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**Article**

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# Financial Sector: Share of Women in Top Decision-Making Bodies Remains Low

By Elke Holst and Anja Kirsch (FU Berlin)

At the end of 2014, women were no better represented on the top decision-making bodies of enterprises in the financial sector than the previous year. The share of women on the executive boards of the 100 largest banks and savings banks remained at an average of almost seven percent and on the executive boards of the 60 largest insurance companies at 8.5 percent. On supervisory boards, change was slow at best: Although the share of women in financial institutions was almost 18 percent and a good 17 percent among insurance companies, only decimal point increases could be observed. In public sector banks and savings banks, however, female representation on supervisory boards was greater than in the previous year: at almost 19 percent, the financial institutions in this sector are roughly on a par with private banks (a good 18 percent). Overall, the majority of women on supervisory boards are still employee representatives but shareholders have appointed considerably more women to supervisory boards in recent years. At European level, relatively few women were represented on the Council of the European Central Bank and on decision-making bodies of the national central banks, although there are significant differences across countries.

Planned legislation on the equal participation of women and men in leadership positions in the private and public sectors aims to increase the proportion of women on supervisory boards of listed companies subject to codetermination regulations in Germany. The persistence of current structures could be greater in the financial sector than in the top 200 companies: Even though over half of financial sector employees are women, the share of women on the supervisory boards of financial institutions increased on average by less than 0.4 percentage points per year in the period 2006 to 2014, compared to 1.3 percentage points in the top 200 companies.

DIW Berlin regularly examines the representation of women on the executive and management boards (henceforth executive boards) and on the supervisory and administrative boards (henceforth supervisory boards<sup>1</sup>) of Germany's financial sector.<sup>2</sup> The survey includes the 100 largest banks based on total assets and the 60 largest insurance companies based on revenues from premiums.<sup>3</sup> The representation of women on the highest decision-making bodies of public banks and savings banks is compared to that in private banks and cooperatives.

Women's representation on the executive and supervisory boards of companies outside the financial sector is discussed in a separate article in this issue of DIW Economic Bulletin. That survey includes the 200 largest companies outside the financial sector, the DAX 30, MDAX, SDAX, and TecDAX companies, as well as 60 companies with government-owned shares.<sup>4</sup> Taken together, the two reports show the extent to which women are represented in the highest decision-making bodies of over 500 companies.

<sup>1</sup> If an institution has both a supervisory board and an administrative board, only the composition of the supervisory board was included in the calculation.

<sup>2</sup> Most recently in 2014, see E. Holst and A. Kirsch, "Financial Sector: Upward Trend in Share of Women on Corporate Boards Progressing Only in Small Steps," DIW Economic Bulletin, no. 3 (2014).

<sup>3</sup> The largest banks and financial institutions by total assets (2013) were chosen according to H. Kuck and S. Hirschmann, "Top 100 der deutschen Kreditwirtschaft: Keine Bewegung an der Spitze," *Die Bank, Zeitschrift für Bankpolitik und Praxis*, no. 8 (2014): 10-11. The choice of largest insurance companies by income from premiums (2013) was based on: "Die großen 500. Deutschlands Top-Unternehmen," (Müßig Verlag, November 2014). Companies/corporations with no supervisory board were excluded because they only exist as "combined brands." Research into the composition of the boards of banks, savings banks, and insurance companies was conducted from November to December 2014. It is based on company profiles online and on annual reports and financial statements from 2013, publications in the *Federal Gazette*, and requests made to the companies by DIW Berlin.

<sup>4</sup> See E. Holst and A. Kirsch, "Executive Board and Supervisory Board Members in Germany's Large Corporations Remain Predominantly Male." *Economic Bulletin* no. 4 (2015).

Table 1

**Share of Women in Employment Subject to Social Insurance Contributions by Economic Sector**

In percent

	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Provision of financial services <sup>1</sup>	57.1	57.2	57.3	57.4	57.4	57.6	57.4	56.9	56.9	57.1	57.2	57.1	56.9	57.0	57.0
Central banks and credit institutions	57.3	57.5	57.6	57.8	57.8	58	57.8	57.2	57.3	57.6	57.6	57.6	57.5	57.5	57.7
Insurance companies, reinsurance companies, and pension funds (excluding social security) <sup>2</sup>	47.2	47.6	47.8	48	48.3	48.8	49.1	48.9	48.8	50.0	49.2	49.2	49.3	49.7	49.5
Activities associated with financial and insurance services <sup>3</sup>	60	59.7	60.4	61.3	61.5	62.1	61.1	61.6	61.5	61.2	60.9	60.8	60.8	60.2	59.4

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

2 Listed as "Insurance Industry" up to 2008.

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

Source: German Federal Employment Agency, *Arbeitsmarkt in Zahlen, Sozialversicherungspflichtig Beschäftigte nach Wirtschaftszweigen (WZ 2008)*, Nuremberg, March 2014.

The majority of employees in the financial sector are women.

**Many More Women Than Men Employed in Financial Sector**

In 2014, more than half (57 percent) of employees subject to social security contributions in the "provision of financial services" sector were women (see Table 1). In insurance, reinsurance, and pension funds (excluding social security), women made up around half of employees. In activities associated with financial and insurance services, the share of women was significantly higher at nearly 60 percent. Since the financial crisis of 2008, however, this figure has fallen by around two percentage points.<sup>5</sup>

The largest proportion of women was employed at public financial institutions—almost 63 percent of employees in 2013 according to the *Deutscher Sparkassen- und Giroverband*. At the cooperative banks, the share of women was slightly lower at just under 58 percent. In the insurance industry, women accounted for about 54 percent of in-house employees and just over 21 percent of field staff.<sup>6</sup>

5 These are services closely related to financial institutions and insurance companies, without actually including them (such as fund managers).

