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## Article

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# Financial sector: proportion of women in top decision-making bodies is increasing more slowly than at the beginning of the decade—equal gender representation is still a long way off

By Elke Holst and Katharina Wrohlich

Over the past year, the proportion of women serving on the executive and supervisory boards of the top 100 largest banks in Germany rose slightly to almost nine and 23 percent, respectively. However, growth has come to a halt in the 60 largest insurance companies: on both executive and supervisory boards, the proportion of women has sunk to almost nine and 22 percent, respectively. For over ten years, DIW Berlin has been investigating to what extent women are represented in the top decision-making bodies of banks and insurance companies. A phase of stagnation from 2006 to 2010 was followed by a period of dynamic growth until 2014/2015 before largely returning to a slower phase of development. It seems unlikely that the average development over the past 11 years will continue linearly because most banks or insurance companies do not continue to increase the proportion of women on supervisory boards after reaching the 30 percent target mark. The development could be strengthened by a change in corporate culture. These changes include ambitious goals for more women in top positions and their timely implementation as well as a more modern corporate organization. This way, new role models can be formed and gender stereotypes can be dismantled.

For over ten years, DIW Berlin has been studying the proportion of women on management boards and in executive positions (hereafter referred to as “executive boards”) as well as on supervisory and administrative boards (hereafter “supervisory boards”) in the financial and insurance services sector (hereafter “financial sector”) in Germany.<sup>2</sup> In addition to documenting the development of the proportion of women in these committees, this report shows to what extent women hold executive board chair or executive board spokesperson positions (hereafter “CEO”)<sup>3</sup> as well as supervisory board chair positions. The survey includes the 100 largest banks measured by balance sheet total and the 60 largest insurance companies measured by revenue from contributions.<sup>4</sup> This report

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

<sup>2</sup> For last year's report, see Elke Holst and Katharina Wrohlich, “Women Executives Barometer 2017.” *DIW Economic Bulletin*, no. 1+2 (2017): 17–30 (available online; accessed on December 15, 2017. This applies to all other online sources in this report unless stated otherwise).

<sup>3</sup> In publicly traded companies, a supervisory board can appoint a CEO (Section 84, para. 2 of the German Stock Corporation Act [*Aktiengesetz*, AktG]), while an executive board can determine its own spokesperson. Although the principle of collegiality and the position of *primus inter pares* apply in the case of both CEO and executive board spokespersons, the “decision to select a spokesperson for the executive board (instead of having the supervisory board appoint a CEO) demonstrates a commitment to the blanket validity of the principle of collegiality and the position of executive board spokesperson as *primus inter pares*. At the same time, it rejects the spokesperson of the board as a factual leader.” In contrast to a CEO, a spokesperson of the board is not responsible for internal board supervision and coordination functions. See Karsten Schmidt and Marcus Lutter, eds., *Aktiengesetz: Kommentar*, 3rd ed. (Cologne: Verlag Dr. Otto Schmidt, 2015), 1226 et seq. and 1306–1308 (in German).

<sup>4</sup> The largest banks (measured by balance sheet total in 2015) were selected according to Stefan Hirschmann, “Top 100 der deutschen Kreditwirtschaft. Zartes Erwachen” *Die Bank, Zeitschrift für Bankpolitik und Praxis* 8 (2017): 12–19 (in German). The largest insurance companies (measured by revenue from contributions in 2016) were selected using a special evaluation from the *Kölner Institut für Versicherungsinformation und Wirtschaftsdienste* (KIVI). Additionally, the largest reinsurance companies were taken into account (see box). Corporations/groups without a supervisory board were excluded because they only exist as “combined brands.” Research into the composition of the top decision-making bodies of the banks and insurance companies was conducted

Table 1

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

In percent

|  | 1999 | 2000 | 2005 | 2010 | 2014 | 2015 | 2016 | 2017 |
|--|------|------|------|------|------|------|------|------|
| Provision of financial services <sup>1</sup>   | 57.0 | 57.1 | 57.6 | 57.2 | 57.0 | 57.0 | 56.7 | 56.6 |
| Central banks and credit institutions  | 57.2 | 57.3 | 58.0 | 57.6 | 57.7 | 57.8 | 57.7 | 57.7 |
| Insurance companies, reinsurance companies, and pension funds (excluding social security) <sup>2</sup> | 46.8 | 47.2 | 48.8 | 49.2 | 49.5 | 49.9 | 49.9 | 49.9 |
| Activities associated with financial and insurance services <sup>3</sup>                               | 60.2 | 60.0 | 62.1 | 60.9 | 59.4 | 58.8 | 58.9 | 58.7 |

<sup>1</sup> Listed as "Credit Services Industry" up to 2008.<sup>2</sup> Listed as "Insurance Industry" up to 2008.<sup>3</sup> Listed as "Activities Associated with the Credit and Insurance Industry" up to 2008.Source: German Federal Employment Agency, *Beschäftigte nach Wirtschaftszweigen (WZ 2008)*, quarterly figures, effective date: 31<sup>st</sup> March 2017.

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also provides information on the proportion of women in the decision-making boards of the European Central Bank, the European Banking Authority, and the national central banks of EU member states.

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

### Traditionally, women are disproportionately underrepresented in leadership positions in the financial sector

The German financial sector is characterized by a high proportion of female employees—more than half of all employees in this sector are women (Table 1). However, men hold the majority of the executive positions in this

industry. It is a well-known phenomenon: empirical studies show that men are much more likely to hold leadership positions than women in the financial sector—even when taking factors such as education and work experience into account.<sup>7</sup> In no other industry is it so unlikely for women to work their way to a position in the first or second-level management levels as it is in the financial and insurance sectors, especially considering the proportion of women relative to all employees in this sector.<sup>8</sup> This *gender leadership gap*<sup>9</sup> does not only exist in Germany. International studies show that in many European countries as well as the United States, the chances of women reaching high-level leadership positions in the banking sector are especially low in comparison to other industries.<sup>10</sup>

The Equal Participation of Women and Men in Leadership Positions in the Private and Public Sectors Act (*Gesetz für die gleichberechtigte Teilhabe von Frauen und Männern an Führungspositionen*) has been in effect since May 2015, and the mandatory gender quota for supervisory boards has been in effect since January 2016. Since

between November 2017 and early January 2018. New appointments at the beginning of the year were taken into consideration for the banks. The data are based on online company profiles, annual reports, and financial statements for 2016. It also includes information from German Federal Gazette publications as well as specific data requests made to the companies by DIW Berlin.

<sup>5</sup> Cf. Elke Holst and Katharina Wrohlich, "Top-decision making bodies of large businesses: gender quota for supervisory boards is effective—development is almost at a standstill for executive boards," *DIW Weekly Report*, no. 3 (2018): 17–31.

<sup>6</sup> We would like to thank our student assistants, Paula Arndt, Anna Raffalski, and Louisa Schmitt, for their excellent research support.

<sup>7</sup> Cf. Elke Holst and Martin Friedrich, "Hohe Führungspositionen: In der Finanzbranche haben Frauen im Vergleich zu Männern besonders geringe Chancen," *DIW Wochenbericht*, no. 37 (2016): 827–828 (in German; available online).

<sup>8</sup> Cf. Susanne Kohaut and Iris Möller, "Oberste Chefetage bleibt Männerdomäne," *IAB Kurzbericht*, no. 24 (2017) (in German; available online).

<sup>9</sup> The gender leadership gap illustrates the difference between the proportion of female employees and the proportion of women in higher leadership positions. If women had the exact same chances as men to be chosen for a leadership position, this difference would not exist and women in leadership positions would be represented according to the proportion of female employees. Cf. Holst and Friedrich, "Hohe Führungspositionen," 829.

<sup>10</sup> Cf. Renée B. Adams and Tom Kirchmaier, "Women on Boards in Finance and STEM Industries," *American Economic Review: Papers and Proceedings* 106, no. 5 (2016): 277–281; as well as Renée B. Adams and Tom Kirchmaier, "Women in Finance" (working paper no. 479, ECGI Finance, 2016) (available online).

