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## Article

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# Corporate Boards of Large Companies: More Momentum Needed for Gender Parity

By Elke Holst and Anja Kirsch (FU Berlin)

Germany's large corporations still have a long way to go before achieving balanced representation of men and women on their boards. At the end of 2015, the share of women on the executive boards of the top 200 companies in Germany was a good six percent, an increase of less than one percentage point over 2014. The share of women on the supervisory boards of these top 200 companies was almost 20 percent although growth there has slowed. The DAX 30 performed slightly better in terms of women's representation: the proportion of women on the executive boards of these companies was just under ten percent at the close of 2015 and the equivalent figure for supervisory boards was almost 27 percent. (In both cases, this represented an increase of more than two percentage points).

Of the over 100 companies obliged to comply with a statutory 30-percent share of women for all new supervisory board appointments from January 2016, almost 28 percent had already met this quota by the end of 2015. Just under one-third of the companies had achieved a share of at least 20 percent but still less than 30 percent of female supervisory board members and were therefore well on their way to fulfilling the quota. Almost half of all DAX 30 companies met the quota. However, it is highly unlikely that the lion's share of the remaining companies will follow these trailblazers voluntarily in the near future since 22 percent of the top 200 and 24 percent of TecDAX companies, as well as over one-third of SDAX companies, currently either have no female supervisory board members at all or at most one in ten. Moreover, the share of women on executive boards is extremely low in all the companies analyzed in the present study. Germany's companies still have a long and difficult path ahead of them in order to achieve increased representation of women on their corporate boards. This makes it all the more imperative to adopt a coordinated approach to improve the career prospects of women by means of stringent framework conditions, also encompassing fiscal and family policy.

For ten years now, DIW Berlin has been analyzing the share of women on the executive and management boards (subsequently executive boards), as well as on the supervisory and administrative boards (subsequently supervisory boards) of Germany's largest commercial enterprises.<sup>1</sup> The analysis also shows the number of female CEOs and executive spokeswomen (subsequently CEOs)<sup>2</sup> as well as supervisory board chairs. The present survey covers the 200 largest companies outside the financial sector,<sup>3</sup> corporations which from January 2016 are obliged to comply with a statutory gender quota for their supervisory boards, the DAX 30, MDAX, SDAX, and TecDAX listed companies,<sup>4</sup> plus another 61 companies with government-owned shares. The present report also includes a comparison of EU member states in terms of the shares of women in the highest decision-

<sup>1</sup> Most recently in 2015, see E. Holst and A. Kirsch, "Executive Board and Supervisory Board Members in Germany's Large Corporations Remain Predominantly Male," *DIW Economic Bulletin*, no. 4 (2015): 25-37.

<sup>2</sup> In joint-stock companies, a supervisory board can appoint a CEO (Section 84, para. 2 of the German Stock Corporation Act (AktG)), while an executive board can choose its own spokesperson. Although the principle of collegiality and the position as *primus inter pares* applies both in the case of the CEO and the spokesperson of the executive board, the "decision to select a spokesperson for the executive board (instead of the appointment of a CEO by the supervisory board) demonstrates a commitment to the complete validity of the principle of collegiality, the position of spokesperson of the executive board as *primus inter pares* and, at the same time, the rejection of a factual leadership role of the spokesperson of the board." Because, in contrast to a CEO, internal board supervision and coordination functions are not part of the remit of a spokesperson of the board. See Schmidt, K. & Lutter, M. (eds.), *Aktiengesetz: Kommentar*, 3rd ed. (Cologne: 2015), 1226-1227 and 1306-1308.

<sup>3</sup> This selection was based on Wolters Kluwer Deutschland GmbH, *Die großen 500. Deutschlands Top-Unternehmen* (November 2015). Research into the composition of corporate boards was conducted between November 2015 and January 2016. New appointments at the beginning of the year were taken into consideration for the DAX 30 companies. The data are based on online company profiles, company interim and annual reports for 2014, German Federal Gazette publications, as well as specific data requests made by DIW Berlin.

<sup>4</sup> The DAX 30 index refers to the largest companies in terms of market capitalization and stock market trading volume. These are followed by MDAX companies (mid caps) and SDAX companies (small caps). The German TecDAX stock index comprises the largest 30 German companies from the technology sector. DIW Berlin has been examining female representation on the corporate boards of DAX 30, MDAX, and SDAX companies for five years, and TecDAX companies for three years.

Table 1

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

	Top 200						Top 100					
	2006	2008	2011	2013	2014	2015	2006	2008	2011	2013	2014	2015
<b>Executive boards/management boards</b>												
Total number of companies	200	200	200	200	200	200	100	100	100	100	100	100
With data on composition	195	191	197	195	197	197	97	96	100	97	97	98
With women on executive board	9	17	22	35	43	51	1	3	11	19	17	22
Percentage	4.6	8.9	11.2	17.9	21.8	25.9	1.0	3.1	11.0	19.6	17.5	22.4
Total number of members	953	934	942	906	877	910	531	526	533	484	461	489
Men	942	911	914	866	830	853	530	519	520	461	442	463
Women	11	23	28	40	47	57	1	7	13	23	19	26
Percentage of women	1.2	2.5	3.0	4.4	5.4	6.3	0.2	1.3	2.4	4.8	4.1	5.3
Total number of chairpersons	195	191	198	194	183	180	97	96	100	97	92	92
Men	195	190	197	190	179	177	97	96	100	96	92	92
Women	0	1	1	4	4	3	0	0	0	1	0	0
Percentage of women	0.0	0.5	0.5	2.1	2.2	1.7	0.0	0.0	0.0	1.0	0.0	0.0
<b>Supervisory boards/administrative boards</b>												
Total number of companies	200	200	200	200	200	200	100	100	100	100	100	100
With data on composition	170	168	163	157	155	158	87	88	90	86	85	82
With women on supervisory board	110	124	118	123	133	137	65	68	68	71	76	75
Percentage	64.7	73.8	72.4	78.3	85.8	86.7	74.7	77.3	75.6	82.6	89.4	91.5
Total number of members	2,500	2,466	2,268	2,159	2,156	2,202	1,389	1,385	1,326	1,231	1,232	1,224
Men	2,304	2,236	1,999	1,834	1,759	1,768	1,270	1,249	1,178	1,044	1,003	976
Women	196	230	269	325	397	434	119	136	148	187	229	248
Percentage of women	7.8	9.3	11.9	15.1	18.4	19.7	8.6	9.8	11.2	15.2	18.6	20.3
Total number of chairpersons	170	168	167	160	149	158	87	88	91	87	84	82
Men	167	166	164	156	144	154	85	86	88	83	81	80
Women	3	2	3	4	5	4	2	2	3	3	3	2
Percentage of women	1.8	1.2	1.8	2.5	3.4	2.5	2.3	2.3	3.3	3.4	3.6	2.4
Companies with data on employee representation	123	129	105	83	118	126	81	66	62	46	63	68
Total number of members	2,206	1,910	1,567	1,291	1,869	1,959	602	1,035	912	748	1,043	1,100
Men	2,023	1,742	1,391	1,088	1,521	1,557	487	940	824	640	845	870
Women	183	168	176	203	348	402	115	95	88	108	198	230
Female employee representatives	139	125	119	110	200	224	84	69	65	61	113	128
As a percentage of women members	76.0	74.4	67.6	54.2	57.5	55.7	73.0	72.6	73.9	56.5	57.1	55.7

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

Source: calculations by DIW Berlin.

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A good six percent of executive board members in the top 200 companies in Germany were women at the end of 2015.

making bodies in the largest listed companies in each of these countries.

The second part of the Women Executive Barometer 2016 discusses the representation of women on corporate boards in the financial sector.<sup>5</sup> Taken together, the two reports show the extent to which women are represented in the management and supervisory bodies of

over 500 private, public, non-profit and listed companies in Germany.