6 Deutscher Sparkassen- und Giroverband, *Ergänzende Statistiken zum Jahresbericht: 5*. [http://www.dsgv.de/\\_download\\_gallery/Publikationen/Statistisches\\_Beiheft\\_2013.pdf](http://www.dsgv.de/_download_gallery/Publikationen/Statistisches_Beiheft_2013.pdf); Arbeitgeberverband der deutschen Volksbanken und Raiffeisenbanken e.V., *Beschäftigungsstruktur (2013)* [http://www.avr.org/avr.nsf/DF0197809AF5693C12571CB0025AB6D/\\$FILE/Personalstatistik%202013%20Besch%C3%A4ftigungsstruktur.pdf](http://www.avr.org/avr.nsf/DF0197809AF5693C12571CB0025AB6D/$FILE/Personalstatistik%202013%20Besch%C3%A4ftigungsstruktur.pdf); Arbeitgeberverband der Versicherungsunternehmen in Deutschland e. V., *Frauenanteil in den Unternehmen*. <http://www.agv-vers.de/projekte/frauen-in-fuehrung/kennzahlen/frauenanteile-in-den-unternehmen.html>. The Employers' Association of Private Banks, AGV banks, published data on employment structure in the private banking industry in 2009. The share of men and women was balanced at about 50 percent [http://www.agvbanken.de/AGVBanken/Statistik/\\_doc\\_Statistik/7-02-3-0-Beschäftigtenstruktur.pdf](http://www.agvbanken.de/AGVBanken/Statistik/_doc_Statistik/7-02-3-0-Beschäftigtenstruktur.pdf), last accessed on November 27, 2014.

Given their high employment share, women were significantly underrepresented in leadership positions in the financial sector with a share of 27 percent.<sup>7</sup>

**Top 100 Banks and Savings Banks Executive Boards: Percentage of Women Remains Low**

Of the total number of board members on the boards of the 100 largest banks and financial institutions (387), 26 were women (see Table 2). This equates to a share of women of almost seven percent, an increase of 0.4 percentage points over the previous year. Only 23 of the 100 banks had any women at all on their boards. There were only two female CEOs, one fewer than in the previous year.<sup>8</sup> The Investitionsbank des Landes Brandenburg had the highest proportion of women on its board: two of its three board members were women—although the CEO was a man.

**Supervisory Boards: Little Progress**

Women's representation is far better on the supervisory boards than on the executive boards of the banks studied. At the end of 2014, the share of women on supervisory boards was 18 percent, corresponding to 270 of a total of 1,504 board seats. Thus, the ratios have hardly

7 This proportion refers to 2012. See Federal Statistical Office, *Auf dem Weg zur Gleichstellung? Bildung, Arbeit und Soziales – Unterschiede zwischen Frauen und Männern* (Wiesbaden).

8 Eva Wunsch-Weber at the Frankfurter Volksbank e.G. in Frankfurt am Main and Dr. Birgit Roos at the Sparkasse Krefeld. Manuela Better left the Deutsche Pfandbrief Bank AG, Unterschleissheim.

Table 2

**Women on the Supervisory Boards and/or Executive Boards of Large Banks, Savings Banks, and Insurance Companies in Germany<sup>1</sup>**

	Banks and savings banks									Insurance companies								
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2006	2007	2008	2009	2010	2011	2012	2013	2014
<b>Executive boards/management boards</b>																		
Total number of companies	100	100	100	100	100	100	100	100	100	63	65	58	62	62	59	61	60	60
With data on composition	100	100	100	100	100	100	100	100	100	63	65	58	62	62	59	61	60	60
With women on executive board	10	9	7	9	10	12	17	24	23	10	13	9	11	10	14	21	29	27
Percentage	10.0	9.0	7.0	9.0	10.0	12.0	17.0	24.0	23.0	15.9	20.0	15.5	17.7	16.1	23.7	34.4	48.3	45.0
Total number of members	442	430	414	418	408	404	407	396	387	394	411	372	392	399	385	384	396	353
Men	431	420	406	407	396	391	390	371	371	384	398	363	381	389	370	362	362	323
Women	11	10	8	11	12	13	17	25	26	10	13	9	11	10	14	22	34	30
Percentage of women	2.5	2.3	1.9	2.6	2.9	3.2	4.2	6.3	6.7	2.5	3.2	2.4	2.8	2.5	3.6	5.7	8.6	8.5
Total number of chairpersons	100	100	100	100	100	100	100	100	100	63	65	58	62	62	59	61	60	60
Men	98	98	100	100	98	99	97	97	98	63	65	57	62	62	59	60	59	59
Women	2	2	0	0	2	1	3	3	2	0	0	0	0	0	0	1	1	1
Percentage of women	2.0	2.0	0.0	0.0	2.0	1.0	3.0	3.0	2.0	0.0	0.0	0.0	0.0	0.0	0.0	1.6	1.7	1.7
<b>Supervisory boards/administrative boards</b>																		
Total number of companies	100	100	100	100	100	100	100	100	100	63	65	58	62	62	59	61	60	60
With data on composition	100	100	100	100	100	100	100	100	97	63	65	58	62	62	59	61	60	60
With women on supervisory board	89	91	85	87	88	88	88	89	89	46	49	42	48	48	45	50	50	48
Percentage	89.0	91.0	85.0	87.0	88.0	88.0	88.0	89.0	91.8	73.0	75.4	72.4	77.4	77.4	76.3	82.0	83.3	80.0
Total number of members	1633	1573	1566	1555	1548	1567	1491	1485	1504	812	831	727	734	732	689	704	683	661
Men	1387	1331	1324	1294	1295	1307	1226	1230	1234	720	726	629	643	645	599	596	572	547
Women	246	242	242	261	253	260	265	255	270	92	105	98	91	87	90	108	111	114
Percentage of women	15.1	15.4	15.5	16.8	16.3	16.6	17.8	17.2	18.0	11.3	12.6	13.5	12.4	11.9	13.1	15.3	16.3	17.2
Total number of chairpersons	100	100	100	100	100	100	100	100	97	63	65	58	62	62	59	61	60	60
Men	97	95	97	96	97	98	97	97	92	63	65	57	61	61	58	60	59	58
Women	3	5	3	4	3	2	3	3	5	0	0	1	1	1	1	1	1	2
Percentage of women	3.0	5.0	3.0	4.0	3.0	2.0	3.0	3.0	5.2	0.0	0.0	1.7	1.6	1.6	1.7	1.6	1.7	3.3
Companies with data on employee representation	33	55	51	50	44	53	56	36	76	24	41	38	52	34	33	39	27	59
Total number of members	599	858	767	764	642	738	786	564	1159	291	455	444	634	351	385	411	312	647
Men	496	731	654	637	549	628	649	455	943	256	406	390	555	319	347	358	266	534
Women	103	127	113	127	93	110	137	109	216	35	49	54	79	32	38	53	46	113
Female employee representatives	85	95	84	91	62	78	87	69	131	32	45	41	63	26	36	43	34	81
As a percentage of women members	82.5	74.8	74.3	71.7	66.7	70.9	63.5	63.3	60.6	91.4	91.8	75.9	79.7	81.3	94.7	81.1	73.9	71.7

