

# DIW Weekly Report

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## Women Executives Barometer 2023

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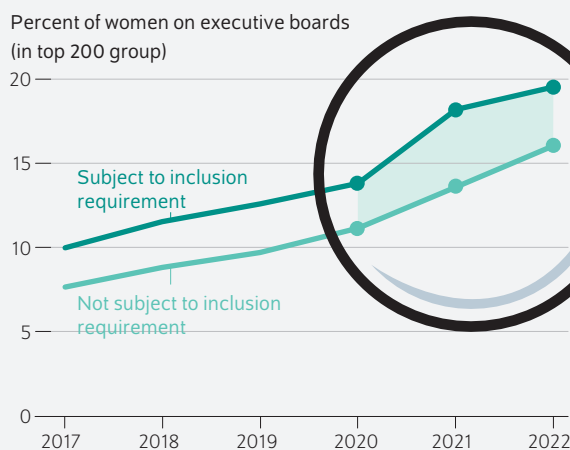
## AT A GLANCE

# Gender parity on boards is still a far-off goal, and it is time for companies to take action

By Anja Kirsch, Virginia Sondergeld, Philipp Alexander Thompson, and Katharina Wrohlich

- Shares of women on executive and supervisory boards of major companies in Germany have increased again, but overall growth has weakened
- As of autumn 2022, around 16 percent of executive board members at the top 200 companies were women; around 31 percent of supervisory board members were women
- Companies subject to the inclusion requirement—where the share of women is nearly 19 percent—adhered to it rapidly but are now slackening their efforts
- Quantitative text analysis of annual reports of DAX companies shows there are equality-oriented companies and compliance-oriented companies
- There is still a long way to go to gender parity; political requirements are there, now companies must do more and focus on an inclusive work culture

### Statutory inclusion requirement for executive boards is effective, but momentum is slowing



Sources: Authors' surveys and calculations.

Law in effect since 2021:  
At least one woman on executive boards with four or more members at publicly listed companies with full co-determination

**62**  
companies are subject to it

**13**  
of these companies had no woman on their board as of autumn 2022



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## FROM THE AUTHORS

*“The statutory inclusion requirement for executive boards is effective: Many companies anticipated the law and appointed women to their boards in 2021. However, this momentum has already slowed in 2022. It will likely not be a sprint to gender equality, but rather a marathon.”*

— Katharina Wrohlich —

## MEDIA



**Audio Interview** with Virginia Sondergeld (in German)  
[www.diw.de/mediathek](http://www.diw.de/mediathek)

# Gender parity on top boards is still a far-off goal, and it is time for companies to take action

By Anja Kirsch, Virginia Sondergeld, Philipp Alexander Thompson, and Katharina Wrohlich

The number of women serving on executive and supervisory boards of major companies in Germany continued to increase over 2022. Upon first glance, this is good news. However, upon closer inspection, the situation is not so clearly positive. Following a relatively large increase in the share of women, primarily of those on executive boards, growth slowed once more in 2022. Around 16 percent of the executive board members of the 200 largest companies in Germany (top 200 outside the financial sector) were women in late autumn 2022, which is about one percentage point more than 2021, or an additional seven women. In 2021, in contrast, there was an increase of over three percentage points, or an additional 38 women.

These ups and downs could perhaps just be a natural part of a growth cycle; growth fluctuates over time. However, it is difficult to deny that the growth could be related to the statutory inclusion requirement for executive board members that was adopted in 2021. Since 2022, publicly listed companies with full co-determination and an executive board with at least four members must adhere to the inclusion requirement. If they do not yet have a woman on their executive board, they must appoint one to the next vacant seat. The dynamic growth from 2020 to 2021 indicates a certain anticipation effect; the affected companies quickly implemented the statutory regulations. Now, however, they have apparently begun to slacken their efforts and, at least for the time being, are taking little action to further increase the representation of women. When only looking at the companies in the top 200 group subject to the inclusion requirement, the share of women on the executive boards was higher in 2022 compared to other companies. However, the increase was markedly lower than in 2021.

The editorial in the 2022 DIW Berlin Women Executives Barometer raised the question of whether this inclusion requirement had signaled the beginning of significantly more women on executive boards of large companies in Germany. One year later, so far, the increase seems to be more of a marathon and less of a sprint.