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 |       |       |       |       |       |       |       |       |      | Insurance companies |      |      |      |      |      |      |       |  |  |
|--|-------|-------|-------|-------|-------|-------|-------|-------|-------|------|---------------------|------|------|------|------|------|------|-------|--|--|
|  | 2006  | 2010  | 2011  | 2012  | 2013  | 2014  | 2015  | 2016  | 2017  | 2006 | 2010                | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017² |  |  |
| Executive boards/management boards             |       |       |       |       |       |       |       |       |       |      |                     |      |      |      |      |      |      |       |  |  |
| Total number of companies                      | 100   | 100   | 100   | 100   | 100   | 100   | 100   | 100   | 100   | 63   | 62                  | 59   | 61   | 60   | 60   | 59   | 59   | 60    |  |  |
| With data on composition                       | 100   | 100   | 100   | 100   | 100   | 100   | 100   | 100   | 100   | 63   | 62                  | 59   | 61   | 60   | 60   | 59   | 59   | 60    |  |  |
| With women on executive board                  | 10    | 10    | 12    | 17    | 24    | 23    | 28    | 30    | 32    | 10   | 10                  | 14   | 21   | 29   | 27   | 27   | 31   | 26    |  |  |
| Percentage                                     | 10.0  | 10.0  | 12.0  | 17.0  | 24.0  | 23.0  | 28.0  | 30.0  | 32.0  | 15.9 | 16.1                | 23.7 | 34.4 | 48.3 | 45.0 | 45.8 | 52.5 | 43.3  |  |  |
| Total number of members                        | 442   | 408   | 404   | 407   | 396   | 387   | 394   | 404   | 406   | 394  | 399                 | 385  | 384  | 396  | 353  | 353  | 357  | 341   |  |  |
| Men  | 431   | 396   | 391   | 390   | 371   | 361   | 364   | 371   | 370   | 384  | 389                 | 370  | 362  | 362  | 323  | 321  | 322  | 312   |  |  |
| Women  | 11    | 12    | 13    | 17    | 25    | 26    | 30    | 33    | 36    | 10   | 10                  | 14   | 22   | 34   | 30   | 32   | 35   | 29    |  |  |
| Percentage of women                            | 2.5   | 2.9   | 3.2   | 4.2   | 6.3   | 6.7   | 7.6   | 8.2   | 8.9   | 2.5  | 2.5                 | 3.6  | 5.7  | 8.6  | 8.5  | 9.1  | 9.8  | 9.3   |  |  |
| Total number of chairpersons                   | 100   | 100   | 100   | 100   | 100   | 100   | 98    | 98    | 98    | 63   | 62                  | 59   | 61   | 60   | 60   | 59   | 59   | 60    |  |  |
| Men  | 98    | 98    | 99    | 97    | 97    | 98    | 95    | 94    | 93    | 63   | 62                  | 59   | 60   | 59   | 59   | 58   | 58   | 59    |  |  |
| Women  | 2     | 2     | 1     | 3     | 3     | 2     | 3     | 4     | 5     | 0    | 0                   | 0    | 1    | 1    | 1    | 1    | 1    | 1     |  |  |
| Percentage of women                            | 2.0   | 2.0   | 1.0   | 3.0   | 3.0   | 2.0   | 3.1   | 4.1   | 5.1   | 0.0  | 0.0                 | 0.0  | 1.6  | 1.7  | 1.7  | 1.7  | 1.7  | 1.7   |  |  |
| Supervisory boards/administrative boards       |       |       |       |       |       |       |       |       |       |      |                     |      |      |      |      |      |      |       |  |  |
| Total number of companies                      | 100   | 100   | 100   | 100   | 100   | 100   | 100   | 100   | 100   | 63   | 62                  | 59   | 61   | 60   | 60   | 59   | 59   | 60    |  |  |
| With data on composition                       | 100   | 100   | 100   | 100   | 100   | 97    | 98    | 98    | 99    | 63   | 62                  | 59   | 61   | 60   | 60   | 59   | 59   | 59    |  |  |
| With women on supervisory board                | 89    | 88    | 88    | 88    | 89    | 89    | 93    | 95    | 95    | 46   | 48                  | 45   | 50   | 50   | 48   | 50   | 52   | 50    |  |  |
| Percentage                                     | 89.0  | 88.0  | 88.0  | 88.0  | 89.0  | 91.8  | 94.9  | 96.9  | 96.0  | 73.0 | 77.4                | 76.3 | 82.0 | 83.3 | 80.0 | 84.7 | 88.1 | 83.3  |  |  |
| Total number of members                        | 1,633 | 1,548 | 1,567 | 1,491 | 1,485 | 1,504 | 1,518 | 1,520 | 1,532 | 812  | 732                 | 689  | 704  | 683  | 661  | 640  | 639  | 580   |  |  |
| Men  | 1,387 | 1,295 | 1,307 | 1,226 | 1,230 | 1,234 | 1,194 | 1,194 | 1,186 | 720  | 645                 | 599  | 596  | 572  | 547  | 518  | 498  | 454   |  |  |
| Women  | 246   | 253   | 260   | 265   | 255   | 270   | 324   | 326   | 346   | 92   | 87                  | 90   | 108  | 111  | 114  | 122  | 141  | 126   |  |  |
| Percentage of women                            | 15.1  | 16.3  | 16.6  | 17.8  | 17.2  | 18.0  | 21.3  | 21.4  | 22.6  | 11.3 | 11.9                | 13.1 | 15.3 | 16.3 | 17.2 | 19.1 | 22.1 | 21.7  |  |  |
| Total number of chairpersons                   | 100   | 100   | 100   | 100   | 100   | 97    | 98    | 98    | 99    | 63   | 62                  | 59   | 61   | 60   | 60   | 59   | 59   | 59    |  |  |
| Men  | 97    | 97    | 98    | 97    | 97    | 92    | 92    | 91    | 93    | 63   | 61                  | 58   | 60   | 59   | 58   | 57   | 58   | 56    |  |  |
| Women  | 3     | 3     | 2     | 3     | 3     | 5     | 6     | 7     | 6     | 0    | 1                   | 1    | 1    | 1    | 2    | 2    | 1    | 3     |  |  |
| Percentage of women                            | 3.0   | 3.0   | 2.0   | 3.0   | 3.0   | 5.2   | 6.1   | 7.1   | 6.1   | 0.0  | 1.6                 | 1.7  | 1.6  | 1.7  | 3.3  | 3.4  | 1.7  | 5.1   |  |  |
| Companies with data on employee representation | 33    | 44    | 53    | 56    | 36    | 76    | 81    | 81    | 84    | 24   | 34                  | 33   | 39   | 27   | 59   | 48   | 49   | 51    |  |  |
| Total number of members                        | 599   | 642   | 738   | 786   | 564   | 1,159 | 1,255 | 1,269 | 1,312 | 291  | 351                 | 385  | 411  | 312  | 647  | 573  | 584  | 545   |  |  |
| Men  | 496   | 549   | 628   | 649   | 455   | 943   | 968   | 981   | 1,004 | 256  | 319                 | 347  | 358  | 266  | 534  | 461  | 449  | 424   |  |  |
| Women  | 103   | 93    | 110   | 137   | 109   | 216   | 288   | 288   | 308   | 35   | 32                  | 38   | 53   | 46   | 113  | 112  | 135  | 121   |  |  |
| Female employee representatives                | 85    | 62    | 78    | 87    | 69    | 131   | 157   | 151   | 162   | 32   | 26                  | 36   | 43   | 34   | 81   | 71   | 81   | 73    |  |  |
| As a percentage of women members               | 82.5  | 66.7  | 70.9  | 63.5  | 63.3  | 60.6  | 54.5  | 52.4  | 52.6  | 91.4 | 81.3                | 94.7 | 81.1 | 73.9 | 71.7 | 63.4 | 59.6 | 60.3  |  |  |

<sup>1</sup> At the end of the year 2017. Only companies providing data on the composition of their corporate boards.

<sup>2</sup> Discontinuity in the time series after 2016 (see Box, p. 24)

Source: Authors' own data collection and calculations.

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then, the development of the proportion of women—especially on supervisory, but also on executive boards—has been the focus of public interest. The development in the largest 100 banks and 60 insurance companies in Germany is shown in detail below.

## Top 100 banks

### Executive boards: consistent low growth at a low level

In Germany, 32 of the 100 largest banks had at least one woman serving on their executive board at the end of

2017—two more than in the previous year (Table 2). The proportion of women on the executive board of banks was around nine percent in total, an increase of a good half percentage point compared to 2016. In the 100 largest banks, there were five women with a seat on the executive board (Overview 1), one more than in 2016.<sup>11</sup>

<sup>11</sup> These women are Carola Gräfin v. Schmettow (*HSBC Trinkaus & Burkhardt AG*), Karin-Brigitte Göbel (*Stadtsparkasse Düsseldorf*), Eva Wunsch-Weber (*Frankfurter Volksbank e.G.*), Dr. Birgit Roos (*Sparkasse Krefeld*), and Ines Dietze (*SWN Kreissparkasse Waiblingen*).