### No change on the horizon for corporate boards of Germany's top 200 companies

In 2015, women continued to be grossly underrepresented on the executive boards of the 200 largest companies in Germany (outside the financial sector): there were, in fact, 15 times as many male board members as female. On the supervisory boards, there were over four times as many men as women (see Table 1).

<sup>5</sup> E. Holst and A. Kirsch, "Financial Sector: Share of Women on Corporate Boards Increases Slightly but Men Still Call the Shots," *DIW Economic Bulletin*, no. 3 (2016).

Women held just 57 or a good six percent of the 910 executive board seats (see Overview 1). This corresponds to an increase of under one percentage point compared to 2014. There were only three female CEOs, which was one fewer than the previous year.<sup>6</sup>

Among the largest 100 companies, women accounted for a good five percent of executive board members. Not a single one of these companies had a female CEO. This places the top 100 companies in a less favorable position than the lower ranking companies (positions 101–200).

At the close of 2015, in Germany’s top 200 companies, almost one-fifth of all supervisory board members were women—this equates to an increase of as little as just over one percentage point against the previous year. Four women held the position of supervisory board chair, which was one fewer than in 2014 (see Overview 2).

A total of 19 percent of the top 200 companies attained or exceeded the 30-percent threshold for female supervisory board members (see Table 2). On a total of 74 supervisory boards, the share of women was 20 percent or above and women held at least one-third of the seats on 21 supervisory boards (see Overview 3). There was not a single supervisory board where women were on a par with men, let alone in the majority. The companies closest to achieving a balanced ratio of women to men on their supervisory boards were *Henkel AG & Co. KGaA* (seven women and nine men) and *TUI Deutschland GmbH* (six women and nine men).

Approximately 56 percent of female supervisory board members were employee representatives. This corresponds to a slight decline against 2014 and is as much as 20 percentage points lower than when the survey first began in 2006. This is evidence that the shareholders are catching up.

### Listed companies

At the end of 2015, of 658 executive board members in the 160 DAX 30, MDAX, SDAX, and TecDAX listed companies, 38 were women (see Overview 4). This equates to an average share of just under six percent. As in 2014, not one of the 160 listed companies included in the study had a female CEO.

However, among these DAX listed companies, women accounted for over 22 percent of supervisory board members, on average (369 of a total of 1,653 board members). Six women held the position of supervisory board chair.

#### Overview 1

### Women on executive boards in Germany at year end 2015

Rank	Company <sup>1</sup>	Name
<b>100 largest commercial enterprises (excluding financial sector)</b>		
6	BASF SE	Margret Suckale
19	BAYER AG	Erica Mann
40	Bertelsmann SE & Co. KGaA	Anke Schäferkordt
5	BMW AG	Milagros Caiña Carreiro-Andree
11	BP Europa SE	Claudia Joost
23	Continental AG	Dr. Ariane Reinhart
2	Daimler AG	Renata Jungo Brünnger
24	Deutsche Lufthansa AG	Simone Menne, Dr. Bettina Volken
12	Deutsche Post AG	Melanie Kreis
10	Deutsche Telekom AG	Claudia Nemat
56	Evonik Industries AG	Ute Wolf
85	EWE AG	Ines Kolmsee
97	Globus SB-Warenhaus Holding GmbH & Co. KG	Petra Schäfer
41	Henkel AG & Co. KGaA	Kathrin Menges
66	Merck KGaA	Belén Garijo
64	Otto GmbH & Co KG	Neela Montgomery, Petra Scharner-Wolf
7	Siemens AG	Lisa Davis, Janina Kugel
81	T-Systems International GmbH	Anette Bronder
34	TUI AG	Dr. Elke Eller
79	Vodafone GmbH	Anna Dimitrova, Ingrid M. Haas
1	Volkswagen AG	Dr. Christine Hohmann-Dennhardt
54	Volkswagen Leasing GmbH	Dr. Heidrun Zirfas
<b>101–200 largest commercial enterprises (excluding financial sector)</b>		
149	Air Berlin PLC & Co. Luftverkehrs KG	Dr. Martina Niemann
115	B. Braun Melsungen AG	Dr. Annette Beller
139	Basell Polyolefine GmbH	Rita Geissel
130	BAUHAUS GmbH & Co. KG	Mirjana Boric <sup>2</sup>
157	DB Fernverkehr AG	Ulrike Haber-Schilling
135	DB Netz Aktiengesellschaft	Ute Plambeck
102	DB Regio Aktiengesellschaft	Marion Rövekamp
132	DB Schenker Rail Deutschland AG	Dr. Ursula Biernert
116	Dirk Rossmann GmbH	Alice Schardt-Roßmann
120	DMK Deutsches Milchkontor GmbH	Ines Krummacker
178	E-Plus Mobilfunk GmbH	Rachel Empey
154	Faurecia Automotive GmbH	Annette Stieve
176	Getrag GmbH & Cie KG	Tamara Ursula Barnekow
187	H&M Hennes & Mauritz B.V. & Co. KG	Susan Astrid Krau
122	HELIOS Kliniken GmbH	Karin Gräppi
104	HEWLETT-PACKARD GmbH	Angelika Gifford
188	Hornbach Baumarkt AG	Susanne Jäger
156	IBM Deutschland GmbH	Martina Koederitz <sup>2</sup> , Susanne Peter
193	Linde Material Handling GmbH	Sabine Neuss
171	Müller Großhandels Ltd & Co. KG	Elke Menold
169	Nestlé Deutschland AG	Béatrice Guillaume-Grabisch <sup>2</sup>
170	Novartis Deutschland GmbH	Inge Maes, Sandrine Piret-Gerard
181	Philips GmbH	Eva Braun
112	Roche Deutschland Holding GmbH	Dr. Ursula Redeker
151	Sanacorp Pharmahandel GmbH	Karin Kaufmann
108	Stadtwerke München GmbH	Erna-Maria Trixl
114	Telefónica Deutschland Holding AG	Rachel Empey
103	Thyssen Krupp Elevator AG	Gabriele Sons
186	Wilh. Werhahn KG	Kathrin Dahnke

<sup>1</sup> Only companies providing data on the composition of their corporate boards.  
<sup>2</sup> Chairwoman.

Source: survey by DIW Berlin.

<sup>6</sup> In total, 177 of the top 200 companies had a CEO or at least provided information on this.

Overview 2

**Names of the chairwomen**

Company	Chairwoman	Company category
Henkel AG & Co. KGaA	Simone Bagel-Trah	DAX-30, Quote
Aareal Bank AG	Marija Korsch	MDAX
Zalando SE	Cristina Stenbeck	MDAX
SGL CARBON SE	Susanne Klatten	SDAX, Quote
RIB Software AG	Sandy Möser	TecDAX
Telefónica Deutschland Holding AG	Eva Castillo Sanz	TecDAX
Claas KGaA mbH	Cathrina Claas-Mühlhäuser	Top-200
Henkel AG & Co. KGaA	Dr. Simone Bagel-Trah	Top-200, Quote
Telefónica Deutschland Holding AG	Eva Castillo Sanz	TecDAX
Würth-Gruppe	Bettina Würth	Top-200

Source: Survey by DIW Berlin.

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This means that women accounted for almost ten percent of all executive board members. As previously, there were still no female CEOs.

With just two exceptions, all DAX 30 companies had at least one female supervisory board member: as has been the case since 2013, the supervisory boards of *Fresenius SE & Co. KGaA* and *Fresenius Medical Care* remained exclusively male domains.<sup>7</sup> In 2015, the number of women as a share of all supervisory board members increased by a good two percentage points to almost 27 percent. There continued to be only one female supervisory board chair.

**The majority of companies subject to the gender quota still have a long way to go**

The law on equality for women and men in managerial positions came into force in Germany on May 1, 2015 (see box). It provided for a statutory 30-percent quota (known as the “gender quota”<sup>8</sup>) for listed companies which also have employee representation on their supervisory boards (full codetermination). The law currently affects around 100 companies<sup>9</sup> and is to be implemented gradually as it applies to new supervisory board appointments from 2016.