Either way, it is now up to the companies to take action. In recent years, policymakers have paved the way for more women in leadership positions, especially by passing laws such as the gender quota for supervisory boards and the inclusion requirement for executive boards. Now, companies must take this road. However, there is still a long way to go before gender parity is achieved. And while the number of women is clearly an important factor for achieving gender parity, it is not the only one: There must also be an appropriate corporate culture and the work climate must support equality and promote an inclusive work culture.

As is often the case with such developments, it is not surprising that companies are moving at different speeds: Some immediately take action, while others prefer to wait and see. Such a phenomenon can be seen in companies' gender equality efforts by analyzing the annual reports of DAX-30 or DAX-40 companies from 2009 to 2022. According to a quantitative text analysis of 554 annual reports from 2009 to 2020, major publicly listed companies implement the statutory reporting requirements very differently.

The volume of data on women and leadership positions in these reports has increased significantly on average in recent years and can be used to identify two clusters of companies: Equality-oriented companies, which report extensively on concrete measures for increasing the share

of women in leadership positions, and compliance-oriented companies, which are primarily concerned with fulfilling the legal requirements. Thus, it is not surprising that the equality-oriented cluster has a significantly higher share of women on their supervisory boards and has experienced dynamic

growth in the number of women on both supervisory and executive boards. The good news is that the statutory reporting requirements are proven to increase corporate transparency. Moreover, they also help raise public awareness about the issue and further pave the way to gender parity.

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# Number of women on boards of large companies keeps growing; momentum from inclusion requirement, however, is waning

By Anja Kirsch, Virginia Sondergeld, and Katharina Wrohlich

## ABSTRACT

The upward trend in women's representation on executive and supervisory boards of major companies in Germany continued in 2022, although the overall momentum has slowed yet again. Growth on executive boards in particular has slowed, as the most recent DIW Berlin Women Executives Barometer shows: Following a significant increase at the 200 largest companies from 2020 to 2021, there was only a one-percentage-point increase to just under 16 percent in the share of women on executive boards in 2022. The greatest increases were in the DAX-40 companies, where there was a share of women on executive boards of over 20 percent for the first time, and companies with government-owned shares, where the share reached 30 percent for the first time. A similar development can be seen in supervisory boards, albeit on a higher level. This development suggests that the companies subject to the inclusion requirement for executive boards, which has been in effect since 2021, implemented it quickly, but have since slowed their efforts. With the Equal Participation of Men and Women in Leadership Positions Act and its successor, policymakers have recently significantly improved the conditions for more women in top bodies. Now companies must do the work, as gender parity remains a distant prospect in many places. Most importantly, companies should make efforts to create an inclusive work culture.

Since 2006, DIW Berlin's Women Executives Barometer has been documenting the share of women<sup>1</sup> on management boards and among managing directors (hereafter referred to as "executive boards") as well as on supervisory, administrative, and advisory boards as well as boards of trustees (hereafter "supervisory boards") of the largest companies in Germany.<sup>2</sup> It is also documented to what extent women hold executive board chair and executive board spokesperson positions (hereafter "CEO") as well as supervisory board chair positions. These shares of women are reported here for the 200 largest companies in Germany (measured by revenue),<sup>3</sup> all DAX companies,<sup>4</sup> all companies with government-owned shares,<sup>5</sup> the 100 largest banks (measured by balance sheet total),<sup>6</sup> and the 60 largest insurance companies (measured by revenue from contributions).<sup>7</sup> Furthermore, the shares of women on executive boards and supervisory boards are reported separately for the companies subject to the gender quota on supervisory boards and for the companies subject to the 2021 inclusion requirement for executive boards.<sup>8</sup> Altogether, the DIW

<sup>1</sup> This Weekly Report uses a binary understanding of gender. The gender of the persons analyzed was determined using their first name, pronouns, and picture. This year, there were no cases of a person who could be identified as non-binary. However, the authors of this report are aware that not every non-binary person can be identified as such based solely on their appearance.

<sup>2</sup> Most recently in 2022, cf. Anja Kirsch, Virginia Sondergeld, and Katharina Wrohlich, "Markedly More Women on Executive Boards Of Large Companies; Inclusion Requirement Seemingly Already Having an Effect," *DIW Weekly Report*, no. 3/4 (2022a): 20-31 (available online; accessed on January 6, 2023). This applies to all other online sources in this report unless stated otherwise.