Table 3

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

| Rank | Bank  | Total number of members | Women | Percentage share of women | Pillar      |
|------|---|-------------------------|-------|---------------------------|-------------|
| 46   | IBB Investitionsbank Berlin <sup>2</sup>                              | 9                       | 6     | 66.7                      | public      |
| 82   | Bethmann Bank AG  | 5                       | 3     | 60.0                      | private     |
| 43   | Comdirect Bank AG   | 6                       | 3     | 50.0                      | private     |
| 24   | Santander Consumer Bank AG  | 12                      | 6     | 50.0                      | private     |
| 31   | Dexia Kommunalbank Deutschland AG                                     | 6                       | 3     | 50.0                      | private     |
| 12   | NRW.Bank  | 13                      | 6     | 46.2                      | public      |
| 56   | Investitionsbank des Landes Brandenburg                               | 18                      | 8     | 44.4                      | public      |
| 45   | Investitionsbank Schleswig-Holstein (IB)                              | 12                      | 5     | 41.7                      | public      |
| 69   | BB Bank   | 15                      | 6     | 40.0                      | cooperative |
| 52   | Sparkasse Hannover  | 18                      | 7     | 38.9                      | public      |
| 41   | Wüstenrot Bausparkasse AG   | 16                      | 6     | 37.5                      | private     |
| 85   | Sparkasse Krefeld   | 20                      | 7     | 35.0                      | public      |
| 1    | Deutsche Bank AG  | 20                      | 7     | 35.0                      | private     |
| 11   | Postbank AG   | 20                      | 7     | 35.0                      | private     |
| 21   | Aareal Bank AG <sup>2</sup>   | 12                      | 4     | 33.3                      | private     |
| 51   | Oldenburgische Landesbank AG  | 12                      | 4     | 33.3                      | private     |
| 6    | Landesbank Baden-Württemberg  | 21                      | 7     | 33.3                      | public      |
| 20   | Volkswagen Bank GmbH  | 12                      | 4     | 33.3                      | private     |
| 40   | LfA Förderbank Bayern <sup>2</sup>                                    | 6                       | 2     | 33.3                      | public      |
| 74   | Sparkasse Dortmund  | 15                      | 5     | 33.3                      | public      |
| 80   | Sparkasse Leipzig   | 15                      | 5     | 33.3                      | public      |
| 91   | Sparkasse Karlsruhe Ettlingen   | 24                      | 8     | 33.3                      | public      |
| 97   | Sparda-Bank München e.G. <sup>2</sup>                                 | 9                       | 3     | 33.3                      | cooperative |
| 19   | Deutsche Pfandbriefbank AG  | 9                       | 3     | 33.3                      | private     |
| 29   | BHW Bausparkasse AG   | 9                       | 3     | 33.3                      | private     |
| 89   | Sächsische Aufbaubank – Förderbank                                    | 9                       | 3     | 33.3                      | public      |
| 15   | HSH Nordbank AG   | 16                      | 5     | 31.3                      | public      |
| 57   | Landesbank Saar   | 13                      | 4     | 30.8                      | public      |
| 4    | Commerzbank AG  | 20                      | 6     | 30.0                      | private     |
| 18   | Bausparkasse Schwäbisch Hall AG                                       | 20                      | 6     | 30.0                      | cooperative |
| 86   | Sparkasse Mainfranken   | 25                      | 7     | 28.0                      | public      |
| 9    | Norddeutsche Landesbank Girozentrale                                  | 18                      | 5     | 27.8                      | public      |
| 79   | Landessparkasse zu Oldenburg  | 20                      | 5     | 27.8                      | public      |
| 96   | Förde Sparkasse <sup>2</sup>  | 22                      | 6     | 27.3                      | cooperative |
| 17   | Landeskreditbank Baden-Württemberg – Förderbank (L-Bank) <sup>2</sup> | 15                      | 4     | 26.7                      | public      |
| 54   | Sparda-Bank Baden-Württemberg e.G.                                    | 15                      | 4     | 26.7                      | cooperative |
| 66   | Sparkasse Aachen  | 15                      | 4     | 26.7                      | public      |
| 99   | Stadtsparkasse Wuppertal  | 15                      | 4     | 26.7                      | public      |
| 10   | ING-DiBa AG   | 12                      | 3     | 25.0                      | private     |
| 5    | Unicredit Bank AG   | 12                      | 3     | 25.0                      | private     |

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

<sup>2</sup> Chairwoman.

Source: Authors' own data collection and calculations.

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## Supervisory boards: increase by one percentage point for the first time in a while

Generally, there is now at least one woman on each of the 100 largest banks' supervisory boards. The proportion of women holding supervisory board seats has increased by one percentage point to almost 23 percent. The slight upward trend over the past years in the number of women

holding a seat on a supervisory board did not continue in 2017: only six banks had a supervisory board chairwoman, one fewer than the previous year.

At the end of 2017, 40 of the 100 largest banks had a proportion of at least 25 percent female board members on their supervisory boards (Table 3), six banks more than the previous year. Of these 40 banks, 30 had filled their

## Overview

**Women on the executive boards of large banks and insurance companies in Germany at the end of 2017**

| Rank | Banks  | Women Executive Director                | Pillar                   |
|------|--|---|--------------------------|
| 1    | Deutsche Bank AG   | Kim Hammonds, Sylvie Matherat           | private                  |
| 3    | KfW Kreditanstalt für Wiederaufbau                               | Dr. Ingrid Hengster                     | public                   |
| 4    | Commerzbank AG   | Dr. Bettina Orlopp                      | private                  |
| 5    | Unicredit Bank AG  | Sandra Betocchi                         | private                  |
| 9    | Norddeutsche Landesbank Girozentrale                             | Ulrike Brouzi                           | public                   |
| 10   | ING-DiBa AG  | Katharina Herrmann                      | private                  |
| 11   | Postbank AG  | Susanne Klöß-Braekler                   | private                  |
| 12   | NRW.Bank   | Gabriele Pantring                       | public                   |
| 14   | Deka Bank Deutsche Girozentrale                                  | Manuela Better                          | public                   |
| 17   | Landeskreditbank Baden-Württemberg – Förderbank (L-Bank)         | Dr. Iris Reinelt                        | public                   |
| 21   | Aareal Bank AG   | Dagmar Knopek, Christiane Kunisch-Wolff | private                  |
| 22   | Landesbank Berlin AG   | Tanja Müller-Ziegler                    | public                   |
| 23   | Hamburger Sparkasse AG   | Bettina Poullain                        | independent savings bank |
| 33   | Sparkasse KölnBonn   | Dr. Nicole Handschuher                  | public                   |
| 37   | Deutsche Hypothekbank AG   | Sabine Barthauer                        | private                  |
| 39   | HSBC Trinkaus & Burkhardt AG                                     | Carola Gräfin v. Schmettow <sup>1</sup> | private                  |
| 43   | Comdirect Bank AG  | Martina Palte                           | private                  |
| 46   | IBB Investitionsbank Berlin                                      | Sonja Kardorf                           | public                   |
| 49   | Stadtsparkasse München   | Marlies Mirbeth                         | public                   |
| 50   | Targobank AG & Co. KGaA  | Maria Topaler                           | private                  |
| 51   | Oldenburgische Landesbank AG                                     | Karin Katerbau                          | private                  |
| 52   | Sparkasse Hannover   | Kerstin Berghoff-Ising, Marina Barth    | public                   |
| 56   | Investitionsbank des Landes Brandenburg                          | Kerstin Jöntgen, Jacqueline Tag         | public                   |
| 58   | Berliner Volksbank e.G.  | Marija Kolak                            | cooperative              |
| 63   | Stadtsparkasse Düsseldorf  | Karin-Brigitte Göbel <sup>1</sup>       | public                   |
| 69   | BB Bank  | Gabriele Kellermann                     | cooperative              |
| 71   | Sparda-Bank Südwest e.G.   | Karin Schwartz                          | cooperative              |
| 72   | Frankfurter Volksbank e.G.                                       | Eva Wunsch-Weber <sup>1</sup>           | cooperative              |
| 75   | Teambank AG  | Dr. Christiane Decker                   | cooperative              |
| 85   | Sparkasse Krefeld  | Dr. Birgit Roos <sup>1</sup>            | public                   |
| 88   | SWN Kreissparkasse Waiblingen                                    | Ines Dietze <sup>1</sup>                | public                   |
| 97   | Sparda-Bank München e.G.   | Petra Müller                            | cooperative              |
| Rank | Insurance Companies  | Women Executive Director                |                          |
| 1    | Münchener Rückversicherungs-Gesellschaft AG                      | Dr. jur. Doris Höpke                    |                          |
| 5    | Allianz SE   | Jacqueline Hunt, Dr. Helga Jung         |                          |
| 7    | R+V Lebensversicherung AG  | Julia Merkel                            |                          |
| 9    | DKV Deutsche Krankenversicherung AG                              | Silke Lautenschläger                    |                          |
| 10   | R+V Allgemeine Versicherung AG                                   | Julia Merkel                            |                          |
| 12   | Zurich Deutscher Herold Lebensversicherung AG                    | Christine Theodorovics                  |                          |
| 14   | Allianz Private Krankenversicherungs-AG                          | Dr. Birgit König <sup>1</sup>           |                          |
| 15   | ERGO Versicherung AG   | Silke Lautenschläger                    |                          |
| 20   | Bayern-Versicherung Lebensversicherung AG                        | Barbara Schick                          |                          |
| 22   | ERGO Lebensversicherung AG                                       | Silke Lautenschläger                    |                          |
| 23   | ALTE LEIPZIGER Lebensversicherung AG                             | Wiltrud Pekarek                         |                          |
| 28   | Allianz Global Corporate & Specialty SE                          | Nina Klingspor, Sinéad Browne           |                          |
| 29   | R+V Versicherung AG  | Julia Merkel                            |                          |
| 31   | HUK-COBURG-Allgemeine Versicherung AG                            | Sarah Rössler                           |                          |
| 32   | Württembergische Lebensversicherung AG                           | Dr. Susanne Pauser                      |                          |
| 34   | HDI Lebensversicherung AG  | Barbara Riebeling                       |                          |
| 36   | COSMOS Lebensversicherungs-AG                                    | Claudia Andersch                        |                          |
| 39   | Generali Deutschland AG  | Claudia Andersch, Dr. Nora Gürtler      |                          |
| 40   | Württembergische Versicherung AG                                 | Dr. Susanne Pauser                      |                          |
| 42   | HUK-COBURG Haftpflicht-Unterstützungs-Kasse kraftf. Beamter VVaG | Sarah Rössler                           |                          |
| 45   | Bayerische Beamtenkrankenkasse AG                                | Manuela Kiechle                         |                          |
| 50   | HDI Versicherung AG  | Barbara Riebeling                       |                          |
| 52   | Bayerischer Versicherungsverband Versicherungs-AG                | Barbara Schick                          |                          |
| 54   | HUK-COBURG-Krankenversicherung AG                                | Sarah Rössler                           |                          |
| 56   | Provinzial Rheinland Lebensversicherung AG                       | Sabine Krummenerl                       |                          |
| 59   | Hallesche Krankenversicherung AG                                 | Wiltrud Pekarek                         |                          |

<sup>1</sup> Chairwoman

Source: Authors' own data collection.

