of European countries shows that gender quotas lead to a higher share of women on the highest decision-making bodies.

Comparing these three groups shows that in countries with a statutory gender quota, the proportion of women in the top decision-making bodies of the largest companies was 33 percent in 2017 on average, significantly higher than in the other countries (Figure 4). In the group of countries with gender diversity recommendations, the proportion of women in top bodies was significantly lower (21 percent) and only slightly above that of countries without any legislation or recommendations in this area (17 percent). This suggests that statutory gender quotas for the proportion of women on top decision-making bodies are more effective than recommendations which are not legally binding.

Germany in seventh place amongst European countries in 2018

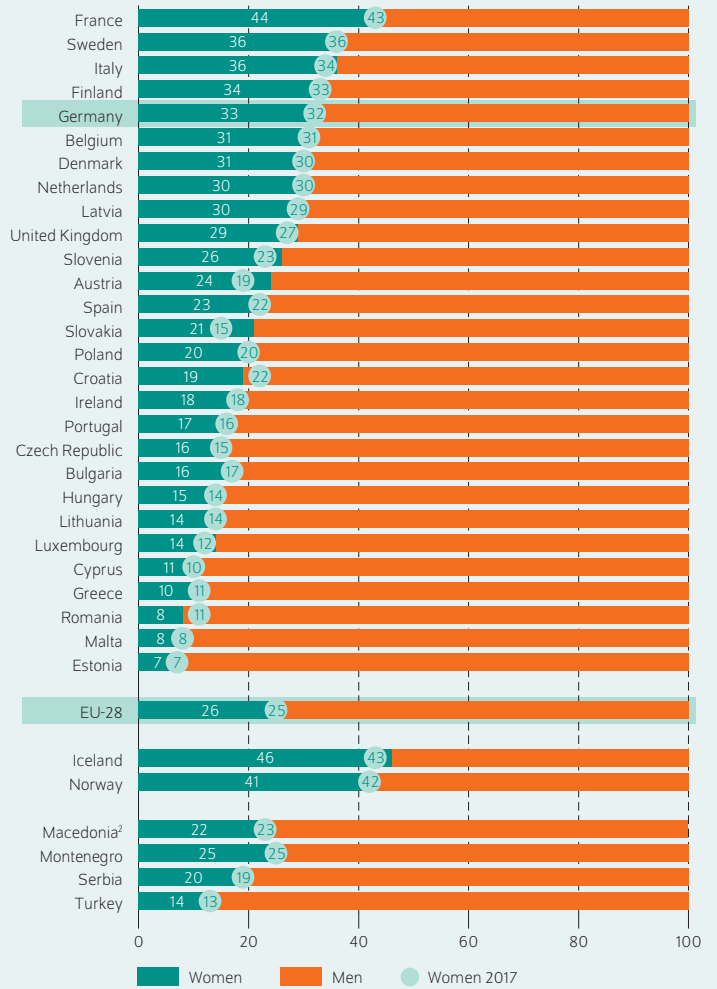
On average across all EU countries, female members made up 26 percent of the highest decision-making bodies of the largest publicly traded companies in 2018 (Figure 5). However, the number of companies per country in this ranking varies, ranging from ten in Luxembourg to 50 in the United Kingdom.²¹ For Germany, the DAX 30 companies were included in the comparison. During the observation period, Germany was seven percentage points

²¹ For detailed information on this database, see European Institute for Gender Equality, *Largest listed companies: presidents, board members and employee representatives* (available online).

Figure 5

Women on the highest decision-making bodies¹ of the largest listed companies in Europe in 2018

In percent



¹ Members of the Corporate Board (supervisory board if supervisory and executive functions are separate).
² Former Yugoslav Republic.

Source: Authors' own calculations based on European Commission, "Database of Women and Men in Highest Decision-Making Bodies."

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In the EU average, the proportion of women in the highest decision-making bodies has increased by only one percentage point over the past year.

above the EU average at 33 percent, yet still considerably behind front-runners Iceland (46 percent), France (44 percent), and Norway (41 percent). The proportion of women is also higher in Sweden (36 percent), Italy (36 percent), and Finland (34 percent). Belgium, Denmark, the Netherlands, and Latvia have a similar ranking as Germany, with proportions of women on executive and supervisory boards ranging between 30 and 31 percent. The worst performers were the same countries as in 2017, namely Cyprus (eleven percent), Greece (ten percent), Malta and Romania (eight percent each), and Estonia (seven percent).

Conclusion: companies should set more ambitious targets for more women on executive boards if they want to prevent additional quotas

The proportion of women on executive and supervisory boards of major companies in Germany increased in 2018. The increases were significantly stronger in the supervisory boards, spurred on by the statutory gender quota introduced in 2016. This positive effect is not only observable in Germany, but also in a European comparison.

The downside is that companies' efforts to attract more women to the supervisory boards will slow as soon as the target—30 percent in the case of Germany—has been reached. More and more evidence is available: last year, for example, the proportion of women on the supervisory boards of DAX 30 companies stagnated, with the vast majority of DAX 30 companies (83 percent) already having a proportion of women of at least 30 percent.

Interestingly, the development of women on the executive boards of the companies not affected by the quota for supervisory boards was somewhat more dynamic than in those affected. At least in the short term, the hope that an increase in the number of women on supervisory boards would lead to an increase on executive boards as well has not been fulfilled. The impact of the gender quota on executive board members, where development is still only progressing at a snail's pace, is at most indirect due to the generally greater attention paid to the topic.