<sup>3</sup> The publication "Die 100 größten Unternehmen" from the *Frankfurter Allgemeine Zeitung* (July 12, 2022) was used to select the 100 and 200 largest companies. Unlike its title suggests, this publication actually contains the 200 largest companies in Germany.

<sup>4</sup> The list of publicly listed companies in the individual DAX groups was taken from the website [www.boerse.de](http://www.boerse.de) (in German; accessed November 25, 2022).

<sup>5</sup> The list of all companies with government-owned shares was taken from the Federal Government's *Beteiligungsbericht des Bundes 2021* (in German; available online; published on March 16, 2022).

<sup>6</sup> The 100 largest banks (measured by balance sheet total) were selected according to Anja U. Kraus and Harald Kuck, "Die 100 größten deutschen Kreditinstitute," *Die Bank, Zeitschrift für Bankpolitik und Praxis* 07 (2022): 14-19 (in German).

<sup>7</sup> The 60 largest insurance companies (measured by revenue from contributions) were selected based on an analysis by the *Kölner Institut für Versicherungsinformation und Wirtschaftsdienste* (KIVI). Additionally, the largest reinsurance companies according to the 2019-2020 reinsurance statistics (from December 31, 2019) published by the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*, BAFIN) in March 2021 were integrated into the group of the 60 largest insurance companies.

<sup>8</sup> The list of companies that were subject to the gender quota on supervisory boards in autumn 2022 was kindly provided to us by FidAR e.V.

Table 1

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

	Largest 200 companies							Largest 100 companies						
	2006	2010	2014	2017	2020	2021	2022	2006	2010	2014	2017	2020	2021	2022
<b>Executive/management boards</b>														
Total number of companies	200	200	200	200	200	200	200	100	100	100	100	100	100	100
With composition data	195	195	197	197	193	197	197	97	95	97	98	96	97	98
With women on executive board	9	22	43	62	81	101	104	1	8	17	38	48	60	58
Percentage share	4.6	11.3	21.8	31.5	42.0	51.3	52.8	1.0	8.4	17.5	38.8	50.0	61.9	59.2
Total number of members	953	906	877	956	878	944	935	531	490	461	511	468	482	479
Men	942	877	830	879	777	805	789	530	479	442	467	404	403	395
Women	11	29	47	77	101	139	146	1	11	19	44	64	79	84
Percentage share of women	1.2	3.2	5.4	8.1	11.5	14.7	15.6	0.2	2.2	4.1	8.6	13.7	16.4	17.5
Total number of chairpersons	195	195	183	177	183	176	180	97	97	92	85	95	90	90
Men	195	193	179	171	176	162	169	97	97	92	85	91	84	85
Women	0	2	4	6	7	14	10	0	0	0	0	4	6	5
Percentage share of women	0	1.0	2.2	3.4	3.8	8.0	5.6	0	0	0	0	4.2	6.7	5.6
<b>Supervisory boards/administrative boards</b>														
Total number of companies	200	200	200	200	200	200	200	100	100	100	100	100	100	100
With composition data	170	166	155	145	154	160	166	87	86	85	74	83	86	89
With women on supervisory board	110	117	133	134	145	149	156	65	61	76	71	79	81	85
Percentage share	64.7	70.5	85.8	92.4	94.2	93.1	94.0	74.7	70.9	89.4	95.9	95.2	94.2	95.5
Total number of members	2,500	2,293	2,156	2,080	2,074	2,183	2,160	1,389	1,263	1,232	1,160	1,252	1,317	1,302
Men	2,304	2,050	1,759	1,569	1,453	1,519	1,493	1,270	1,142	1,003	867	866	910	894
Women	196	243	397	511	621	664	667	119	121	229	293	386	407	408
Percentage share of women	7.8	10.6	18.4	24.6	29.9	30.4	30.9	8.6	9.6	18.6	25.3	30.8	30.9	31.3
Total number of chairpersons	170	167	149	145	153	160	166	87	87	84	74	83	86	89
Men	167	165	144	143	145	150	155	85	85	81	73	79	81	82
Women	3	2	5	2	8	10	11	2	2	3	1	4	5	7
Percentage share of women	1.8	1.2	3.4	1.4	5.2	6.3	6.6	2.3	2.3	3.6	1.4	4.8	5.8	7.9

<sup>1</sup> The figures for 2022 were researched from November 15 to 30, 2022.