Table 4

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

|   | Public banks |      |      |      |      |      | Private banks <sup>2</sup> |      |      |      |      |      | Cooperative banks |      |      |      |      |      |
|---|--------------|------|------|------|------|------|----------------------------|------|------|------|------|------|-------------------|------|------|------|------|------|
|   | 2010         | 2012 | 2014 | 2015 | 2016 | 2017 | 2010                       | 2012 | 2014 | 2015 | 2016 | 2017 | 2010              | 2012 | 2014 | 2015 | 2016 | 2017 |
| <b>Executive boards/management boards</b>       |              |      |      |      |      |      |                            |      |      |      |      |      |                   |      |      |      |      |      |
| Total number of companies                       | 52           | 51   | 52   | 52   | 52   | 53   | 36                         | 35   | 32   | 31   | 30   | 30   | 12                | 14   | 16   | 17   | 18   | 17   |
| With data on composition                        | 52           | 51   | 52   | 52   | 52   | 53   | 36                         | 35   | 32   | 31   | 30   | 30   | 12                | 14   | 16   | 17   | 18   | 17   |
| With women on executive board                   | 3            | 7    | 10   | 14   | 13   | 14   | 5                          | 7    | 9    | 10   | 11   | 12   | 2                 | 3    | 4    | 4    | 6    | 6    |
| Percentage                                      | 5.8          | 13.7 | 19.2 | 26.9 | 25.0 | 26.4 | 13.9                       | 20.0 | 28.1 | 32.3 | 36.7 | 40.0 | 16.7              | 21.4 | 25.0 | 23.5 | 33.3 | 35.3 |
| Total number of members                         | 203          | 195  | 190  | 203  | 198  | 204  | 157                        | 153  | 132  | 128  | 130  | 132  | 48                | 59   | 65   | 63   | 76   | 70   |
| Men   | 199          | 188  | 177  | 187  | 184  | 188  | 151                        | 146  | 123  | 118  | 117  | 118  | 46                | 56   | 61   | 59   | 70   | 64   |
| Women   | 4            | 7    | 13   | 16   | 14   | 16   | 6                          | 7    | 9    | 10   | 13   | 14   | 2                 | 3    | 4    | 4    | 6    | 6    |
| Percentage of women                             | 2.0          | 3.6  | 6.8  | 7.9  | 7.1  | 7.8  | 3.8                        | 4.6  | 6.8  | 7.8  | 10.0 | 10.6 | 4.2               | 5.1  | 6.2  | 6.3  | 7.9  | 8.6  |
| Total number of chairpersons                    | 52           | 51   | 50   | 52   | 52   | 53   | 36                         | 35   | 28   | 29   | 28   | 28   | 12                | 14   | 15   | 17   | 18   | 17   |
| Men   | 52           | 50   | 49   | 51   | 51   | 50   | 34                         | 34   | 28   | 28   | 26   | 27   | 12                | 13   | 14   | 16   | 17   | 16   |
| Women   | 0            | 1    | 1    | 1    | 1    | 3    | 2                          | 1    | 0    | 1    | 2    | 1    | 0                 | 1    | 1    | 1    | 1    | 1    |
| Percentage of women                             | 0.0          | 2.0  | 2.0  | 1.9  | 1.9  | 5.7  | 5.6                        | 2.9  | 0.0  | 3.4  | 7.1  | 3.6  | 0.0               | 7.1  | 6.7  | 5.9  | 5.6  | 5.9  |
| <b>Supervisory boards/administrative boards</b> |              |      |      |      |      |      |                            |      |      |      |      |      |                   |      |      |      |      |      |
| Total number of companies                       | 52           | 51   | 52   | 52   | 52   | 53   | 36                         | 35   | 32   | 31   | 30   | 30   | 12                | 14   | 16   | 17   | 18   | 17   |
| With data on composition                        | 52           | 51   | 51   | 52   | 52   | 53   | 36                         | 35   | 30   | 29   | 28   | 30   | 12                | 14   | 16   | 17   | 18   | 17   |
| With women on supervisory board                 | 48           | 48   | 50   | 52   | 52   | 52   | 29                         | 27   | 24   | 25   | 25   | 26   | 11                | 13   | 15   | 16   | 18   | 17   |
| Percentage                                      | 92.3         | 94.1 | 98.0 | 100  | 100  | 98.1 | 80.6                       | 77.1 | 80.0 | 86.2 | 89.3 | 86.7 | 91.7              | 92.9 | 93.8 | 94.1 | 100  | 100  |
| Total number of members                         | 960          | 909  | 906  | 933  | 930  | 940  | 396                        | 354  | 323  | 311  | 293  | 309  | 192               | 228  | 275  | 274  | 297  | 283  |
| Men   | 802          | 741  | 735  | 725  | 726  | 733  | 333                        | 293  | 264  | 239  | 223  | 227  | 160               | 192  | 235  | 231  | 245  | 226  |
| Women   | 158          | 168  | 171  | 208  | 204  | 207  | 63                         | 61   | 59   | 73   | 70   | 82   | 32                | 36   | 40   | 43   | 52   | 57   |
| Percentage of women                             | 16.5         | 18.5 | 18.9 | 22.3 | 21.9 | 22.0 | 15.9                       | 17.2 | 18.3 | 23.5 | 23.9 | 26.5 | 16.7              | 15.8 | 14.5 | 15.7 | 17.5 | 20.1 |
| Total number of chairpersons                    | 52           | 51   | 51   | 52   | 52   | 53   | 36                         | 35   | 30   | 29   | 28   | 29   | 12                | 14   | 16   | 17   | 18   | 17   |
| Men   | 49           | 48   | 47   | 47   | 48   | 50   | 36                         | 35   | 29   | 28   | 27   | 28   | 12                | 14   | 16   | 17   | 16   | 15   |
| Women   | 3            | 3    | 4    | 5    | 4    | 3    | 0                          | 0    | 1    | 1    | 1    | 1    | 0                 | 0    | 0    | 0    | 2    | 2    |
| Percentage of women                             | 5.8          | 5.9  | 7.8  | 9.6  | 7.7  | 5.7  | 0.0                        | 0.0  | 3.3  | 3.4  | 3.6  | 3.4  | 0.0               | 0.0  | 0.0  | 0.0  | 11.1 | 11.8 |

1 At the end of the year 2017. Only companies providing data on the composition of their corporate boards.

2 Two of the private banks are independent savings banks.

Source: Authors' own data collection and calculations.

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supervisory board with at least 30 percent women. This includes nine banks with at least 40 percent female members on their supervisory board. Three private banks—*Comdirect Bank AG*, *Santander Consumer Bank AG*, and *Dexia Kommunalkredit Deutschland AG*—had women in half of the positions on their supervisory boards.

The supervisory board of the *Bethmann Bank AG* was even comprised of 60 percent female members. However, as in the previous year, the *Investitionsbank Berlin* was in first place, with women making up two-thirds of their supervisory board members. In contrast, four banks have supervisory boards consisting entirely of men.

### The proportion of women is low on executive boards in all pillars of the banking sector

Since 2010, DIW Berlin has differentiated between the three pillars of the German banking sector—private,

public, and cooperative—in its analyses. Particularly noticeable is the development in the public sector banks: at the beginning of the analysis period, public sector banks had the lowest proportion of women on executive boards at only two percent. However, by 2014 this amount had increased by almost five percentage points and caught up to the private and cooperative banks (Table 4). Yet in the three subsequent years, the amount only increased to almost eight percent. Thus, the public sector banks are far behind the cooperative banks (almost nine percent) and the private banks (almost 11 percent) once again.

Female CEOs remain the big exception. There is now only one female CEO at a private bank (last year there were two) and still just one female CEO at a cooperative bank. In 2017, the public sector banks had three female CEOs, two more than the previous year, raising the proportion to almost six percent.