<sup>1</sup> At year end 2006 to 2014. Only companies providing data on the composition of their corporate boards.

Source: Calculations by DIW Berlin.

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On the executive boards of banks and savings banks there was just one more woman in 2014 than in the previous year.

changed over the previous year—an increase of 0.8 percentage points. Information on the composition of their supervisory boards was provided by 97 banks: women were represented on 89 supervisory boards and five banks had a chairwoman (two more than in 2013).<sup>9</sup> Information on employee representation was obtained from 76 banks and savings banks: there were 216 women on the supervisory boards of these financial institu-

tions, 131 of whom (almost 61 percent) were employee representatives.

A good eight percent of banks and financial institutions had all-male supervisory boards, while around one-fifth of financial institutions had a 30-percent share of women (see Figure 1). Eleven financial institutions had a quarter or more female supervisory board members, remaining just below the 30-percent threshold (see Table 3). The supervisory boards of 18 financial institutions consisted of at least one-third women. At the public HSH Nordbank, the share was 40 percent. There were equal numbers of men and women on the supervisory boards of the private Comdirect Bank and the public IBB Investment Bank Berlin.

<sup>9</sup> Marija Korsch at Aareal Bank AG, Wiesbaden; Karoline Linnert at Bremer Landesbank, Bremen; Ilse Aigner at LfA Förderbank Bayern, Munich; Cornelia Yzer at IBB Investitionsbank Berlin, Berlin; and Tamara Bischof at Sparkasse Mainfranken, Würzburg.

Table 3

**Largest 100 Banks and Savings Banks<sup>1</sup> with at Least 25 percent Women on the Supervisory Board at Year End 2014**

Rank	Company	Total number of members	Men	Women	Percentage of women	Legal form
45	IBB Investitionsbank Berlin, Berlin <sup>2</sup>	8	4	4	50.0	public
52	Comdirect Bank AG, Quickborn	6	3	3	50.0	private
15	HSH Nordbank AG, Hamburg/Kiel	15	9	6	40.0	public
1	Deutsche Bank AG, Frankfurt/M.	20	13	7	35.0	private
12	Hypothekenbank Frankfurt AG, Eschborn	6	4	2	33.3	private
19	Deutsche Pfandbriefbank AG, Unterschleißheim	9	6	3	33.3	private
26	Dexia Kommunalbank Deutschland AG, Berlin	6	4	2	33.3	private
39	Kreissparkasse Köln, Köln	36	24	12	33.3	public
42	LfA Förderbank Bayern, München <sup>2</sup>	6	4	2	33.3	public
51	Oldenburgische Landesbank AG, Oldenburg	12	8	4	33.3	private
54	Wüstenrot Bank AG Pfandbriefbank, Ludwigsburg	9	6	3	33.3	private
55	Investitionsbank des Landes Brandenburg, Potsdam	18	12	6	33.3	public
83	Sächsische Aufbaubank - Förderbank, Dresden	9	6	3	33.3	public
87	Sparkasse Essen, Essen	15	10	5	33.3	public
88	BB Bank eG, Karlsruhe	15	10	5	33.3	co-operative
96	Sparkasse Karlsruhe Ettlingen, Karlsruhe	30	20	10	33.3	public
97	Stadtsparkasse Wuppertal, Wuppertal	15	10	5	33.3	public
98	BHF-Bank AG, Frankfurt/M.	6	4	2	33.3	private
2	Commerzbank AG, Frankfurt/M.	20	14	6	30.0	private
68	Mittelbrandenburgische Sparkasse in Potsdam, Potsdam	21	15	6	28.6	public
56	Sparkasse Hannover, Hannover	18	13	5	27.8	public
20	Landeskreditbank Baden-Württemberg - Förderbank (L-Bank), Karlsruhe	15	11	4	26.7	public
57	Sparda-Bank Baden-Württemberg eG, Stuttgart	15	11	4	26.7	co-operative
76	Sparkasse Leipzig, Leipzig	15	11	4	26.7	public
95	Sparkasse Mainfranken, Würzburg <sup>2</sup>	15	11	4	26.7	public
8	Norddeutsche Landesbank Girozentrale, Hannover	20	15	5	25.0	public
22	Bausparkasse Schwäbisch Hall AG, Schwäbisch Hall	20	15	5	25.0	co-operative
30	Santander Consumer Bank AG, Mönchengladbach	12	9	3	25.0	private
58	Targobank AG & Co. KGaA, Düsseldorf	12	9	3	25.0	private
85	Sparkasse Krefeld, Krefeld	12	9	3	25.0	public