Figures for every year since 2006 and the names of all women on the executive boards of the top 200 companies in 2022 are available online: [www.diw.de/managerinnen](http://www.diw.de/managerinnen)

Sources: Authors' surveys and calculations.

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Berlin Women Executives Barometer includes information on around 500 companies in Germany. The figures published here were researched from November 15 to 30, 2022.<sup>9</sup> The data are drawn from online company profiles, annual reports, financial statements, and the German Federal Government's *Beteiligungsbericht* 2021. It also includes information from German Federal Gazette publications as well as specific data requests made to the companies by DIW Berlin.

## Top 200 companies

### Share of women on executive boards continuing to rise, but not as strongly as in 2022

In the fourth quarter of 2022, the share of women on the executive boards of the 200 largest companies (excluding the financial sector) was nearly 16 percent (Table 1, Overview 1, Figure 1), one percentage point higher than in 2021. However, this momentum has decreased following the over three-percentage-point

increase from 2020 to 2021 in the context of the inclusion requirement. Nevertheless, nearly half of the top 200 companies do not have one single woman on their executive board.

The development among the top 100 companies was similar: There, the share of women on executive boards also increased by around one percentage point and, as of autumn 2022, was 17.5 percent. This group also saw an above-average increase of almost three percentage points from 2020 to 2021.

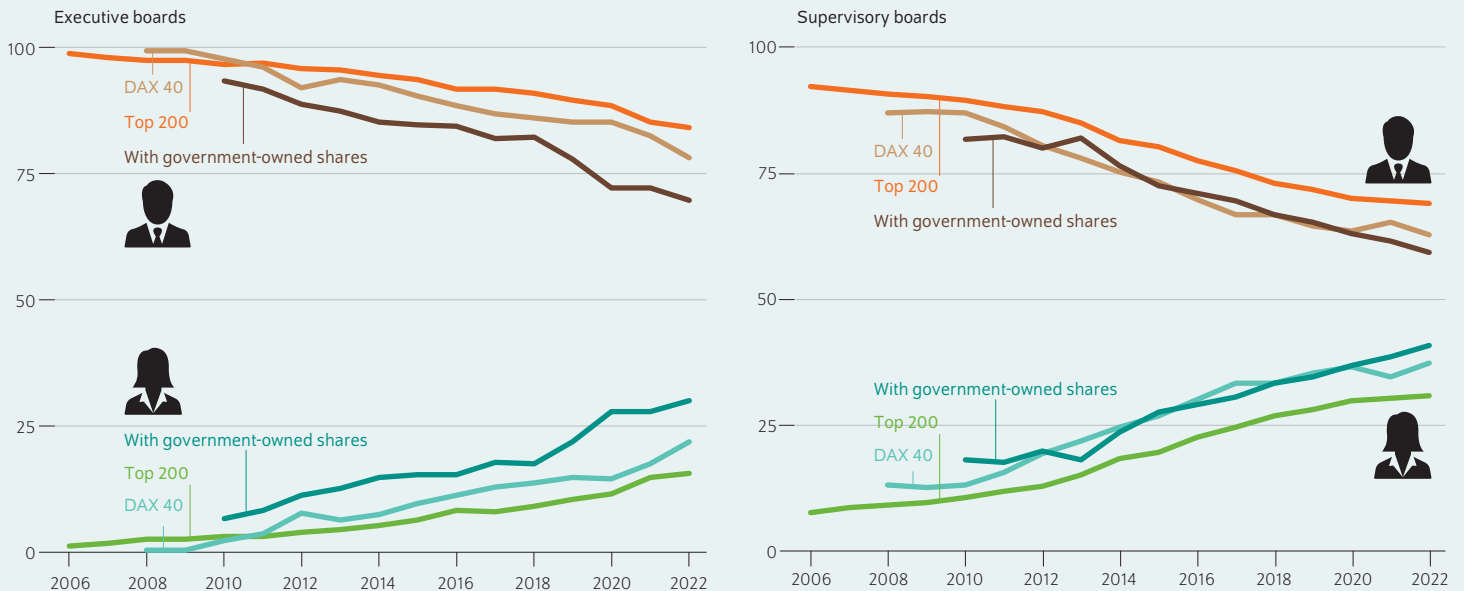
The share of women who are CEOs, however, declined in both groups in 2022. Among the top 200 companies, there were only ten women serving as CEO, four fewer than in 2021; this was a decrease from eight to just almost six percent. Among the top 100 companies, there were only five women serving as CEO, one fewer than in 2021; the share of women thus declined from nearly seven to almost six percent.<sup>10</sup>

<sup>9</sup> We would like to thank Saskia Schober and Ariadna Urdaneta Medina for their support in data research.