Virtually all companies subject to the quota had at least one female supervisory board member at the end of 2015. The share of female supervisory board members was over 23 percent. At the close of 2015, just under 28 percent of companies had already reached the 30-percent threshold and almost one-third had achieved a share of at least 20 percent but still less than 30 percent women on their supervisory boards (see Table 2). The remaining over 40 percent of companies will need to make substantial progress in order to comply with the statutory regulations in the foreseeable future. Two companies—

Table 2

**Percentage of women on supervisory boards by company category**  
In percent

Company	Percentage of women on the supervisory board							
	Zero	1 to 9	10 to 19	20 to 29	30 to 39	40 to 49	50 and over	30 and over
Companies subject to the gender quota	2	7.8	30.4	32.4	24.5	2.9	0	27.5
Top 200	13.3	8.9	31	27.8	17.7	1.3	0	19
DAX 30	6.7	0	16.7	30	40	6.7	0	46.7
MDAX	8	8	38	22	22	2	0	24
SDAX	32.7	2	36.7	6.1	18.4	2	2	22.4
TecDAX	20.7	3.4	24.1	17.2	27.6	0	6.9	34.5
Companies with government-owned shares	3.6	3.6	12.7	30.9	27.3	14.5	7.3	49.1

Source: calculations by DIW Berlin.

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Just 28 percent of companies that are subject to the gender quota of 30 percent have already reached the target.

**DAX 30 companies: executive boards remain predominantly male**

Although the number of women on the executive boards of the DAX 30 companies has risen steadily since the start of the survey in 2008, in 2015, there were still 14 companies, i.e., almost half, with exclusively male executive boards (see Table 3). There were a total of 19 female executive board members—five more than in 2014.

<sup>7</sup> *Fresenius SE & Co. KGaA* will, however, be obliged to comply with the statutory 30-percent quota for new supervisory board appointments from 2016.

<sup>8</sup> See also the definition of the term “gender quota” in DIW Berlin’s glossary (in German only): [http://diw.de/de/diw\\_01.c.412682.de/presse/diw\\_glossar/frauenquote.html](http://diw.de/de/diw_01.c.412682.de/presse/diw_glossar/frauenquote.html).

<sup>9</sup> The number of companies subject to the gender quota, i.e., listed and also with employee representation on their supervisory boards (full codetermination) can change over time. The “Opening Analysis” published by the Hans Böckler Foundation, for example, covers 106 companies; see M. Weckes, “30% Quote im Aufsichtsrat: Eine Eröffnungsbilanz,” *Mitbestimmungsförderung Report*, no. 12 (Hans Böckler Foundation, July 2015). According to research conducted by FidAR e.V., however, as of December 22, 2015, the gender quota applied to a total of 102 companies. Some companies were floated on the stock market and so were added to the number. According to the FidAR study, other companies included by the Böckler Foundation were not in fact listed or did not fit the requirements of full codetermination in compliance with the criteria laid out in the legislation. For information on these criteria, see FidAR e.V., *Studie zum Women-on-Board-Index 100*, [www.wob-index.de](http://www.wob-index.de). The 102 companies examined here are based on the situation as of December 22, 2015. For the majority, these companies are already among the top 200 and/or in the DAX groups analyzed in the present study. For this analysis, they therefore essentially only had to be recategorized.

**Largest 200 companies<sup>1</sup> (excluding financial sector) with more than 20 percent women on supervisory board at year end 2015**

Rank	Company	Total number of members	Number of women	Percentage of women	Rank	Company	Total number of members	Number of women	Percentage of women
41	Henkel AG & Co. KGaA <sup>2</sup>	16	7	43.8	95	AGRAVIS Raiffeisen AG	16	4	25.0
148	TUI Deutschland GmbH	15	6	40.0	28	Celesio AG	12	3	25.0
114	Telefónica Deutschland Holding AG <sup>2</sup>	16	6	37.5	3	E.ON SE	12	3	25.0
66	Merck KGaA	16	6	37.5	30	EnBW Energie Baden-Württemberg AG	20	5	25.0
157	DB Fernverkehr AG	16	6	37.5	96	Freudenberg-Gruppe	12	3	25.0
118	Hella KGaA Hueck & Co.	16	6	37.5	43	Heraeus Holding GmbH	12	3	25.0
145	Infineon Technologies AG	16	6	37.5	88	LANXESS AG	12	3	25.0
12	Deutsche Post AG	20	7	35.0	51	MAN SE	16	4	25.0
10	Deutsche Telekom AG	20	7	35.0	76	Maxingvest AG	16	4	25.0
81	T-Systems International GmbH	20	7	35.0	20	ThyssenKrupp AG	20	5	25.0
199	Städtische Werke Nürnberg GmbH	20	7	35.0	135	DB Netz Aktiengesellschaft	20	5	25.0
156	IBM Deutschland GmbH	12	4	33.3	104	HEWLETT-PACKARD GmbH	16	4	25.0
50	adidas AG	12	4	33.3	181	Philips GmbH	12	3	25.0
73	Brenntag AG	6	2	33.3	151	Sanacorp Pharmahandel GmbH	16	4	25.0
22	DB Mobility Logistics AG	12	4	33.3	106	Beiersdorf AG	12	3	25.0
132	DB Schenker Rail Deutschland AG	3	1	33.3	113	Bosch Rexroth AG	20	5	25.0
178	E-Plus Mobilfunk GmbH	6	2	33.3	190	Bosch Thermotechnik GmbH	12	3	25.0
138	Alliance Healthcare Deutschland AG	12	4	33.3	191	Galeria Kaufhof GmbH	20	5	25.0
195	freenet AG	12	4	33.3	143	STRABAG AG	16	4	25.0
133	NOWEDA eG Apothekergenossenschaft	9	3	33.3	72	Würth-Gruppe <sup>2</sup>	9	2	22.2
127	Vattenfall Europe Sales GmbH	6	2	33.3	18	EDEKA Zentrale AG & Co. KG	18	4	22.2
67	BSH Hausgeräte GmbH	16	5	31.3	58	Lufthansa Air Plus Servicekarten GmbH	9	2	22.2
112	Roche Deutschland Holding GmbH	16	5	31.3	36	SAP SE	18	4	22.2
144	Lufthansa Technik AG (Gruppe)	16	5	31.3	46	Wintershall AG	9	2	22.2
5	BMW AG	20	6	30.0	197	Axel Springer SE	9	2	22.2
24	Deutsche Lufthansa AG	20	6	30.0	19	BAYER AG	20	4	20.0
7	Siemens AG	20	6	30.0	23	Continental AG	20	4	20.0
34	TUI AG	20	6	30.0	52	Boehringer Ingelheim International GmbH	5	1	20.0
21	Deutsche Bahn AG	20	6	30.0	8	METRO AG	20	4	20.0
102	DB Regio Aktiengesellschaft	20	6	30.0	16	Robert Bosch GmbH	20	4	20.0
152	Leoni AG	11	3	27.3	78	Salzgitter AG	20	4	20.0
107	OMV Deutschland GmbH	15	4	26.7	90	Südzucker AG	20	4	20.0
169	Nestlé Deutschland AG	16	4	25.0	49	Vattenfall GmbH	20	4	20.0
6	BASF SE	12	3	25.0	198	Asklepios Kliniken GmbH	20	4	20.0
2	Daimler AG	20	5	25.0	168	Eberspächer GmbH & Co. KG	5	1	20.0
64	Otto GmbH & Co KG	20	5	25.0	165	MVV Energie AG	20	4	20.0
79	Vodafone GmbH	16	4	25.0	140	Stadtwerke Köln GmbH	20	4	20.0

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

2 Here the supervisory board is also chaired by a woman.

Source: calculations by DIW Berlin.

In 30 companies the percentage of women on supervisory boards was at least 30 percent at the end of 2015.

Fresenius SE & Co. KGaA and Porsche SE—neither have a woman on their supervisory or on their executive boards.