<sup>1</sup> Only banks providing data on the composition of their supervisory board.

Source: Calculations by DIW Berlin.

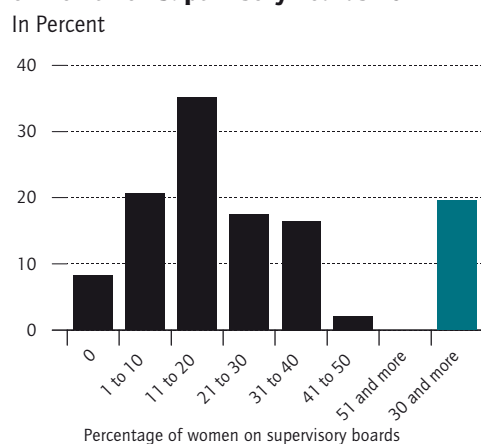
At year end 2014 at least every fourth supervisory board member was a woman in a total of 30 banks.

**Slight Increases in Public-Sector Financial Institutions**

Since 2010, DIW Berlin has examined the largest banks and savings banks grouping them according to their legal form, differentiating between public, private, and cooperative banks.

Figure 1

**Top 100 Banks and Savings Banks by Share of Women on Supervisory Boards 2014**



Source: Calculations by DIW Berlin.

Women were not in the majority on the supervisory board of a single bank.

The proportion of women on the boards of public banks at the end of 2014 was almost 19 percent, putting it on a similar level to that of private banks, although the latter had at least one woman on its supervisory board in only 80 percent of cases — this figure was 98 percent among public sector banks (see Table 4). Among cooperative banks, the proportion of women was 14.5 percent, while at almost 94 percent of these banks there was at least one woman represented on the supervisory board. Nevertheless, only a handful of women held the chair on these supervisory boards: four of a total of five women were at public banks — finance senator Karoline Linnert at Bremer Landesbank, Bavarian finance minister Ilse Aigner at LfA Förderbank Bavaria, economics senator Cornelia Yzer at IBB Investitionsbank Berlin, and district administrator Tamara Bischof at Sparkasse Mainfranken Würzburg held the chair due to their positions in public administration or political office. One chairwoman was at a private bank.<sup>10</sup>

As to the executive boards of public banks, the share of women at the end of 2014 was just under seven percent, just like in the private banks. At cooperative banks the share of women on executive boards was a good six percent. It must be said, however, that female executive board members in public institutions were limited to relatively few banks — there were women on the executive boards of just under 20 percent of banks (ten institutions). Even though, compared to the previ-

<sup>10</sup> See also footnote 9.

Table 4

**Women on the Supervisory Boards and/or Executive Boards of Large Banks and Savings Banks in Germany by Legal Form<sup>1</sup>**

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

1 At year end 2010 to 2014. Only companies providing data on the composition of their corporate boards.

2 Two of the private banks are independent savings banks.

Source: Calculations by DIW Berlin.

In 2014, the percentages of women on executive boards were similar across public, private and cooperative banks.

ous year, there were more financial institutions with at least one woman on the executive board in this group only, the increase was not sufficient to surpass the level of private banks (almost 30 percent with women on their executive boards) and cooperative banks (25 percent with women on their executive boards). The two female CEOs were at a public and a cooperative bank (see Overview).

## Insurance Companies

### Executive Boards:

#### No Increase Over Previous Year

Of the 60 insurance companies studied, 27 had at least one woman on their executive board (see Table 2). From a total of 353 executive board positions, 30 were held by

women.<sup>11</sup> With a female share of 8.5 percent, the representation of women on the executive boards of insurance companies did not increase over the previous year. It was slightly higher than among banks and savings banks (almost seven percent). In just one insurance company the CEO was a woman.<sup>12</sup>

### Almost Three-Quarters of Female Supervisory Board Members Are Employee Representatives

Of the 60 insurance companies examined, 48 had at least one woman on its supervisory board (80 percent).

<sup>11</sup> Some women were members of the executive boards of several group subsidiaries. A total of 18 different women held 30 executive board positions. See Overview.

<sup>12</sup> Dr. Birgit König at Allianz Private Krankenversicherungs-AG.