The development of the proportion of female members on the supervisory boards of the public sector banks has stagnated. With 53 companies and an average of just under 18 supervisory board members per bank, this pillar has a particularly strong influence on overall development in the banking sector. The proportion of female members serving on supervisory boards in 2017 was, as in the previous year, 22 percent. The momentum in the banking sector was thus borne by the other two pillars, which together include 47 of the top 100 banks. Among the 30 private banks, the proportion of women on supervisory boards increased by just under three percentage points compared to the previous year and stood at 26.5 percent in 2017. For the 17 cooperative banks, it rose by almost three percentage points to a good 20 percent.

Three public sector banks (one less than in 2016) had a supervisory board chairwoman. Private and cooperative banks had one woman and two women leading their supervisory boards, respectively.<sup>12</sup>

## Top 60 insurance companies

### Share of women on executive and supervisory boards is decreasing slightly

A good 43 percent of all insurance companies examined in this report had at least one woman serving on their executive board. These figures can only be compared to the previous year's to a limited extent as the selection of insurance companies analyzed here has changed significantly since then.<sup>13</sup>

At the end of 2017, the proportion of women serving on the executive boards of the largest German insurance companies was, as in the banking sector, about nine percent (Table 2). Compared to the banking sector, however, there were far fewer female CEOs—just one (at *Allianz Private Krankenversicherungs-AG*, Overview 1).

The proportion of women on insurance companies' supervisory boards at the end of 2017 was almost 22 percent, similar to the rate in the banking sector. Overall, a good 83 percent of the insurance companies analyzed had at least one woman on this board in 2017. Three of the insurance companies had a supervisory board chair-

<sup>12</sup> Public sector banks: Edith Sitzmann (*Landeskreditbank Baden-Württemberg – Förderbank (L-Bank)*), Ilse Aigner (*LfA Förderbank Bayern*), Ramona Pop (*IBB Investitionsbank Berlin*); private banks: Marija Korsch (*Aareal Bank AG*); cooperative banks: Liselotte Peuker (*Sparda-Bank München e.G.*), Stephanie Ladwig (*Förde Sparkasse*).

<sup>13</sup> In the previous years, the evaluation of women in leadership positions in the largest insurance companies was based on "*Die großen 500. Deutschlands Top-Unternehmen*" from Wolters Kluwer Deutschland GmbH, November 2016. This source has not been available since 2017. Therefore, this report used a special evaluation from the *Kölner Institut für Versicherungsinformation und Wirtschaftsdienst (KIVI)* as the dataset.

#### Box

### New dataset for selecting the 60 largest insurance companies

From 2006 to 2016, the selection of the 60 largest insurance companies was based on "*Die großen 500. Deutschlands Top-Unternehmen*" by Wolters Kluwer Deutschland GmbH. This data source has not been available since 2017. Therefore, the evaluation was based on a special evaluation from the *Kölner Institut für Versicherungsinformation und Wirtschaftsdienst (KIVI)*. The KIVI evaluation contained the 60 largest primary insurance companies in Germany in terms of gross premiums. However, unlike the dataset used for 2010 to 2016, the KIVI evaluation does not include any reinsurance companies. In order to increase comparability over time, the largest reinsurance companies from the 2015 reinsurance statistics of the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht, BAFIN*) were integrated into the group of the 60 largest insurance companies for the analyses available here. Due to the change in data sources, the values are still only limitedly comparable over time.

woman, equivalent to a proportion of a bit over five percent.<sup>14</sup>

Twenty-six of the 60 largest insurance companies (43 percent) had at least a fourth of their supervisory board positions filled by women at the end of 2017. Of those, 15 insurance companies had supervisory boards with one-third female members, while three had an almost equal representation of male and female members (43 to 45 percent). These three companies were *Allianz Versicherungs-AG*, *Allianz Global Corporate & Specialty SE*, and *Generali Deutschland AG* (Table 5).

### Development from 2006 to 2017 was in three phases—momentum has recently weakened significantly

The analyses show that equal representation of women and men in the top decision-making bodies of companies in the German financial sector has still not been achieved. Since 2006, the proportion of women on executive boards of the 100 largest banks and 60 largest insurance companies increased from 2.5 to almost nine percent.

<sup>14</sup> Monika Sebold-Bender (*ERGO Versicherung AG*), Claudia Andersch (*Central Krankenversicherung AG*), and Dr. Diane Buchholz (*Westfälische Provinzial Versicherung AG*).



The analysis period can be divided into three phases: in the first years (2006 to 2010), there was almost no change—the proportion of female members on executive boards stagnated at a low level of less than three percent. In March 2010, a DAX 30 company, *Deutsche Telekom*, reported the introduction of a gender quota for women in leadership positions amounting to 30 percent for the first time. Afterwards, the call for legal requirements became louder and louder as it became clear that the 2001 agreement between the German government and leading German business associations on the promotion of equal opportunities for men and women in the private sector (*Vereinbarung zwischen der Bundesregierung und den Spitzenverbänden der deutschen Wirtschaft zur Förderung der Chancengleichheit von Frauen und Männern in der Privatwirtschaft*) was ineffective.<sup>15</sup> The pressure on businesses rose, particularly on the DAX 30 companies that are very much in the public eye.

The years 2011 to 2013 were, starting from a low level, characterized by a certain momentum. In these three years, the proportion of women on banks' executive boards increased by three percentage points to six percent. The proportion of women on insurance companies' executive boards in this period increased by five percentage points to almost nine percent. In April 2013, the first attempt at introducing a legal gender quota for top decision-making bodies failed.<sup>16</sup> This failure probably reduced companies' fears that the significant underrepresentation of women on executive boards would be quickly and consistently dealt with by the law. In 2015, a law on equality for women and men in managerial positions, both at private companies and in the civil service, (*Gesetz für die gleichberechtigte Teilhabe von Frauen und Männern an Führungspositionen in der Privatwirtschaft und im öffentlichen Dienst*) was passed. However, it is only mandatory for the supervisory boards of publicly traded companies which also have employee representation on their supervisory boards (full codetermination). Companies may set their own goals in terms of female representation on executive boards. Since 2014, growth in the proportion of women serving on banks' executive boards has again slowed. The ten percent mark has still not been achieved in the financial sector—in other words, just as before, men hold over 90 percent of executive board positions (Figure 1).

If equal representation of the genders on executive boards in the financial sector is to be achieved in the near future,

<sup>15</sup> Interest groups such as *Frauen in die Aufsichtsräte* (FidAR) or the *Deutsche Juristinnenbund* (djb) had become increasingly involved with the topic; the djb, for example, attended shareholder meetings and inquired about the reasons for the low proportion of women in the top decision-making bodies.

<sup>16</sup> Cf. German Bundestag, „Opposition scheitert mit einer Quote für Aufsichtsräte“ (in German, available online).

Table 5

### Largest 60 insurance companies with at least 25 percent women on the supervisory board at the end of 2017

| Rank | Company  | Total number of members | Men | Women | Percentage of women |
|------|--|-------------------------|-----|-------|---------------------|
| 16   | Generali Lebensversicherung AG                                   | 4                       | 3   | 1     | 25.0                |
| 32   | Württembergische Lebensversicherung AG                           | 12                      | 9   | 3     | 25.0                |
| 40   | Württembergische Versicherung AG                                 | 12                      | 9   | 3     | 25.0                |
| 30   | Provinzial NordWest Lebensversicherung AG                        | 15                      | 11  | 4     | 26.7                |
| 41   | Generali Versicherung AG   | 10                      | 7   | 3     | 30.0                |
| 3    | Hannover Rück SE   | 9                       | 6   | 3     | 33.3                |
| 8    | AachenMünchener Lebensversicherung AG                            | 9                       | 6   | 3     | 33.3                |
| 12   | Zurich Deutscher Herold Lebensversicherung AG                    | 9                       | 6   | 3     | 33.3                |
| 13   | Debeka Lebensversicherungsverein AG                              | 9                       | 6   | 3     | 33.3                |
| 23   | Alte Leipziger Lebensversicherung AG                             | 9                       | 6   | 3     | 33.3                |
| 42   | HUK-COBURG Haftpflicht-Unterstützungs-Kasse kraftf. Beamter VVaG | 9                       | 6   | 3     | 33.3                |
| 49   | AachenMünchener Versicherung AG                                  | 9                       | 6   | 3     | 33.3                |
| 54   | HUK-COBURG-Krankenversicherung AG                                | 9                       | 6   | 3     | 33.3                |
| 5    | Allianz SE   | 12                      | 8   | 4     | 33.3                |
| 6    | Debeka Krankenversicherungsverein AG                             | 12                      | 8   | 4     | 33.3                |
| 11   | AXA Versicherung AG  | 3                       | 2   | 1     | 33.3                |
| 14   | Allianz Private Krankenversicherungs-AG                          | 6                       | 4   | 2     | 33.3                |
| 15   | ERGO Versicherung AG <sup>1</sup>                                | 3                       | 2   | 1     | 33.3                |
| 24   | Nürnberger Lebensversicherung AG                                 | 12                      | 8   | 4     | 33.3                |
| 43   | Barmenia Krankenversicherung AG                                  | 6                       | 4   | 2     | 33.3                |
| 33   | Central Krankenversicherung AG <sup>1</sup>                      | 7                       | 4   | 3     | 42.9                |
| 59   | Hallesche Krankenversicherung AG                                 | 9                       | 5   | 4     | 44.4                |
| 1    | Münchener Rückversicherungs-Gesellschaft AG                      | 20                      | 11  | 9     | 45.0                |
| 4    | Allianz Versicherungs-AG   | 6                       | 3   | 3     | 50.0                |
| 28   | Allianz Global Corporate & Specialty SE                          | 6                       | 3   | 3     | 50.0                |
| 39   | Generali Deutschland AG  | 4                       | 2   | 2     | 50.0                |

<sup>1</sup> Chairwoman.