The new law also obligates the affected companies to set targets for the share of women on their executive boards and the two management levels immediately below this. The law does not provide for sanctions in the event of failure to comply or for setting a target of zero.<sup>10</sup> The

proportion of women on the executive boards of companies subject to the quota was almost six percent, which is around the same level as the top 200 companies but lower than among the DAX 30.

**Progress varies across company categories:  
DAX 30 in the lead**

DAX 30 companies most frequently exceeded the 30-percent threshold for women on supervisory boards: this applied to almost half of all DAX 30 companies (47 percent). They were followed by TecDAX companies with over one-third and only then, in third place, companies

10 "Etliche Unternehmen planen die Frauenquote mit „Zielgröße Null“, Süddeutsche-online, December 22, 2015, accessed December 28, 2015, <http://www.sueddeutsche.de/karriere/neues-gesetz-gilt-ab-etliche-unternehmen-planen-die-frauenquote-mit-zielgroesse-null-1.2792290>.



**Women on executive boards of listed companies in Germany at year end 2015**

Company	Name	Quota for the supervisory board
<b>DAX-30</b>		
Allianz SE	Dr. Helga Jung	yes
BASF SE	Margret Suckale	yes
BAYER AG	Erica Mann (seit 1.1.2016)	yes
BMW AG	Milagros Caiña Carreiro-Andree	yes
Continental AG	Dr. Ariane Reinhart	yes
Daimler AG	Renata Jungo Brüngger (seit 1.1.2016)	yes
Deutsche Bank AG	Sylvie Matherat	yes
Deutsche Börse AG	Hauke Stars	
Deutsche Lufthansa AG	Simone Menne, Dr. Bettina Volkens	yes
Deutsche Post AG	Melanie Kreis	yes
Deutsche Telekom AG	Claudia Nemat	yes
Henkel AG & Co. KGaA Vz	Kathrin Menges	yes
Merck KGaA	Belén Garijo	yes
Munich RE	Giuseppina Albo, Dr. jur. Doris Höpke	yes
Siemens AG	Lisa Davis, Janina Kugel	yes
Volkswagen AG	Dr. Christine Hohmann-Dennhardt (seit 1.1.2016)	yes
<b>MDAX</b>		
Aareal Bank AG	Dagmar Knopek	
Evonik Industries AG	Ute Wolf	yes
Fraport AG	Anke Giesen	yes
RTL Group S.A.	Anke Schäferkordt	
TAG Immobilien AG	Claudia Hoyer	
<b>SDAX</b>		
comdirect bank AG	Martina Palte	
Deutsche Beteiligungs AG	Susanne Zeidler	
Deutz AG	Dr. Margarete Haase	yes
DIC Asset AG	Sonja Wärntges	
GfK SE	Alessandra Cama	
GRENKELEASING AG	Antje Leminsky	
HORNBACH-Baumarkt-AG	Susanne Jäger	yes
KWS SAAT SE	Eva Kienle	
Schaltbau Holding AG	Elisabeth Prigge	
ZEAL Network SE	Susan Standiford	
zooplus AG	Andrea Skersies	
<b>TecDAX</b>		
GFT Technologies SE	Marika Lulay	
MorphoSys AG	Dr. Marlies Sproll	
Telefónica Deutschland Holding AG	Rachel Empey	yes
<b>Further companies subject to the quota</b>		
Deutsche Postbank AG	Susanne Klöß-Braekler	yes
HSBC Trinkaus & Burkhardt AG	Carola Gräfin v. Schmettow	yes
Oldenburgische Landesbank AG	Karin Katerbau	yes
Solarworld AG	Colette Rückert-Hennen	yes

Source: survey by DIW Berlin.

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corporate boards is also evident if we draw a comparison between the SDAX group and companies subject to the gender quota: almost one-third of the former do not have a single female supervisory board member and the corresponding figure for the latter is as low as two percent. Almost one-half of MDAX companies (46 percent) have a relatively small number of women on their supervisory boards (at least one percent but still less than 20 percent). These and SDAX companies have a lot of catching up to do and still a long way to go before meeting the 30-percent quota. A relatively large number of companies subject to the new quota legislation are approaching the 30-percent mark (a good 32 percent have 20 to 29 percent women on their supervisory boards) and the same applies to DAX 30 companies (30 percent), and the top 200 group (just short of 28 percent). The corresponding figure for SDAX companies is as low as just over six percent.

The executive boards of MDAX companies in particular present a gloomy picture. The share of female executive board members in this category was less than three percent, which was the lowest of all companies analyzed. TecDAX companies demonstrate that the share of women on executive boards can even decline for several years in succession: in 2013, women accounted for a good eight percent but by the end of 2015, this figure had fallen to only three percent.

Over time, the gap between the shares of women and men in the top decision-making bodies, particularly on the executive boards, has been very slow to close. However, the DAX 30 group seems to be making more progress than the top 200 companies here (see Figure 1). Since the DAX 30 companies are in the public eye, discussions in the run-up to the introduction of the new law on equality for women and men in managerial positions may have contributed to them paying increased attention to the gender composition of their supervisory boards.

**Companies with government-owned shares: more women on corporate boards here than in other company categories**

Since 2010, DIW Berlin has included companies with government ownership in its analysis of women's representation in the upper echelons of commercial enterprises. A total of 61 companies with direct government ownership listed in the government's equity holdings report<sup>11</sup> were analyzed in the present study. These companies cover a variety of sectors such as transport, tele-

subject to the new quota legislation (just under 28 percent). The top 200 companies brought up the rear with only 19 percent.

The considerable discrepancies between the company categories in terms of improved representation of women on

<sup>11</sup> Of the 77 companies that had direct government holdings on the reporting date of December 31, 2013, 15 small shareholdings in housing associations, as well as one company which ceased its operational activities in 2001, were not included in the present analysis. See Federal Ministry of Finance (BMF), *Die Beteiligungen des Bundes. Beteiligungsbericht 2014* (Berlin: 2015).