Overview

**Women on the Executive Boards of Large Banks, Savings Banks, and Insurance Companies in Germany in 2014**

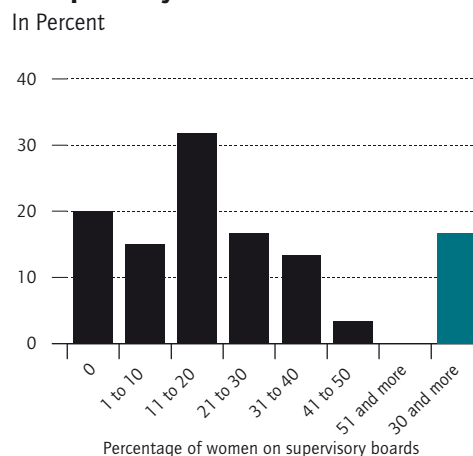
Rank	Company	Legal form
<b>100 largest banks and savings banks</b>		
3	KfW Bankengruppe, Frankfurt/M.	Dr. Ingrid Hengster, Dr. Edeltraud Leibrock public
8	Norddeutsche Landesbank Girozentrale, Hannover	Ulrike Brouzi public
10	Postbank AG, Bonn	Susanne Klöß private
13	ING-DiBa AG, Frankfurt/M.4	Katharina Herrmann private
18	Landwirtschaftliche Rentenbank AG, Frankfurt/M.	Imke Ettori public
24	Aareal Bank AG, Wiesbaden	Dagmar Knopek private
25	Hamburger Sparkasse AG, Hamburg	Bettina Poullain independent savings bank
28	Volkswagen Bank GmbH, Braunschweig	Dr. Heidrun Zirfas private
45	IBB Investitionsbank Berlin, Berlin	Sonja Kardorf public
46	HSBC Trinkaus & Burkhardt AG, Düsseldorf4)	Carola Gräfin von Schmettow private
50	Stadtparkasse München, München	Marlies Mirbeth public
51	Oldenburgische Landesbank AG, Oldenburg	Karin Katerbau private
52	Comdirect Bank AG, Quickborn	Martina Palte private
53	Westdeutsche Immobilien Bank AG, Mainz	Christiane Kunisch-Wolff public
55	Investitionsbank des Landes Brandenburg, Potsdam	Jacqueline Tag, Gabriela Pantring public
56	Sparkasse Hannover, Hannover	Marina Barth, Kerstin Berghoff-Ising public
58	Targobank AG & Co. KGaA, Düsseldorf	Maria Topaler private
60	Stadtparkasse Düsseldorf, Düsseldorf	Karin-Brigitte Göbel public
74	Sparda-Bank Südwest eG, Mainz	Karin Schwartz cooperative
81	Frankfurter Volksbank e.G., Frankfurt/M	Eva Wunsch-Weber (Vorsitz) cooperative
84	Teambank AG, Nürnberg	Dr. Christiane Decker cooperative
85	Sparkasse Krefeld, Krefeld	Dr. Birgit Roos (Vorsitz) public
88	BB Bank eG, Karlsruhe	Gabriele Kellermann cooperative
<b>60 largest insurance companies</b>		
1	Munich RE AG	Giuseppina Albo, Dr. jur. Doris Höpke
2	Allianz Deutschland AG	Dr. Birgit König
4	ERGO Versicherungsgruppe AG	Dr. Bettina Anders, Silke Lautenschläger
7	AXA Konzern AG	Dr. Andrea von Aubel, Dr. Astrid Stange
9	Versicherungskammer Bayern	Barbara Schick
10	HUK-COBURG -Holding AG	Sarah Rössler
13	Deutsche Krankenversicherung AG DKV	Silke Lautenschläger
14	Generali Lebensversicherung AG	Dr. Monika Sebold-Bender
17	AXA Versicherung AG	Dr. Andrea von Aubel
20	Allianz SE	Dr. Helga Jung
23	Allianz Private Krankenversicherungs-AG	Dr. Birgit König (Vorsitz)
27	Cosmos Lebensversicherung-Aktiengesellschaft	Claudia Andersch
28	ERGO Lebensversicherung AG	Silke Lautenschläger
29	ERGO Versicherung AG	Silke Lautenschläger
30	AXA Lebensversicherung AG	Dr. Andrea von Aubel
32	AXA Krankenversicherung AG	Dr. Andrea von Aubel
33	Provinzial Rheinland Versicherung AG	Sabine Krummenerl
34	Bayern-Versicherung Lebensversicherung AG	Barbara Schick
35	DEVK Sach- und HUK-Versicherungsverein a. G.	Dr. Veronika Simons
36	HDI Lebensversicherungs-AG	Barbara Riebeling
41	Alte Leipziger Lebensversicherung a.G.	Wiltrud Pekarek
43	Allianz Global Corporate & Speciality AG	Sinéad Browne
45	Generali Versicherung AG	Dr. Monika Sebold-Bender
48	Bayerische Beamtenkrankenkasse AG	Manuela Kiechle
53	HUK-COBURG Allgemeine Versicherungs-Aktiengesellschaft	Sarah Rössler
55	HDI Versicherung AG	Barbara Riebeling
60	Provinzial Rheinland Lebensversicherung	Sabine Krummenerl

Source: Survey by DIW Berlin.

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Figure 2

**Top 60 Insurance Companies by Share of Women on Supervisory Boards 2014**



Source: Calculations by DIW Berlin.

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In many of the 60 largest insurance companies, the percentage of women on supervisory boards was between 11 and 20 percent.

Overall, 114 of the 661 supervisory board positions were held by women; this is equivalent to a good 17 percent, almost one percentage point more than in the previous year. The upward trend observed since 2010 is continuing. Information on employee representation was recorded for all but one insurance company: 81 of 113 female supervisory board members represented employees, meaning that almost 72 percent of all female supervisory board members were employee representatives. Of the 60 supervisory board chairs, two were held by one and the same woman.<sup>13</sup>

20 percent of insurance companies did not have a single woman on their supervisory board. One-third of insurance companies had more than 20 percent of women on their supervisory board; a share of 30 percent or more was found in almost 17 percent of insurance companies (see Figure 2). At four insurance companies, one-third of the supervisory board members were women (see Table 5). Ranking highest were Allianz Versicherung and Allianz Global Corporate & Speciality, whose supervisory boards were comprised of half women and half men. In third place was Munich Re with 40 percent of women on its 20-member supervisory board. There were no majority-women supervisory boards among the insurance companies studied.