Source: Authors' own data collection and calculations.

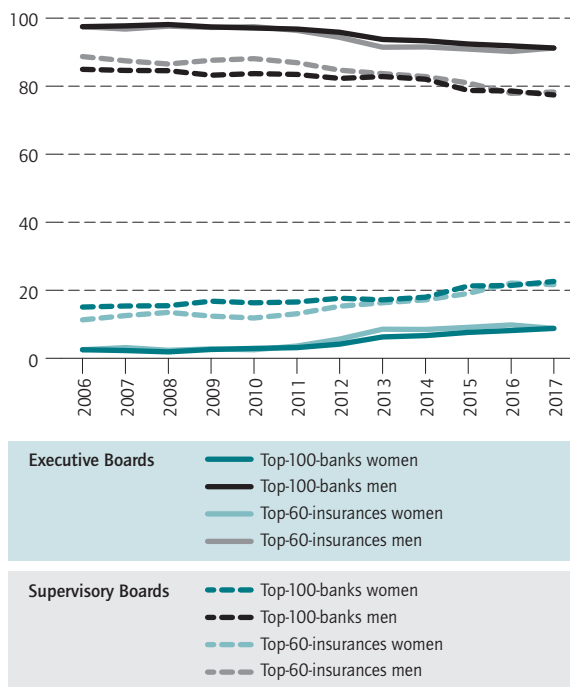
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the development over the past ten years shows that more is clearly necessary than simply voluntary company objectives or goals.

The relatively dynamic phase lasted somewhat longer for the supervisory boards, probably because the new gender quota was only obligatory for supervisory boards. First, the proportion of women on supervisory boards stagnated between 2006 and 2010 at about 16 percent for the banks and about 12 percent for the insurance companies. This was followed by a significantly more dynamic development: by 2015, the proportion of women on banks' and insurance companies' supervisory boards had increased to 21 and 19 percent, respectively. Since 2015, when a gender quota for certain companies' supervisory boards

Figure 1

**Percentage of women and men on supervisory boards and executive boards of large banks and insurance companies in Germany in 2017**  
In percent



Source: Authors' own data collection and calculations.

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The ten percent mark has still not been reached on the executive boards of banks and insurance companies.

was established, it has become clear that the majority of banks would not be legally required to meet the quota and that only voluntary targets (including the possible “zero target,” not having a woman on the executive board at all) are required. The proportion of women on supervisory boards did not increase by a noteworthy amount between 2015 and 2016, though afterwards, it quickly rose again (Figure 2). On average, the 100 largest banks and 60 largest insurance companies failed to meet the quota—which is only mandatory for publicly traded companies with full codetermination—requiring 30 percent female members on supervisory boards.

### The development of the proportion of women on executive and supervisory boards is unlikely to continue linearly

If the development between 2006 and 2017 were to continue linearly, it would, in terms of figures, take about 70 more years before both genders were equally repre-

sented on banks' and insurance companies' executive boards. It took a good 40 years for banks and 28 years for insurance companies to achieve this on their supervisory boards. A linear extrapolation of the development since 2006 appears to be unlikely, however, considering the low growth over the past years. Rather, significantly less momentum is indicated, as a comparison of the proportion of women on executive boards in the previous year (2016) with the rate of change in percentage points in the following year (2017) suggests (Figure 2). Only companies which were one of the 100 largest banks or 60 largest insurance companies in both 2016 and 2017 were included in this comparison. The proportion of women on executive boards did not increase at one single bank or insurance company that in the previous year had an executive board with over a quarter female board members. In fact, it was the opposite: each one of the companies that had an executive board with over 25 percent female members had reduced this proportion when compared to the previous year. Of the financial institutions with exactly 25 percent female executive board members, the proportion of women increased in only two companies and decreased or remained constant in the others. Overall, there is a negative correlation between the proportion of women on executive boards in 2016 and the change in the proportion of women on executive boards in the following year for all banks and insurance companies analyzed in this report.

This negative correlation is even more pronounced in the supervisory boards of banks and insurance companies (Figure 3). Of the financial institutions with a supervisory body comprised of over one-third female members in 2016, only one experienced an increase in 2017 and the proportion remained the same in just two. Of the companies that had a supervisory board with women making up exactly one-third of the members (20 banks and insurance companies) in 2016, the proportion of women increased in only three companies, while it remained the same in one and decreased in the rest. The proportion of women increased in every company that either had no women on the supervisory board previously or were below the 30 percent mark.

Of the top 100 banks, four did not have one single woman on their supervisory boards at the end of 2017. This was the case for nine of the 60 largest insurance companies (15 percent), whereby this proportion had increased by three percentage points in comparison to the previous year. In most financial institutions, between ten and 19 percent of supervisory board members are women. Thirty percent of the banks and 37 percent of the insurance companies reached a proportion of 30 percent or more female members on their supervisory boards. Compared to the previous year, this is an increase of almost four percentage points for the banks and five percentage

points for the insurance companies (Table 6), taking into account the limitations caused by the change in data sources in the case of insurance companies.

When comparing the development of the proportion of women on supervisory boards from 2006 to 2017 in the top 100 banks with the development of the proportion in the 100 largest companies outside of the financial sector, it is noticeable that the non-financial sector companies show greater momentum than the banks (Figure 4). In terms of executive boards, however, the momentum is similarly weak.

### Proportion of women on the governing council of the ECB remains constant but has sunk in the European Banking Authority

In addition to the largest companies in the German financial sector, this report also shows the proportion of women in the top-decision making bodies of the national central banks of countries in the European Union (EU), the Governing Council of the European Central Bank (ECB), and on the supervisory board of the European Banking Authority (Single Supervisory Mechanism, SSM).

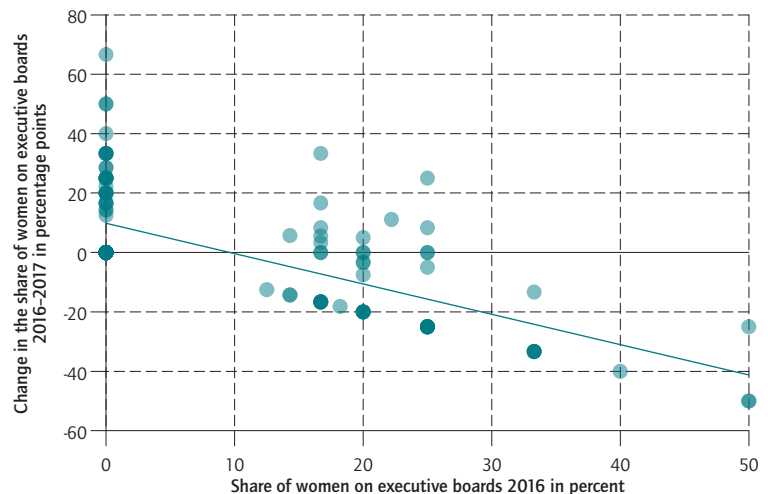
The Governing Council is the supreme decision-making body of the ECB. It is composed of a six-member executive board and the presidents of the national central banks of the 19 member states of the euro area. In 2017, as in the previous year, this 25-person decision-making body included two women, which corresponds to a proportion of eight percent (Table 7).

Compared to the previous year, the proportion of women serving on the supervisory body of the European Banking Authority has decreased. This body is responsible for the central oversight of the major banks in participating EU countries. Its members are chosen by the ECB and the national supervisory authorities of the participating countries. In 2017, the ECB selected two women and two men; in the previous year, it chose three women and two men.<sup>17</sup> The EU countries, which were able to name a total of 26 members of the body in 2017, sent three women and 23 men. In the previous year, they selected four women and 22 men. Thus, the number of women in this body sunk from seven to five (Table 8).

The European Commission regularly publishes the proportion of women in the most senior decision-making bodies of EU countries' national central banks. In 2017, the average proportion of women in these top decision-making bodies was at 20 percent, the same as in the previous year. However, this proportion varies very strongly

Figure 2

### Correlation between the share of women on executive boards of banks and insurance companies in 2016 and the change in the share between 2016 and 2017



Note:  $R^2 = 0,45$ ,  $p$ -Value: 0,00,  $n = 145$ .