So, is a quota for executive boards really necessary? It is up to businesses to discourage quota supporters by setting their own ambitious goals and implementing them promptly. However, as long as many major companies set a target of zero female executive board members,²² their will and power to make ambitious, sustainable progress on the basis of voluntary commitments in the foreseeable future remains more than questionable.

Box

European comparison of gender diversity policies for companies

European countries differ greatly when it comes to policies regarding gender diversity in companies. Some countries have implemented statutory gender quotas for the top supervisory and/or decision-making bodies of certain companies. Leading this group was Norway, which implemented a quota of 40 percent for supervisory boards of state-owned and publically traded companies. Harsh sanctions are imposed in case of non-compliance. Nine more countries have since implemented a quota system (Table), amongst them Germany, which introduced a quota system in 2016. The second group of countries has no statutory gender quota for corporate decision-making bodies, but there are recommendations on gender diversity in their respective Corporate Governance Codes (CGC). These codes are voluntary, country-specific guides to good and responsible corporate governance issued by government commissions. Overall, 21 European countries have included a set of gender equality targets in their CGC. Ten of these countries have an additional statutory gender quota. Eleven only recommend gender diversity and have no statutory requirements, among them Sweden, Finland, Denmark, the United Kingdom, Ireland, Greece, and Poland. The third group of countries has neither a statutory gender quota nor a statement on gender diversity in their CGC. This group is comprised of nine countries, mainly eastern and southeastern European countries, such as Malta and Cyprus.

²² "Of the 160 listed companies, there are 79 which do not have a single woman on their executive board and have either no goal or the goal of not having a single woman on the executive board for the coming year." Cf. Allbright Stiftung, "Die Macht der Monokultur. Erst wenigen Börsenunternehmen gelingt Vielfalt in der Führung," (2018) (in German; available online).

WOMEN EXECUTIVES BAROMETER: COMPANIES

Table

Legal gender quotas and recommendations for gender diversity in the Corporate Governance Code

Country	Adopted	Legal quota	Deadline	Affected boards	Affected companies	Sanctions
Norway	2003	40 percent	2008	Supervisory board	State-owned and listed companies	Yes: financial penalties up to company dissolution (since 2015)
Spain	2007	40 percent	2015	Board of directors	State-owned and private corporations, companies with more than 250 employees	No
Iceland	2010	40 percent	2013	Supervisory board	Companies with more than 50 employees	No
Belgium	2011	30 percent	2017/2019	Board of directors	Listed and state-owned companies	For listed companies: new appointments automatically null and void if the company does not adhere to the quota
France	2011	20 percent/ 40 percent	2014/2017	Supervisory board	Listed companies, companies with more than 500 employees or with a turnover of more than 50 million euros	Any executive board member appointed who does not meet the gender requirements is automatically null and void
Italy	2011	20 percent/ 30 percent	2012/2015	Supervisory board	Listed or state-owned companies	Yes: financial penalties (up to one million euros) up to company dissolution
Netherlands	2011	30 percent	2016	Supervisory and executive boards	Listed companies, companies with more than 250 employees	No
Germany	2015	30 percent	2016	Supervisory board	Listed, fully co-determined companies	Yes: "empty seat"
Austria	2017	30 percent	2018	Supervisory board	Listed companies; companies whose supervisory board has six investors; companies with more than 1,000 employees	Yes: "empty seat"
Portugal	2017	20 percent/ 33 percent	2018/2020	Executive and supervisory board	State-owned and listed companies	The seat is rated as provisional

With recommendations	Corporate Governance Code	First initiative	Current version	Quota	Affected companies	Sanctions
Sweden	The Swedish Corporate Governance Code	2005	2010	–	Listed companies	Comply or explain
Finland	Finnish Corporate Governance Code	2008	2015	–	Listed companies	Comply or explain
Luxembourg	The X Principles of Corporate Governance of the Luxembourg Stock Exchange	2009	2017	–	Listed companies	Comply or explain
Slovenia	Slovene Corporate Governance Code	2009	2016 (updated 2018)	–	Listed companies	Comply or explain
Denmark	Recommendations on Corporate Governance	2010	2014	–	Listed companies	Comply or explain
United Kingdom	UK Corporate Governance Code	2010	2016	–	Listed companies	Comply or explain
Greece	Hellenic Corporate Governance Code	2013	2013	–	Listed companies	Comply or explain
Turkey	Principles of Corporate Governance	2014	2014	min. 25 percent women	Limited liability and listed companies	Comply or explain
Poland	Code of Best Practice for WSE Listed companies	2015	2015	–	Listed companies	Comply or explain
Romania	Bucharest Stock Exchange Corporate Governance Code	2015	2015	–	Listed companies	Comply or explain
Ireland	The UK Corporate Governance Corporate Code (2012) and the Irish Corporate Governance Annex (2010)	2012, 2010	2010, 2012	–	Listed companies	Comply or explain

Legal Gender Quotas and Recommendations for Gender Diversity in the Corporate Governance Code

Bulgaria
Czech Republic
Estonia
Croatia
Cyprus
Lithuania
Malta
Slovakia
Latvia

Source: Authors' own collection based on the respective Corporate Governance Codes of the countries examined.

WOMEN EXECUTIVES BAROMETER: COMPANIES

Elke Holst is research director and senior economist in the Gender Studies Research Group at DIW Berlin | eholst@diw.de

Katharina Wrohlich is research associate in the Gender Studies Research Group at DIW Berlin | kwrohlich@diw.de

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DIW Berlin — Deutsches Institut für Wirtschaftsforschung e.V.

Mohrenstraße 58, 10117 Berlin

www.diw.de

Phone: +49 30 897 89-0 Fax: -200

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leserservice@diw.de

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