## WOMEN EXECUTIVE BAROMETER: COMPANIES

Table 3

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

	Subject to quota for supervisory boards <sup>2</sup>	Average of the DAX groups	DAX-30					MDAX				SDAX				TecDAX		
	2015	2015	2008	2011	2013	2014	2015	2011	2013	2014	2015	2011	2013	2014	2015	2013	2014	2015
<b>Executive boards/management boards</b>																		
Total number of companies	102	160	30	30	30	30	30	50	50	50	50	50	50	50	50	30	30	30
With data on composition	102	160	30	30	30	30	30	50	50	50	50	50	50	50	50	30	30	30
With women on executive board	24	35	1	6	10	12	16	5	8	5	5	6	11	10	11	8	4	3
<b>Percentage</b>	<b>23.5</b>	<b>21.9</b>	<b>3.3</b>	<b>20.0</b>	<b>33.3</b>	<b>40.0</b>	<b>53.3</b>	<b>10.0</b>	<b>16.0</b>	<b>10.0</b>	<b>10.0</b>	<b>12.0</b>	<b>22.0</b>	<b>20.0</b>	<b>22.0</b>	<b>26.7</b>	<b>13.3</b>	<b>10.0</b>
Total number of members	457	658	183	188	191	188	197	213	213	187	195	168	170	162	165	107	93	101
Men	430	620	182	181	179	174	178	208	205	182	190	160	157	152	154	98	88	98
Women	27	38	1	7	12	14	19	5	8	5	5	8	13	10	11	9	5	3
<b>Percentage of women</b>	<b>5.9</b>	<b>5.8</b>	<b>0.5</b>	<b>3.7</b>	<b>6.3</b>	<b>7.4</b>	<b>9.6</b>	<b>2.3</b>	<b>3.8</b>	<b>2.7</b>	<b>2.6</b>	<b>4.8</b>	<b>7.6</b>	<b>6.2</b>	<b>6.7</b>	<b>8.4</b>	<b>5.4</b>	<b>3.0</b>
Total number of chairpersons	99	178	30	30	30	30	30	50	50	49	48	50	50	48	50	48	50	50
Men	98	178	30	30	30	30	30	50	49	49	48	49	50	48	50	48	50	50
Women	1	0	0	0	0	0	0	0	1	0	0	1	0	0	0	0	0	0
<b>Percentage of women</b>	<b>1.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>Supervisory boards/administrative boards</b>																		
Total number of companies	102	160	30	30	30	30	30	50	50	50	50	50	50	50	50	30	30	30
With data on composition	102	158	30	30	30	30	30	50	50	50	50	50	50	49	49	30	30	29
With women on supervisory board	100	130	27	26	28	28	28	35	45	47	46	21	27	26	33	19	20	23
<b>Percentage</b>	<b>98.0</b>	<b>82.3</b>	<b>90.0</b>	<b>86.7</b>	<b>93.3</b>	<b>93.3</b>	<b>93.3</b>	<b>70.0</b>	<b>90.0</b>	<b>94.0</b>	<b>92.0</b>	<b>42.0</b>	<b>54.0</b>	<b>52.0</b>	<b>67.3</b>	<b>63.3</b>	<b>66.7</b>	<b>79.3</b>
Total number of members	1,515	1,653	527	479	489	490	488	581	584	595	599	346	388	366	365	207	210	201
Men	1,165	1,284	458	404	384	369	357	515	489	492	472	309	337	316	302	174	169	153
Women	350	369	69	75	107	121	131	66	95	103	127	37	51	50	63	33	41	48
<b>Percentage of women</b>	<b>23.1</b>	<b>22.3</b>	<b>13.1</b>	<b>15.7</b>	<b>21.9</b>	<b>24.7</b>	<b>26.8</b>	<b>11.4</b>	<b>16.3</b>	<b>17.3</b>	<b>21.2</b>	<b>10.7</b>	<b>13.1</b>	<b>13.7</b>	<b>17.3</b>	<b>15.9</b>	<b>19.5</b>	<b>23.9</b>
Total number of chairpersons	102	158	k.A.	30	30	30	30	50	48	49	50	50	50	49	49	30	29	29
Men	99	152	k.A.	29	29	29	29	50	46	48	48	50	50	49	48	29	27	27
Women	3	6	k.A.	1	1	1	1	0	2	1	2	0	0	1	1	1	2	2
<b>Percentage of women</b>	<b>2.9</b>	<b>3.8</b>	<b>k.A.</b>	<b>3.3</b>	<b>3.3</b>	<b>3.3</b>	<b>3.3</b>	<b>0.0</b>	<b>4.2</b>	<b>2.0</b>	<b>4.0</b>	<b>0.0</b>	<b>0.0</b>	<b>2.0</b>	<b>2.0</b>	<b>3.3</b>	<b>6.9</b>	<b>6.9</b>
Companies with data on employee representation	99	98	24	24	23	29	28	35	25	36	37	41	17	19	21	7	10	12
Total number of members	1,479	1,284	423	395	310	484	470	397	331	480	498	282	172	188	198	78	111	118
Men	1,137	973	367	334	250	363	342	358	279	398	389	260	146	154	155	62	84	87
Women	342	311	56	61	70	121	128	39	52	82	109	22	26	34	43	16	27	31
Female employee representatives	194	167	41	43	40	66	70	28	33	45	57	19	17	19	22	11	18	18
<b>As a percentage of women members</b>	<b>56.7</b>	<b>53.7</b>	<b>73.2</b>	<b>70.5</b>	<b>57.1</b>	<b>54.5</b>	<b>54.7</b>	<b>71.8</b>	<b>63.5</b>	<b>54.9</b>	<b>52.3</b>	<b>86.4</b>	<b>65.4</b>	<b>55.9</b>	<b>51.2</b>	<b>68.8</b>	<b>66.7</b>	<b>58.1</b>

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

<sup>2</sup> See FidAR (2015): Women-on-Board-Index 100, Number of companies as of 22.12.2015.

Source: calculations by DIW Berlin.

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Among the listed companies, the DAX-30 group fared particularly well.

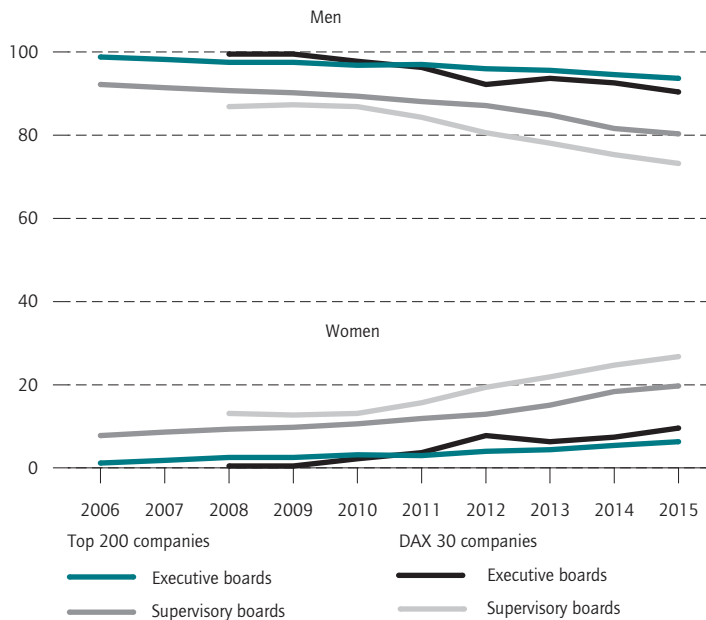
communications, energy, research, and culture. Some of them are major companies—Deutsche Bahn AG, Deutsche Telekom AG, or the KfW Bankengruppe, for example. Others are so small, however, that a comparison with Germany's top 200 companies and 160 listed companies is only possible to a limited extent.

By the end of 2015, a total of 20 of these 61 companies had female executive board members (see Table 4) which was three companies more than in 2014. The 22 female board members accounted for a good 15 percent of all executive board members—this corresponds to two people or half a percentage point more than in 2014. Four



Figure 1

**Percentage of women on supervisory boards and executive boards in the top 200 companies and the DAX-30 companies**



Source: calculations by DIW Berlin.

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The gap between the share of women and men is closing very slowly.

women held the position of CEO (just under 11 percent of all CEOs).<sup>12</sup>

Of the 61 companies with government-owned shares, a total of 55 had a supervisory board and provided information on its composition. Over 96 percent of these companies had female supervisory board members. The total share of female supervisory board members increased by four percentage points to almost 28 percent. There were seven female supervisory board chairs, which was two fewer than in 2014. Since the position of chairperson in public companies is frequently linked to a senior public administration post or to a political position, these seven women also held public administration or political posts (see Overview 5).

Despite the limited comparability with the other company categories analyzed in the present study, we can conclude that the representation of women in public companies is considerably higher, particularly on executive

<sup>12</sup> To date, male-only executive boards/company management have been assumed to also have a male CEO. From 2015, however, dual leadership, where no specific information on the chairperson is provided, has not been included in the figures and so it does not make sense to draw a comparison with 2014.

Box

**Law on equality for women and men in managerial positions**

On March 6, 2015, the lower house of German parliament (*Bundestag*) passed the law on equality for women and men in managerial positions (the "gender quota"). This law was enacted on May 1, 2015 and contains the following provisions:

"In future, a 30-percent gender quota will apply to the supervisory boards of listed companies subject to full codetermination. The quota therefore affects joint-stock companies and partnerships limited by shares that usually have more than 2,000 employees, as well as registered European joint-stock companies (SE) in which the supervisory board or administrative body is composed of an equal number of shareholders and employee representatives. The law currently applies to around 100 companies in Germany.

These companies are obliged to gradually comply with the quota for all new supervisory board appointments from January 1, 2016. In the event of non-compliance, relevant appointments shall not be valid and any seats intended for female board members shall remain vacant ("empty chair").