<sup>13</sup> Ulrike Lubek at Provinzial Rheinland Versicherung AG and Provinzial Rheinland Lebensversicherung.

## European Central Bank and Central Banks of EU Countries: Top Positions Are Still Held Almost Exclusively By Men

In 2014, the top-level management positions at the European Central Bank (ECB) as well as at the central banks of the 28 EU member states were still held overwhelmingly by men. The ECB's top decision-making body, the Governing Council, is made up of the 18 euro area countries' national central bank presidents as well as the six members of the ECB's Executive Board. For years, these were exclusively men; in 2014, the Council was comprised of 22 men and two women (see Table 6). Sabine Lautenschläger from Germany became a board member in January 2014 and Chrystalla Georgiadji became president of the Central Bank of Cyprus in April 2014.<sup>14</sup>

Since the European Commission began collecting the relevant data in 2003, the proportion of women in the key decision-making bodies of the central banks averaged 16 to 18 percent<sup>15</sup>—last year it was 18 percent (see Figure 3). Although the representation of women and men is not even close to being equal at any national central bank, there were still significant differences between the individual countries. In Slovenia, the proportion of women was 40 percent; in Sweden, Denmark, and Bulgaria it was 29 percent each, followed by France with 27 percent and Finland and Ireland with 25 percent each. In six countries—UK, Austria, Portugal, Slovakia, Croatia, and the Czech Republic—not a single woman was represented on the governing body. The number of central banks without any women on their governing bodies was therefore even higher than in 2013 (five countries). Overall, there has been hardly any change discernible in the participation of women in the top decision-making bodies of the central banks in Europe.

The Executive Board of the Deutsche Bundesbank is composed of a president, a vice-president, and four other members. Claudia Buch has been the vice-president since May 2014 (succeeding Sabine Lautenschläger who joined the ECB). With one woman on its six-member board, the German Bundesbank was mid-table among central banks of the EU member countries.

<sup>14</sup> ECB Governing Council: <https://www.ecb.europa.eu/ecb/orga/decisions/govc/html/index.de.html>.

<sup>15</sup> EU database on the participation of women and men in decision-making: [http://ec.europa.eu/justice/gender-equality/gender-decision-making/database/business-finance/index\\_de.htm](http://ec.europa.eu/justice/gender-equality/gender-decision-making/database/business-finance/index_de.htm), last accessed on December 9, 2014.

Table 5

### Largest 60 Insurance Companies<sup>1</sup> with at Least 25 percent Women on the Supervisory Board at Year End 2014

Rank	Company	Total number of members	Men	Women	Percentage of women
8	Allianz Versicherungs-AG	6	3	3	50.0
43	Allianz Global Corporate & Speciality AG	6	3	3	50.0
1	Munich RE AG	20	12	8	40.0
23	Allianz Private Krankenversicherungs-AG	6	4	2	33.3
49	Barmenia Krankenversicherung a.G.	6	4	2	33.3
6	Hannover Rück SE	9	6	3	33.3
20	Allianz SE	12	8	4	33.3
7	AXA Konzern AG	16	11	5	31.3
3	Talanx AG	16	11	5	31.3
51	R + V Versicherung AG	16	11	5	31.3
4	ERGO Versicherungsgruppe AG	19	14	5	26.3
11	Debeka Krankenversicherungsverein a.G.	12	9	3	25.0
50	Württembergische Versicherung AG	12	9	3	25.0
22	SV SparkassenVersicherung Holding AG	20	15	5	25.0

<sup>1</sup> Only insurance companies providing data on the composition of their supervisory board.

Source: Calculations by DIW Berlin.

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In two insurance companies the ratio of women to men on the supervisory board was even.

Table 6

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

	Total number of 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

<sup>1</sup> From January 1, 2014 there are 24 members after Latvia joined the euro area.

Source: EU database on the participation of women and men in decision-making processes.

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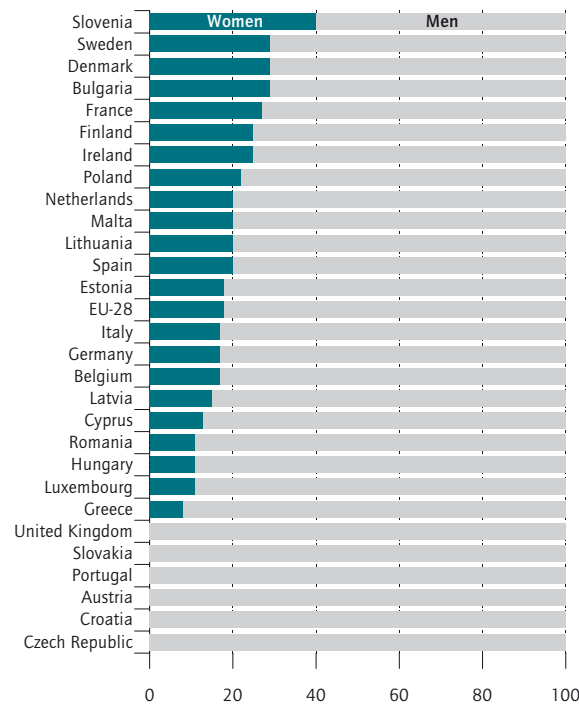
The Governing Council of the European Central Bank remains a male domain.