<sup>10</sup> Martina Merz (Thyssenkrupp AG), Sabine Nikolaus (Boehringer Ingelheim), Belén Garijo (Merck KGaA), Manon van Beek (Tennet), Anna Maria Braun (B. Braun Melsungen SE), Susanna Zapreva (Enercity AG), Marianne Janik (Microsoft Deutschland GmbH), Aline Seifert (Alliance Healthcare Deutschland AG), Ulrike Hoyer (Wilhelm Hoyer), and Nicola Leibinger-Kammüller (Trumpf Gruppe).

Figure 1

## Shares of women and men in selected groups of companies In percent



Source: Authors' surveys and calculations.

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The share of women on executive as well as supervisory boards has recently increased slightly.

### Modest growth in the share of women on supervisory boards continues

The share of women on supervisory boards remains significantly higher than the share of women on executive boards. In recent years however, there was barely any growth in the share of women on supervisory boards. Most recently, the share of women on supervisory boards of the top 200 and top 100 companies increased by about 0.5 percentage points each and was around 31 percent for both groups as of the fourth quarter of 2022.

In contrast, the number of women heading supervisory boards has increased, albeit at a low level: The number of supervisory board chairwomen at the top 200 companies increased from ten to 11 from 2021 to 2022, raising the share to almost seven percent. There were seven supervisory board chairwomen at the top 100 companies, up from two in 2021, which is a share of nearly eight percent as of the fourth quarter of 2022.<sup>11</sup>

### Publicly listed companies

#### Significantly more women on executive boards only in DAX-40 group

The share of women on executive boards of the publicly listed companies analyzed (DAX 40, MDAX, SDAX, and TecDAX) experienced a weaker increase between 2021 and 2022 compared to between 2020 and 2021. Most recently, the average for all 160 DAX companies was 15.5 percent (Table 2, Overview 2), nearly 1.5 percentage points more than in 2021. Thus, this increase was half as large as in 2021. Among the CEOs, the share of women even stagnated and was just under six percent, as it was in 2021.<sup>12</sup>

However, this average conceals major differences between the individual DAX groups. The largest publicly listed DAX-40 companies have had a larger share of women on their executive boards than the SDAX, MDAX, and TecDAX companies for around ten years (Tables 3 and 4). One reason for this may be that more public attention is paid to the DAX-40 companies and their executive boards. They exceeded a

<sup>11</sup> Elke Simon (Boehringer Ingelheim), Bettina Würth (Würth-Gruppe), Anna Borg (Vattenfall Deutschland), Anja Ritschel (Enercity AG), Cathrina Claas-Mühlhäuser (Claas KGaA mbH), Doreen Nowotne (Brenntag, Franz Haniel & Cie. GmbH), Katharina Viessmann (Viessmann Werke GmbH & Co. KG), Simone Bagel-Trah (Henkel), Héloïse Temple-Boyer (Puma), and Cristina Stenbeck (Zalando).

<sup>12</sup> DAX-40: Carla Kriwet (Fresenius Medical Care), Belén Garijo (Merck KGaA); MDAX: Konstantina Kanellopoulos (Deutsche Wohnen), Martina Merz (Thyssenkrupp AG); SDAX: Sonja Wärntges (DIC Asset AG), Marika Lulay (GFT Technologies), Petra von Strombeck (New Work SE), Britta Giesen (Pfeiffer Vacuum Technology AG), and Melissa Di Donato (SUSE S.A.).