Companies which are either listed or subject to full codetermination are obliged to set targets to increase the share of women on their supervisory boards, executive boards, and at top management level. Companies must report publicly on their targets and whether or not these targets are met. This provision applies to joint-stock companies and partnerships limited by shares, and also to limited liability companies, registered cooperatives, and mutual insurance companies that usually have more than 500 employees. In total, around 3,500 companies are obligated to set targets.

boards, than in private companies and they also have more chairwomen. Only in respect of the share of women on supervisory boards are the DAX 30 companies virtually on a par with the public companies.

**Political initiatives: a gender quota for Germany but not for Europe**

Whereas Germany has now introduced a statutory gender quota for supervisory boards, no progress was made in 2015 with regard to plans for a Europe-wide gender

The law does not envisage a minimum target. Companies can set their own targets and align them with their corporate structures. However, the following provision applies: if the share of women in senior management is below 30 percent, the target set is not permitted to be lower than the *status quo*.

A company's initial deadline for meeting its targets had to be fixed by September 30, 2015 and may not extend beyond June 30, 2017. Any subsequent deadlines may not exceed five years."

Public sector:

"In accordance with the new law, the German Federal Act on Appointments to Federal Bodies (*Bundesgremienbesetzungsgesetz*) will be revised to increase the share of women on boards where members can be determined by the German federal government. As of 2016, for all new appointments, a quota of at least 30 percent shall apply to positions on supervisory bodies where the German federal government may appoint at least three seats. As of 2018, the objective is to increase this share to 50 percent. The same target applies to important bodies to which the federal government appoints members.

Further, with the aims of increasing the share of women in management positions in the federal public service and improving the conditions for reconciling family, care and work activities, the German Federal Equal Opportunities Act (*Bundesgleichstellungsgesetz*) will be completely revised. In particular, in its equal opportunities plan, the federal administration will be obliged to set out specific targets for the representation of men and women at each individual management level. Moreover, specific measures as to how these targets will be met must also be outlined."

quota. In November 2012, the European Commission put forward a Proposal for a Directive on improving the gender balance among non-executive directors of listed companies and recommended a 40-percent gender quota to be introduced by 2020. In November 2013, the European Parliament voted in favor of the draft law. The next step toward an EU-wide gender quota would have been for the proposal to be adopted by the Council of the European Union. At the Council's meeting on December 7, 2015, however, there was once again no consensus on the Directive. Germany did not vote for the proposal for

Table 4

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

	2010	2011	2012	2013	2014	2015
<b>Executive boards / management boards</b>						
Total number of companies	61	60	60	60	60	61
With data on composition	60	60	60	60	60	61
With women on executive board	9	10	12	14	17	20
Percentage	15.0	16.7	20.0	23.3	28.3	32.8
Total number of members	152	147	143	143	135	144
Men	142	135	127	125	115	122
Women	10	12	16	18	20	22
Percentage of women	6.6	8.2	11.2	12.6	14.8	15.3
Total number of chairpersons	54	55	57	56	52	37
Men	51	52	51	51	47	33
Women	3	3	6	5	5	4
Percentage of women	5.6	5.5	10.5	8.9	9.6	10.8 <sup>2</sup>
<b>Supervisory boards / administrative boards</b>						
Total number of companies	61	60	60	60	60	61
With data on composition	54	55	54	51	54	55
With women on supervisory board	46	42	43	41	50	53
Percentage	85.2	76.4	79.6	80.4	92.6	96.4
Total number of members	577	587	579	553	602	595
Men	472	483	464	453	459	431
Women	105	104	115	100	142	164
Percentage of women	18.2	17.7	19.9	18.1	23.6	27.6
Total number of chairpersons	53	53	53	47	49	55
Men	45	45	42	39	40	48
Women	8	8	11	8	9	7
Percentage of women	15.1	15.1	20.8	17.0	18.4	12.7

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

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

Source: calculations by DIW Berlin.

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The share of women on executive boards is higher in companies with government-owned shares than in other groups of companies.

boardroom quotas<sup>13</sup> and, as such, contributed to blocking the EU gender quota initiative for the foreseeable future.<sup>14</sup>

**Europe-wide comparison: Germany ranks mid-table**

The European Commission publishes statistics on the representation of men and women in key decision-making positions in politics and business in various Euro-

<sup>13</sup> In Germany, there were voices in favor of an EU quota. As well as Manuela Schleswig, the Federal Minister of Family Affairs, Senior Citizens, Women and Youth, proponents included the "Berlin Declaration" (*Berliner Erklärung*), a cross-party alliance of female members of the lower house of the German parliament (*Bundestag*) and women's associations who wrote an open letter to the German Chancellor calling for her to end her blockade approach, see <http://www.berlinererklaerung.de/>, December 16, 2015.

<sup>14</sup> Hendrik Kafsack, "Gleichstellung: EU-Frauenquote steht vor dem Aus," *Frankfurter Allgemeine Zeitung*, December 8, 2015, accessed December 16, 2015, <http://www.faz.net/aktuell/wirtschaft/wirtschaftspolitik/eu-frauenquote-steht-vor-aus-minister-ohne-einigung-13953604.html>.

Overview 5

**Female chairs of supervisory boards in companies with government-owned shares at year end 2015**

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

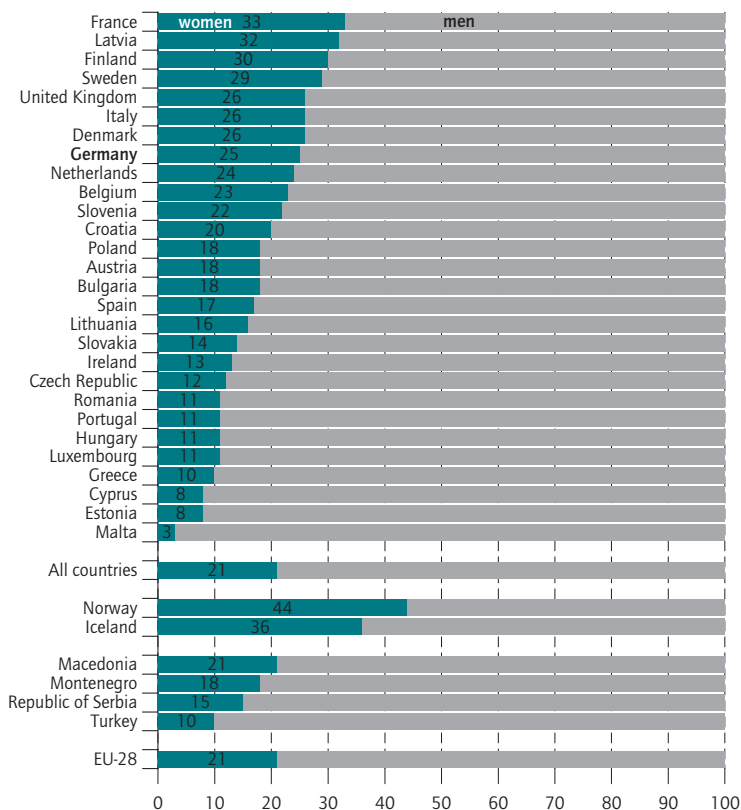
Source: survey by DIW Berlin.

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Figure 2

**Women in the highest decision-making bodies<sup>1</sup> of the largest listed companies in Europe in 2015**

In Percent



<sup>1</sup> Members of the corporate board (supervisory board if supervisory and executive functions are separated). Source: European Commission, Database on women and men in decision making, April 2015.

pean countries.<sup>15</sup> This database captures information on the share of female supervisory board members in the largest listed companies in all 28 EU member states, five candidate countries (Montenegro, Iceland, the former Yugoslav Republic of Macedonia, Serbia, and Turkey) and Norway.<sup>16</sup>

In April 2015, there was an average of 21 percent women on the highest-decision-making bodies of the companies examined (see Figure 2). Germany ranked mid-table with women’s representation on supervisory boards at 25 percent. Ranking highest in the share of women on the supervisory boards of major listed companies were Iceland (44 percent), Norway (36 percent), France (33 percent), Latvia (32 percent), and Finland (30 percent). At the bottom of the ranking were Malta (3 percent), Estonia, and Cyprus (8 percent each), as well as Greece and Turkey (10 percent each).