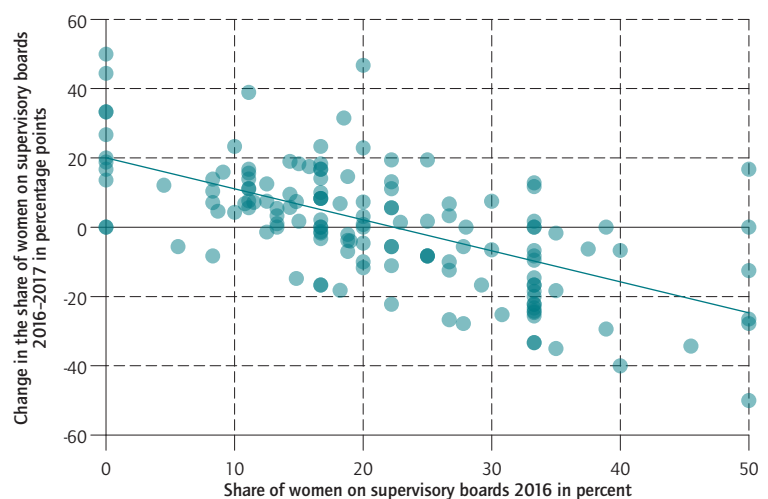
Source: Authors' own data collection and calculations.

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No single bank or insurance company that had more than 25 percent women on their executive board in 2016 increased the proportion the following year.

Figure 3

### Correlation between the share of women on supervisory boards of banks and insurance companies in 2016 and the change in the share between 2016 and 2017



Note:  $R^2 = 0,41$ ,  $p$ -Value: 0,00,  $n = 140$ .

Source: Authors' own data collection and calculations.

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Just one financial company with over one-third women on their supervisory board in 2016 increased the proportion the following year.

<sup>17</sup> It should be noted that in 2017 there was one more vacant position at the ECB than in 2016.

Table 6

**Banks and insurance companies, share of women on supervisory board**

In percent

| Companies                        | 2017                                 |                |                  |                  |                  |                  |                     | 2017                | Change from 2016 to 2017, in percentage points |
|----------------------------------|--------------------------------------|----------------|------------------|------------------|------------------|------------------|---------------------|---------------------|--|
|                                  | 0 percent women on supervisory board | 1 to 9 percent | 10 to 19 percent | 20 to 29 percent | 30 to 39 percent | 40 to 49 percent | 50 percent and more | 30 percent and more |  |
| Financial Sector                 | 8.2                                  | 6.3            | 31.6             | 20.9             | 23.4             | 4.4              | 5.1                 | 32.9                | +4.2 <sup>1</sup>                              |
| Banks                            | 4.0                                  | 8.1            | 32.3             | 25.3             | 21.2             | 4.0              | 5.1                 | 30.3                | +3.8   |
| Insurance Companies <sup>2</sup> | 15.3                                 | 3.4            | 30.5             | 13.6             | 27.1             | 5.1              | 5.1                 | 37.3                | +5.1   |

<sup>1</sup> The reference value for the year 2016 from the Women Executives Barometer 2017 (DIW Economic Bulletin 1+2/2017) was corrected.

<sup>2</sup> Discontinuity in the time series after 2016 (see Box, p. 24)

Source: Authors' own data collection and calculations.

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Figure 4

**Share of women and men on executive boards and supervisory boards of the top-100 banks and the top-100 commercial enterprises (excluding financial sector)**

In percent



Source: Authors' own data collection and calculations.

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The growth of the proportion of women on supervisory boards in the 100 largest companies outside the financial sector is higher than in the 100 largest banks.

amongst the countries. With a proportion of women at 57 percent, Bulgaria is still in the lead, followed by France (46 percent), Spain (40 percent), and Sweden (35 percent). As in the previous year, the Czech Republic, Croatia, Austria, Slovakia, and the Netherlands did not have a single woman serving on any of the most senior decision-making bodies of their central banks. Lithuania, where the proportion of women was previously at 20 percent, was also in this group last year. In contrast, Greece increased their proportion of female members to eight percent in 2017. The proportion of women on the most important decision-making body of Spain's national bank also increased by ten percentage points to 40 percent. The development was quite different to that of Slovenia's: the proportion of women on the country's top central bank's board decreased by half to 20 percent (Figure 5).

**Larger gender pay gap in the financial sector**

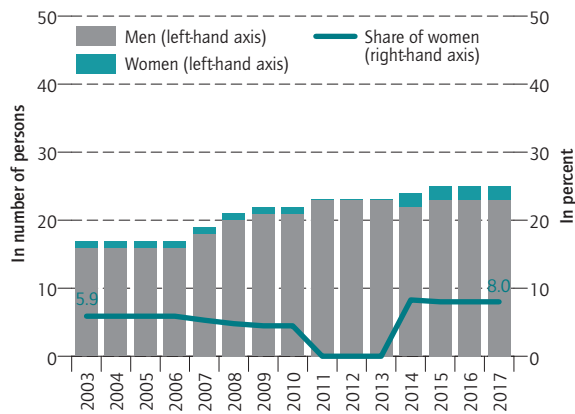
The particularly low representation of women in leadership positions that characterizes the financial sector in Germany is also reflected in the industry's particularly high gender pay gap.<sup>18</sup> The pay gap was at almost 29 percent (Table 9) in the financial and insurance sectors in 2015, significantly higher than the overall average gender pay gap of 22 percent in Germany.<sup>19</sup> The gender pay gap in Germany is only higher in the (comparatively small) industry "freelance, scientific, and technical services" at

<sup>18</sup> The gender pay gap compares the average gross hourly earnings of all male and female employees—in this case, in one economic sector. For more information, see the entry on the gender pay gap in the DIW Berlin Glossary (available online, in German).

<sup>19</sup> Newer figures are not available for a European comparison at industry level.

Figure 5

### Women on the ECB governing council<sup>1</sup>



<sup>1</sup> From January 1, 2015 there are 25 members after Lithuania joined the euro area.

Source: European Central Bank (available online).

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As in the previous year, there were two women on the 25-member Governing Council of the ECB.

almost 31 percent (no table). The gap is lower in all other industries, in some cases considerably.<sup>20</sup>

A European-wide comparison shows that the gender pay gap is also above average in the financial sector of most other countries. The European average was 28.5 percent, higher than in every other industry. In some countries, the difference between the gender pay gap in the financial sector and the average gender pay gap in all industries is much more pronounced than it is in Germany. For example, in Finland, the average gender pay gap is 17.3 percent, while in the financial sector, it's 32.5 percent. The situation is similar in Sweden and Norway, with an average gender pay gap of under 15 percent across all industries, but a gap of 26.3 percent (Sweden) and 29.5 percent (Norway) in the financial sector.

## Conclusion

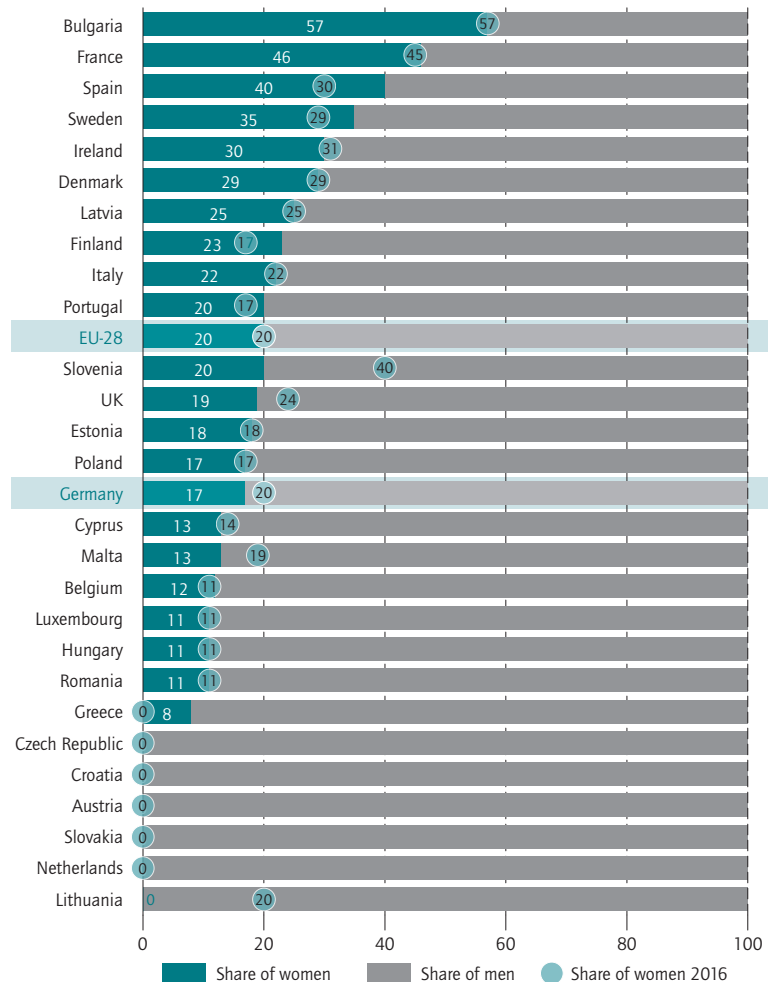
Women are still significantly underrepresented in the top decision-making bodies of banks and insurance companies. In particular, the proportion of women on executive boards has barely increased over the past years.