Figure 3

**Women and Men in the Central Banks Key Decision-Making Bodies<sup>1</sup> of the EU-28 Countries 2014<sup>2</sup>**

In Percent



1 Members of the board. If monitoring and executive functions are separated: members of the supervisory board.  
2 October 2014.

Source: European Commission, Database on women and men in decision making. © DIW Berlin 2014

In a European comparison, Germany is in the midfield regarding the percentage of women in the key decision-making body of the central bank.

**The Lehman Sisters Hypothesis: More Women in Top Positions as a Way Out of the Crisis?**

In the wake of the financial crisis, it has been posited that the crisis was caused by risk-taking and avaricious behavior of bankers on the financial market and that it would not have occurred if more women had held top positions in the financial sector.<sup>16</sup> At the same time, it

16 European Commissioners Neelie Kroes ([http://europa.eu/rapid/press-release\\_SPEECH-13-990\\_en.htm](http://europa.eu/rapid/press-release_SPEECH-13-990_en.htm)) and Viviane Reding ([http://europa.eu/rapid/press-release\\_SPEECH-12-84\\_de.htm?locale=en](http://europa.eu/rapid/press-release_SPEECH-12-84_de.htm?locale=en)) both mentioned the Lehman Sisters hypothesis, as did the deputy leader of the British Labour Party, Harriet Harman (<http://www.independent.co.uk/news/uk/home-news/harriet-harman-if-only-it-had-been-lehman-sisters-1766932.html>) and the Executive Director of the International Monetary Fund, Christine Lagarde ([https://www.youtube.com/watch?v=Xtl\\_BpqoZ30](https://www.youtube.com/watch?v=Xtl_BpqoZ30)), last accessed on November 28, 2014.

was hoped that an increase in the proportion of women in leadership positions would avert a recurrence of the crisis. The *Lehman Sisters hypothesis* posits that greater gender diversity at the top of the financial sector would reduce the behavioral causes of the financial crisis. It draws on aspects of financial behavior that focus on differences between men and women: first, increased risk aversion and second, the more considerate and responsible attitude of women to financial decision-making. Several studies confirm these gender differences in attitudes and behavior — these differences may, however, be less pronounced among women currently active in the upper echelons of financial companies dominated by men.<sup>17</sup>

The Lehman Sisters hypothesis piqued interest in a new culture within the financial market, one which places more emphasis on a responsible approach to risk. But can the myth of the financially responsible woman<sup>18</sup> actually eliminate existing inequalities and generate improved career and promotion opportunities for women in the financial sector? Developments to date do not bear this out. The proportion of women in leadership positions in the financial sector is still lagging far behind their share in employment. The draft legislation adopted by the Federal Cabinet on December 11, 2014 with the aim of increasing women’s participation in leadership positions in the public and private sector<sup>19</sup> will indeed secure positions for women on the supervisory boards of selected institutions and might therefore influence the management of risk in the financial market. But it remains to be seen to what extent this — as well as statutory reporting requirements and specific targets for the share of women in companies that are either codetermined or listed — can sustainably increase the low proportion of women on executive boards and senior management positions in the foreseeable future. The new regulation give companies the opportunity to pay more attention to existing inequalities when selecting and promoting their executives and do more to eliminate them.

17 I. van Staveren, “The Lehman Sisters hypothesis,” *Cambridge Journal of Economics*, no. 38 (2014): 995-1014; M. S. Fisher, “Wall Street Women: Saviors of the Global Economy?,” *Critical Perspectives in International Business* 11 (2) (2015).

18 E. Prügl, “If Lehman Brothers Had Been Lehman Sisters...: Gender and Myth in the Aftermath of the Financial Crisis,” *International Political Sociology* 6 (1) (2012): 21-35.

19 Federal Ministry of Family Affairs, Senior Citizens, Women and Youth (BMFSFJ), “Förderung von Frauen in Führungspositionen: Kabinett beschließt Gesetzentwurf zur Frauenquote,” press release dated December 11, 2014, <http://www.bmfsfj.de/BMFSFJ/Presse/pressemitteilungen,did=212326.html>, accessed on December 18, 2014; see also draft legislation by the Federal Government, “Entwurf eines Gesetzes für die gleichberechtigte Teilhabe von Frauen und Männern an Führungspositionen in der Privatwirtschaft und im öffentlichen Dienst”: [www.bmfsfj.de/RedaktionBMFSFJ/Abteilung4/PdfAnlagen/gesetzentwurfrauenquote.property=pdf,bereich=bmfsfj,sprache=de,rwb=true.pdf](http://www.bmfsfj.de/RedaktionBMFSFJ/Abteilung4/PdfAnlagen/gesetzentwurfrauenquote.property=pdf,bereich=bmfsfj,sprache=de,rwb=true.pdf), accessed on December 29, 2014.

### Financial Sector with Weaker Dynamic Than Top 200 Companies

In the financial sector and in large companies generally, there has been a slight convergence between the proportion of women and men on supervisory boards, but almost none on executive boards (see Figure 5). In implementing the gender quota, companies in the financial sector appear to face greater challenges than the top 200 companies in Germany. Since 2006, the increase in the proportion of women on the supervisory boards of the latter has been much more dynamic with average yearly increases of 1.3 percentage points, compared with less than 0.4 percentage points at the 100 largest banks. In 2006, the share of women on the supervisory boards of these banks was significantly higher (15 percent) than at the top 200 companies (8 percent). Over the past eight years, however, the proportion of women in the latter has steadily increased by over 10 percentage points, while at the banks this figure increased by just under three percentage points during the same period. With such a weak dynamic, the impression is given that the structures in banks and savings banks are particularly resistant to change. Therefore, banks could find it more difficult than the top 200 companies to meet the statutory gender quota of 30 percent.