On the whole, the representation of women on the supervisory boards of the largest companies in Europe has been on an upward trajectory since the beginning of the survey. Since 2003, their share has risen by 12 percentage points. In France, following the introduction of a gender quota in 2011, the share of women on the corporate boards of the major listed companies increased from 12 percent (in 2010) to 33 percent (in 2015). Iceland and Norway also saw a considerable increase in the proportion of women on boards after the introduction of a

<sup>15</sup> European Commission, Database. Women and men in decision-making (2015), [http://ec.europa.eu/justice/gender-equality/gender-decision-making/database/index\\_en.htm](http://ec.europa.eu/justice/gender-equality/gender-decision-making/database/index_en.htm), December 3, 2015.

<sup>16</sup> In each country, the companies on the primary blue chip index registered in the relevant country are examined. In Germany, for example, this is the DAX 30, in France, it is the CAC 40, and in Spain, the IBEX35.

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In an international comparison, Germany ranks mid-table.

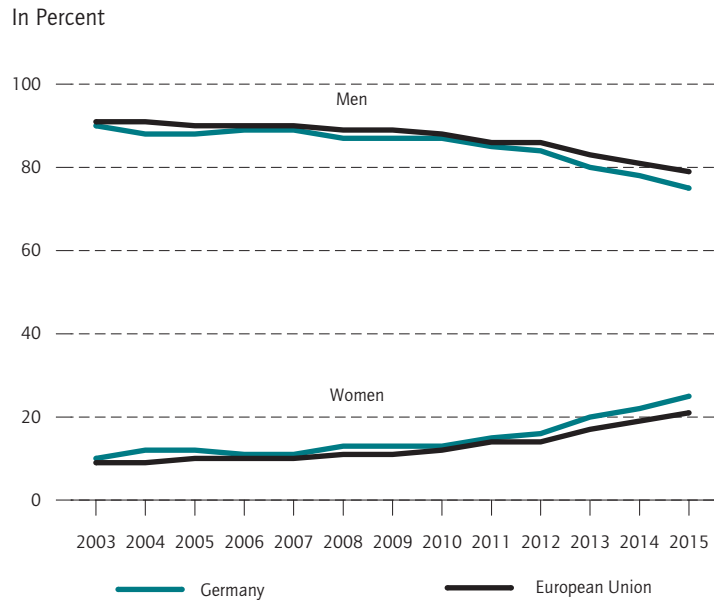
gender quota. Nevertheless, there is still a long way to go before full gender equality is achieved (see Figure 3).

Social and labor policy measures as well as cultural norms regarding a society's prevailing gender roles and gender stereotypes also all have a significant impact on the extent to which women are represented on a country's top decision-making bodies. Legislation on maternity leave, parental leave, and childcare affects the extent to which parents are able to share family and work responsibilities and institutionalizes the roles of women and men in the family and the world of work. Moreover, a high number of women working full-time is a key prerequisite for improved career prospects. In some European countries, these social policy, labor policy, and cultural factors are configured in a way that, according to the findings of one study,<sup>17</sup> their combined effect facilitates an increase in the share of women in key decision-making bodies even without the introduction of a gender quota (as is the case in Sweden). In other countries, however, there are only negligible improvements in the representation of women in these roles despite legislation (such as in Spain).<sup>18</sup>

The UK pursued a different—voluntary—approach. In his report (Davies Review) of February 2011, Lord Davies set out the recommendation that FTSE 100 companies should increase the share of women on their boards of directors from 12.5 percent to at least 25 percent. In October 2015, Lord Davies reported that this target had been met.<sup>19</sup> The reasons for the success of the voluntary approach taken in the UK include the high-caliber appointments to the Davies Steering Group, the threat of a statutory quota being introduced by the European Commission, peer pressure among board chairs, and also the

Figure 3

**Percentage of women and men on corporate boards in Germany and the EU**



Source: European Commission, Database on women and men in decision making.

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The share of women on supervisory boards in Germany is slightly higher than the EU average.

availability of high quality data and research findings demonstrating the benefits of mixed-gender boards.<sup>20</sup>

**Positive relationship between representation of women on corporate boards and in other managerial positions**

Despite society's high expectations with regard to equal career opportunities,<sup>21</sup> not only are women underrepresented on the management and supervisory boards of German companies but in managerial positions in general.<sup>22</sup> This situation can be improved in companies, for instance, by developing recruitment and selection procedures as well as appraisal procedures for managers that avoid gender bias, as well as developing a corporate cul-

17 M. Iannotta, M. Gatti, and M. Huse, "Institutional Complementarities and Gender Diversity on Boards: A Configurational Approach," *Corporate Governance: An International Review*, online first (2015). Further studies of the impact of national institutions on the representation of women on corporate boards are for example: Johanne Grosvold, Bruce Rayton, and Stephen Brammer, "Women on Corporate Boards: A Comparative Institutional Analysis," *Business & Society*, online first (November 3, 2015); Johanne Grosvold and Stephen Brammer, "National Institutional Systems as Antecedents of Female Board Representation: An Empirical Study," *Corporate Governance: An International Review* 19(2) (2011): 116-135; and Siri Terjesen and Val Singh, "Female Presence on Corporate Boards: A Multi-Country Study of Environmental Context," *Journal of Business Ethics* 83(1) (2008): 55-63.

18 In Spain, an equality law passed in 2007 stipulated that the boards of directors of listed companies were obliged to meet a 40-percent gender quota by 2015; in reality, however, in April 2015, the share of women on the 33 largest listed companies was only 17 percent. The failure of this quota legislation was attributed to an absence of sanctions, inadequate monitoring of enforcement of the law, resistance on behalf of the companies, and also a lack of support from other key players in the political sphere and various interest groups. See T. Verge and E. Lombardo, "The differential approach to gender quotas in Spain: Regulated politics and self-regulated corporate boards," *EUI Law Working Paper* 24 (2015).

19 *Women on boards: 5 year summary (Davies review)* (October 2015), accessed December 14, 2015, <http://thedaviesreview.com/>.

20 Susan Vinnicombe, Elena Doldor, Ruth Sealy, Patricia Pryce, and Caroline Turner, *The Female FTSE Board Report 2015* (Cranfield International Centre for Women Leaders, 2015), accessed December 15, 2015, <http://dspace.lib.cranfield.ac.uk/handle/1826/9182>.

21 Andreas Boes, Anja Bultemeier, and Rainer Trinczek, eds., *Karrierechancen von Frauen erfolgreich gestalten: Analysen, Strategien und Good Practices aus modernen Unternehmen* (Wiesbaden: Springer, 2014).

22 See Elke Holst, Anne Busch-Heizmann, and Anna Wieber, "Führungskräfte-Monitor 2015," *DIW Berlin Politikberatung kompakt*, no. 100 (2015).

Overview 6

**Companies<sup>1</sup> without women on the supervisory or the executive board by company category**

Category	Total	Companies without Women on the Supervisory or the Executive Board
Top 200	17	Fresenius SE & Co. KGaA Bayer Healthcare AG Porsche Automobil Holding SE Fresenius Medical Care AG & Co. KGaA Oetker-Gruppe (= Dr. August Oetker KG) Benteler-Gruppe (Benteler International AG) Obi Bau-und Heimwerkermärkte GmbH & Co.KG hagebau Handelsgesellschaft für Baustoffe mbH & Co. KG KNORR-BREMSE AG RWE Power AG Brose Fahrzeugteile GmbH & Co. KG Coburg Fresenius Kabi AG EDEKA Handelsgesellschaft Rhein-Ruhr mbH MHK Group AG ContiTech AG United Internet AG DIEHL Stiftung & Co. KG
DAX 30	2	Fresenius Medical Care AG & Co. KGaA Fresenius SE & Co. KGaA
MDAX	2	CTS Eventim AG & Co. KGaA Deutsche Wohnen AG
SDAX	12	ADLER Real Estate AG ADO Properties S.A. Braas Monier Building Group SA Capital Stage AG PATRIZIA Immobilien AG Rational AG Sixt Leasing AG Sixt SE Stabilus S.A. Ströer Media SE VTG Aktiengesellschaft Wacker Neuson SE
TecDAX	6	LPKF Laser & Electronics AG Manz AG Nemetschek AG Pfeiffer Vacuum Technology AG United Internet AG Wirecard AG
Companies with government-owned shares	2	Endlager Konrad Stiftungsgesellschaft mbH Gesellschaft für Entwicklung, Beschaffung und Betrieb mbH
Companies subject to the gender quota	2	Fresenius SE & Co. KGaA Porsche Automobil Holding SE

<sup>1</sup> 38 companies in total (without duplicates).