<sup>20</sup> Earlier DIW Berlin analyses of the gender pay gap according to profession have shown that there are some major differences depending on occupation. For example, of the 30 occupations with the most workers, the gender pay gap is the fifth largest for bankers and seventh largest for entrepreneurs and executives. cf. Wrohlich and Zucco, 2017.

Figure 6

### Women and men in the key decision-making bodies<sup>1</sup> of national central banks in the EU, 2017<sup>2</sup>

Share in percent



<sup>1</sup> Members of the board. If monitoring and executive functions are separated: members of the supervisory board.

<sup>2</sup> Date of reference: September 2017

Source: European Institute for Gender Equality (available online).

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The proportion of women on the executive board of the Central Bank of Germany in 2017 decreased compared to the previous year and was below the EU average for national central banks.

Table 7

**Men and women on the supervisory board of the European banking supervision, 2017**

|   | 2016 <sup>1</sup> |             | 2017 <sup>2</sup> |             |
|---|-------------------|-------------|-------------------|-------------|
|   | Women             | Men         | Women             | Men         |
| <b>ECB members</b>                          | <b>3</b>          | <b>2</b>    | <b>2</b>          | <b>2</b>    |
| Representatives of the national supervisors |                   |             |                   |             |
| Belgium                                     | 0                 | 1           | 0                 | 1           |
| Germany                                     | 0                 | 2           | 0                 | 2           |
| Estonia                                     | 0                 | 2           | 0                 | 2           |
| Finland                                     | 1                 | 1           | 1                 | 1           |
| France                                      | 0                 | 1           | 0                 | 1           |
| Greece                                      | 0                 | 1           | 0                 | 1           |
| Ireland                                     | 0                 | 1           | 0                 | 1           |
| Italy                                       | 0                 | 1           | 0                 | 1           |
| Latvia                                      | 1                 | 1           | 1                 | 1           |
| Lithuania                                   | 1                 | 0           | 0                 | 1           |
| Luxembourg                                  | 0                 | 2           | 0                 | 2           |
| Malta                                       | 0                 | 2           | 0                 | 2           |
| Netherlands                                 | 0                 | 1           | 0                 | 1           |
| Austria                                     | 0                 | 2           | 0                 | 2           |
| Portugal                                    | 1                 | 0           | 1                 | 0           |
| Slovakia                                    | 0                 | 1           | 0                 | 1           |
| Slovenia                                    | 0                 | 1           | 0                 | 1           |
| Spain                                       | 0                 | 1           | 0                 | 1           |
| Cyprus                                      | 0                 | 1           | 0                 | 1           |
| <b>In total</b>                             | <b>7</b>          | <b>24</b>   | <b>5</b>          | <b>25</b>   |
| <b>In percent</b>                           | <b>29.2</b>       | <b>70.8</b> | <b>20.0</b>       | <b>80.0</b> |

1 One seat among ECB members remained vacant.

2 Two seats among ECB members remained vacant.

Source: ECB Banking Supervision, Supervisory Board (available online).

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The development of the proportion of women on banks' supervisory boards lagged behind that of large companies outside of the financial sector as well. Other indicators also point to particularly large gender inequalities in the financial sector especially, such as the well above-average gender pay gap.<sup>21</sup> These problems are not exclusive to Germany—they are present in other European countries as well.

Significant unequal opportunities in the financial sector can have several causes. For one, the business environment certainly plays a role. The development of female representation in top decision-making bodies since 2006 as well as phases of fewer and more dynamic increases in the proportion of women make it clear that the topic varies in the amount of attention it attracts. Currently it does not seem to be a high priority for businesses and policymakers, which would be a necessary precondition to create any meaningful change.

The financial sector is facing a special challenge: studies point to a leadership culture in the banking industry that is particularly dominated by men.<sup>22</sup> This was also confirmed by a recent survey from the Employers' Association of Insurance Companies in Germany (*Arbeitgeberverbandes der Versicherungsunternehmen in Deutschland, AGV*), in which female managers see this male-dominated culture as the most important cause of the low number of women in leadership positions, along with the problem of reconciling career and family.<sup>23</sup> However, there are few incentives to actively break away from gender stereotypes and assigned gender roles in a business and management culture dominated by men. This is especially problematic for the highly mathematical financial sector:<sup>24</sup> experiments show that women perform just as well as men on tests with complex math problems when they are told in advance that in general, women perform just as well on the test as men. However, when they are informed in advance that women tend to

<sup>21</sup> For a source on the career perspectives of women in Germany, cf., Holst and Friedrich, 2016.

<sup>22</sup> Cf. for example Astrid Jäkel et al., "Female Leadership in Germany and Switzerland—Culture trumps Policy," *Women in Financial Services* (2016): 52–57 (available online).

<sup>23</sup> Cf. Betina Kirsch et al., "Managerinnenbefragung – Ein Blick auf die Karrieren weiblicher Führungskräfte der Versicherungswirtschaft," AGV Arbeitgeberverband der Versicherungsunternehmen in Deutschland (2017) (in German).

<sup>24</sup> Cf. Ernesto Reuben, Paola Sapiezna, and Luigi Zingales, "How Stereotypes Impair Women's Careers in Science," *Proceedings of the National Academy of Sciences* 12, no. 111 (2014): 4403–4408.



perform worse than men on the test, then the women's test results are actually worse.<sup>25</sup>

For this culture to change, it is very important to actively work against gender stereotypes. A consistent policy of empowering and advocating women in leadership positions—supported by set goals for the proportion of women in high leadership positions and by monitoring if the goals are being reached—can contribute to creating more role models. Working against stereotypes not only directly improves women's career opportunities in the financial sector, but can also generally change the stereotypical ideas of what women and men are capable of in society.

Table 8

### Gender pay gap in the financial sector in 2015, European comparison In percent

| Countries                  | Gender Pay Gap across industries | Financial and insurance activities |
|----------------------------|----------------------------------|------------------------------------|
| Czech Republic             | 22.5                             | 40.9                               |
| Latvia                     | 17.0                             | 38.5                               |
| Slovakia                   | 19.6                             | 37.5                               |
| Poland <sup>1</sup>        | 7.7                              | 36.7                               |
| Estonia                    | 26.9                             | 35.4                               |
| Finland <sup>1</sup>       | 17.3                             | 32.5                               |
| France <sup>1</sup>        | 15.8                             | 30.7                               |
| Austria                    | 21.7                             | 30.5                               |
| Lithuania                  | 14.2                             | 29.4                               |
| The Netherlands            | 16.1                             | 29.1                               |
| <b>Germany<sup>1</sup></b> | <b>22.0</b>                      | <b>28.8</b>                        |
| Sweden                     | 14.0                             | 26.3                               |
| Cyprus                     | 14.0                             | 24.9                               |
| Romania <sup>2</sup>       | 5.8                              | 24.2                               |
| Hungary                    | 14.0                             | 23.9                               |
| Portugal                   | 17.8                             | 23.8                               |
| Luxembourg                 | 5.5                              | 23.1                               |
| Slovenia                   | 8.1                              | 22.9                               |
| Bulgaria                   | 15.4                             | 22.5                               |
| Italy                      | 5.5                              | 22.0                               |
| Belgium                    | 6.5                              | 20.2                               |
| Denmark                    | 15.1                             | 20.0                               |
| Spain <sup>1</sup>         | 14.9                             | 18.1                               |
| Iceland                    | 17.5                             | 37.4                               |
| Norway                     | 14.9                             | 29.5                               |
| Switzerland                | 17.7                             | 31.5                               |
| <b>Average</b>             | <b>14.9</b>                      | <b>28.5</b>                        |

<sup>1</sup> Preliminary numbers

<sup>2</sup> Estimated numbers

Note: For all countries but Czech Republic: Companies with 10 or more employees; NACE Rev. 2.

Source: Eurostat – Statistics Explained: Gender Pay Gap Statistics (available online).

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<sup>25</sup> Cf. Steven J. Spencer, Claude M. Steele, and Diane M. Quinn, "Stereotype Threat and Women's Math Performance," *Journal of Experimental Social Psychology* 1, no. 35 (1999): 4–28. Additionally, a study from DIW Berlin recently showed that girls in primary school already believe they perform worse in math than their fellow male students. The difference in self-assessment is significantly larger than the difference between girls' and boys' actual test results. Cf. Felix Weinhard, "Ursache für Frauenmangel in den MINT-Berufen? Mädchen unterschätzen schon in der fünften Klasse ihre Fähigkeiten in Mathematik," *DIW Wochenbericht*, no. 45 (2017): 1009–1014 (in German; available online). By the age of 15, girls have internalized stereotypical beliefs about women's abilities so that they actually perform worse than boys of the same age. These beliefs remain as they grow older.

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