### Conclusion

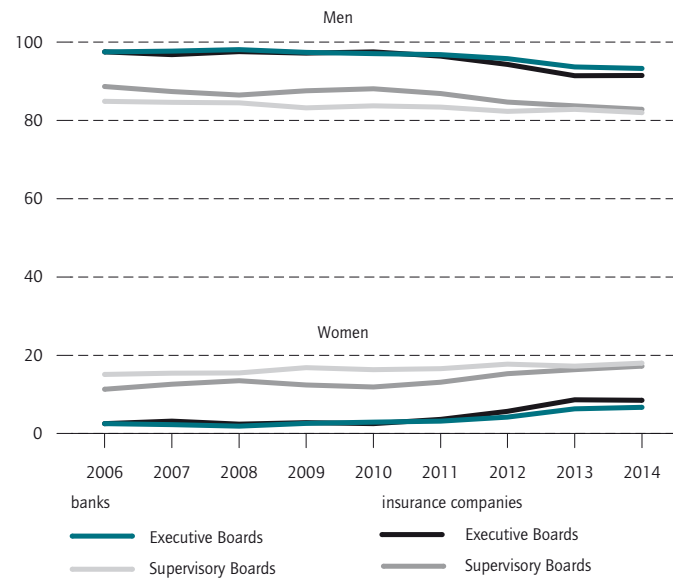
The development of the proportion of women in top positions in the financial sector was moderate at best in 2014. DIW Berlin's Female Executive Barometer indicates a share of just under seven percent for the executive boards of the 100 largest banks and savings banks; on the executive boards of insurance companies, the figure is around 8.5 percent. Development in this area remained at a low level, crawling along at a snail's pace. Not even the financial crisis changed this situation. Evidently, companies in the financial sector have not necessarily coupled their strategies for cultural change towards a more responsible approach to risk with a greater proportion of women in leadership positions.

The proportion of women on supervisory boards is traditionally higher. The figure in 2014 was 18 percent among the banks and insurance companies studied, and with that, at a level comparable with the top 200 companies (which had caught up in recent years). Most women were appointed to the boards as employee representatives, although appointments by shareholders have slowly drawn level since 2006. A comparison of financial institutions by legal form showed that public sector banks failed to take the lead once again. All the banks examined, irrespective of legal form, are a long way from achieving a balanced ratio of women to men.

Figure 4

### Women and Men on Executive and Supervisory Boards in the Financial Sector

Shares in Percent



Source: Calculations by DIW Berlin.

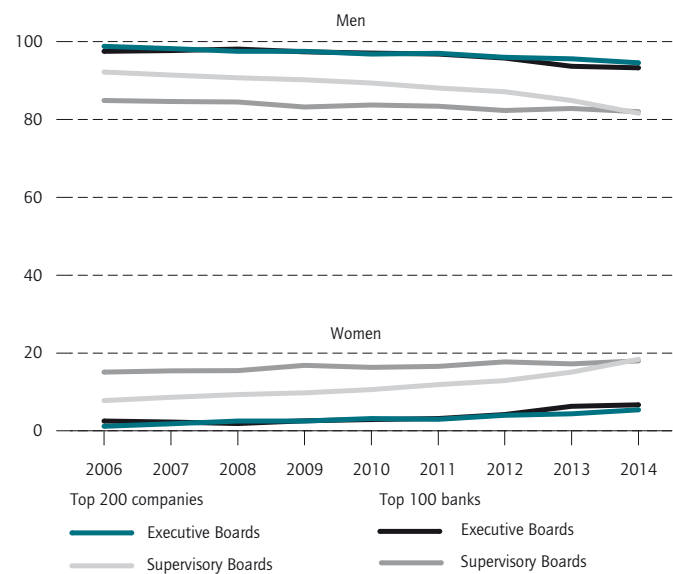
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The percentages of women and men on corporate boards in the financial sector are hardly converging.

Figure 5

### Percentage of Women on Supervisory and Executive Boards in the Top 100 Banks and the Top 200 Companies (excluding Financial Sector)

Shares in Percent



Source: Calculations by DIW Berlin.

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The percentage of women on supervisory boards in the Top-100 banks was about the same as the percentage of women on supervisory boards in the Top-200 companies.

In recent years, the upward trend on supervisory boards has halted. On executive boards, the impetus has failed to materialize anyway; they remain male domains. The bottom line is that there is still a long way to go to achieve parity in the financial sector. It remains to be seen how the planned legislation on the equal participation of women and men in leadership positions in the private and public sectors will impact on the further development of top decision-making bodies. The compulsory women's ratio of 30 percent on supervisory boards for new appointments from 2016 is expected to apply

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

**Keywords:** Financial sector, board diversity, women CEOs, gender equality, gender quota, management, public and private banks, insurance companies, central banks

to four of the banks examined here (Commerzbank, Deutsche Bank, Deutsche Postbank, and Oldenburgische Landesbank) and five insurance companies (Allianz SE, AXA-Konzern AG, Munich Re, Talanx, and Wüstenrot & Württembergische).<sup>20</sup> A significant increase in the proportion of women on the supervisory boards can be expected at these financial institutions at the very least.

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**20** L. Pütz and M. Weckes, "Geschlechterquote für mehr Frauen in den Aufsichtsräten – vor allem Anteilseigner sind gefordert," Mitbestimmungsförderung (Hans Böckler Stiftung).

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