Source: survey by DIW Berlin.

ture that promotes diversity.<sup>23</sup> DIW Berlin’s five-point plan to increase the number of women on corporate boards also takes account of these and other relevant aspects.<sup>24</sup>

American studies indicate that the presence of women in the top decision-making bodies of companies has a positive impact on their career opportunities in the broader sense: studies show that more female managers are employed in companies which have more women on their boards<sup>25</sup> and more women are appointed CEOs in these companies and enjoy longer tenures.<sup>26</sup>

In the German corporate governance system—unlike in the US—executive boards and supervisory boards are two separate bodies. Nevertheless, in Germany, too, a higher percentage of women on the supervisory board could have a positive impact on the presence of women on the executive board and in senior management. After all, supervisory boards are not only responsible for monitoring, but are also involved in the appointment of the executive board and the formulation of executive board members’ contracts. Here, supervisory boards can send important signals by giving due consideration to female candidates during the selection of executive board members and also, for instance, by including how well they support gender diversity in management in their incentive systems.<sup>27</sup>

The German Corporate Governance Code (*Deutscher Corporate-Governance-Kodex*) includes recommendations on the gender composition of executive boards: “When appointing the Management Board, the Supervisory Board shall also respect diversity and, in particular, aim for an appropriate consideration of women.”<sup>28</sup>

<sup>23</sup> Lisa Ritzenhöfer, Prisca Brosi, and Isabell M. Welpel, “Erfolgreiche Auswahl und Beurteilung von Führungskräften – Ansatzpunkte für Individuen, Unternehmen und Politik,” in *Auswahl von Männern und Frauen als Führungskräfte: Perspektiven aus Wirtschaft, Wissenschaft, Medien und Politik*, eds. Isabell M. Welpel, Prisca Brosi, Lisa Ritzenhöfer, and Tanja Schwarz Müller (Wiesbaden: Springer, 2015), 729–750.

<sup>24</sup> See, for example, E. Holst and A. Kirsch, “Executive Board and Supervisory Board Members in Germany’s Large Corporations Remain Predominantly Male,” *DIW Economic Bulletin*, no. 4 (2015): 38.

<sup>25</sup> Sheryl Skaggs, Kevin Stainback, and Phyllis Duncan, “Shaking things up or business as usual? The influence of female corporate executives and board of directors on women’s managerial representation,” *Social Science Research* 41(4) (2012): 936–948; Diana Bilimoria, “The Relationship Between Women Corporate Directors and Women Corporate Officers,” *Journal of Managerial Issues* 18(1) (2006): 47–61.

<sup>26</sup> Alison Cook and Christy Glass, “Women and Top Leadership Positions: Towards an Institutional Analysis,” *Gender, Work & Organization* 21(1) (2014): 91–103.

<sup>27</sup> See Ann-Kristin Achleitner, “Überlegungen zur Auswahl von Aufsichtsräten und positiv gelebter Diversität,” in *Auswahl von Männern und Frauen als Führungskräfte: Perspektiven aus Wirtschaft, Wissenschaft, Medien und Politik*, eds. Isabell M. Welpel, Prisca Brosi, Lisa Ritzenhöfer, and Tanja Schwarz Müller (Wiesbaden: Springer, 2015), 193–201.

<sup>28</sup> German Corporate Governance Codex in the version dated June 24, 2014, Article 5.1.2, para. 1, sentence 2, accessed January 4, 2016, [www.dcgk.de/en/code/archive.html](http://www.dcgk.de/en/code/archive.html).



Nevertheless, the Berlin Center of Corporate Governance (BCCG), which regularly surveys listed companies on acceptance and implementation of the German Corporate Governance Code, notes in its latest study that “a good quarter of companies do not intend to appropriately consider women when making executive board appointments, as evidenced by the fact that they either do not comply with the recommendation on general diversity on the executive board (...) or the recommendation on gender diversity (...).”<sup>29</sup>

## Conclusion

The representation of women in the upper echelons of German companies has been on an upward trajectory since DIW Berlin first conducted its survey ten years ago. The problem is the rate at which things are changing: it is so slow that we are still far from achieving equal representation of women and men in decision-making positions in business. While the share of women on executive boards stubbornly remains at a negligible level, progress on the supervisory boards is faster, albeit not fast enough. If we simply extrapolate the trend of the past ten years, it would take another 86 years, i.e., up to and beyond 2100, until the top 200 companies achieve gender parity on their executive boards and beyond 2040 on their supervisory boards.

We cannot tar all companies with the same brush, however, since some are considerably more ambitious than others: in all of the company categories studied, a not insignificant number of companies already have 30 percent or more women on their supervisory boards. At the same time, however, especially in the SDAX, top 200, and TecDAX categories, many companies have not even achieved a share of ten percent women on their supervisory boards. These companies have a particularly long

way to go before they catch up. A total of 38 of the companies examined in the present study did not have a single female supervisory or executive board member (see Overview 6).

The law on equality for women and men in managerial positions passed in 2015 includes statutory provisions for the composition of supervisory boards of only just over 100 companies. Further regulations for setting targets to increase the share of women on supervisory boards, executive boards, and in the top management levels in approximately 3,500 companies are more flexible and non-binding. Consequently, the extent to which companies prioritize a balanced representation of men and women in managerial positions will play a major role in years to come.<sup>30</sup> Supplementary policy measures to improve women’s career opportunities can and should be taken—for instance, accompanying tax and family policy. A study conducted by DIW Berlin<sup>31</sup> shows that the lack of incentives for married women’s labor market participation due to income tax splitting could, for example, be counteracted by switching to individual taxation only. Finally, social norms also impact on women’s career opportunities, so a change in individuals’ behavior, for instance, concerning the division of paid employment<sup>32</sup> and childcare between fathers and mothers,<sup>33</sup> could also contribute to reducing the underrepresentation of women in managerial positions.

<sup>29</sup> Axel v. Werder and Julia Turkali, “Corporate Governance Report 2015: Kodexakzeptanz und Kodexanwendung,” *Der Betrieb* 24 (2015): 1357–1367.

<sup>30</sup> See also Norma Schmitt, “Towards a Gender Quota,” *DIW Economic Bulletin*, no. 40 (2015): 527–537 on the positive effects of a gender quota.

<sup>31</sup> Stefan Bach, Johannes Geyer, Peter Haan, and Katharina Wrohlich, “Reform of Income Splitting for Married Couples: Only Individual Taxation Significantly Increases Working Incentives,” *DIW Economic Bulletin*, no. 5 (2011): 13–20.

<sup>32</sup> Kai-Uwe Müller, Michael Neumann, and Katharina Wrohlich, “The Family Working-Time Benefits Model (Familienarbeitszeit): Giving Mothers More Time for Work, Giving Fathers More Time for Family,” *DIW Economic Bulletin*, no. 45/46 (2015): 595–602.

<sup>33</sup> See, for example, Pia S. Schober, and Gundula Zoch, “Kürzere Elternzeit von Müttern – gleichmäßigere Aufteilung der Familienarbeit?,” *DIW Wochenbericht*, no. 50 (2015): 1190–1196.

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