## WOMEN EXECUTIVES BAROMETER: SHARE OF WOMEN

Table 2

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

	Subject to the gender quota for supervisory boards <sup>3</sup>				Subject to inclusion requirement for executive boards	Average of the DAX groups						
	2016	2019	2021	2022	2022	2011 <sup>4</sup>	2013	2015	2017	2019	2021	2022
<b>Executive/management boards</b>												
Total number of companies	106	105	103	102	62	130	160	160	160	160	160	160
With composition data	106	105	103	102	62	130	160	160	160	159	159	159
With women on executive board	26	42	57	59	49	17	37	35	43	56	81	82
Percentage share	24.5	40.0	55.3	57.8	79.0	13.1	23.1	21.9	26.9	35.2	50.9	51.6
Total number of members	447	494	476	468	348	569	681	658	697	706	689	708
Men	446	443	405	389	282	549	639	620	647	640	592	598
Women	31	51	71	79	66	20	42	38	50	66	97	110
Percentage share of women	6.5	10.3	14.9	16.9	19.0	3.5	6.2	5.8	7.2	9.3	14.1	15.5
Total number of chairpersons <sup>2</sup>	103	105	103	102	62	130	160	158	155	157	158	158
Men	102	101.5	97	98	61	129	159	158	150	152.5	149	149
Women	1	3.5	6	4	1	1	1	0	5	4.5	9	9
Percentage share of women	1.0	3.3	5.8	3.9	1.6	0.8	0.6	0	3.2	2.9	5.7	5.7
<b>Supervisory boards/administrative boards</b>												
Total number of companies	106	105	103	102	62	130	160	160	160	160	160	160
With composition data	105	105	103	102	62	130	160	158	160	159	159	158
With women on supervisory board	105	105	103	102	62	82	119	130	137	136	144	148
Percentage share	100	100	100	100	100	63.1	74.4	81.3	85.6	85.5	90.6	93.7
Total number of members	1,562	1,577	1,552	1,546	999	1,406	1,668	1,653	1,761	1,698	1,677	1,735
Men	1,134	1,027	1,002	979	640	1,228	1,384	1,284	1,284	1,167	1,126	1,138
Women	428	550	550	567	359	178	286	369	477	531	557	597
Percentage share of women	27.4	34.9	35.4	36.7	35.9	12.7	17.1	22.3	27.1	31.3	33.2	34.4
Total number of chairpersons	104	105	103	102	62	130	158	158	160	159	159	158
Men	100	99	99	98	61	129	154	152	155	151	151	149
Women	4	6	4	4	1	1	4	6	5	8	8	9
Percentage share of women	3.8	5.7	3.9	3.9	1.6	0.8	2.5	3.8	3.1	5.0	5.0	5.7

1 The figures for 2022 were researched from November 15 to 30, 2022.

2 In cases of dual leadership, the chairperson is counted as two half positions.

3 According to data from *Frauen in die Aufsichtsräte e.V.* (FidAR).

4 Calculations do not include TecDAX companies.

Figures for further years and the names of all women on the executive boards of the top 200 companies in 2022 are available online: [www.diw.de/managerinnen](http://www.diw.de/managerinnen)

Sources: Authors' surveys and calculations.

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share of women on executive boards of 20 percent for the first time in 2022, with 53 women of 243 total members as of the fourth quarter. This is a share of almost 22 percent, a good four percentage points more than in 2021. Thus, the DAX-40 companies are significantly ahead of all other groups of private sector companies.

The share of women on executive boards of MDAX companies in late autumn 2022 was markedly lower at around 12 percent, and has hovered around this level for several years. The situation is similar for the SDAX companies. The TecDAX companies, in contrast, experienced slight growth of about two percentage points, with a share of nearly 16 percent.

Only in the DAX-40 companies was there an increase in women serving as CEOs: In addition to Belén Garijo (Merck), Carla Kriwet (Fresenius Medical Care) was the second woman to be named CEO in autumn 2022 (although

she was replaced by Helen Giza on December 5, 2022). As in previous years, two women are CEOs of MDAX companies. In the SDAX and TecDAX companies, however, the number of women in CEO positions dropped from six to five and from two to one, respectively. Among SDAX companies, the share in the fourth quarter of 2022 was the highest among the DAX groups, at just over seven percent, despite the decline.

### Share of women on supervisory boards rising only at DAX-40 and TecDAX companies

The share of women on the supervisory boards of the 160 DAX companies reached 30 percent in 2018 (Table 2). Since then, the growth in supervisory boards has been less dynamic; recently, there were even slight declines in some groups. All DAX groups had an average share of women on supervisory boards of 34 percent as of late autumn 2022, about one percentage point higher than in 2021.

## WOMEN EXECUTIVES BAROMETER: SHARE OF WOMEN

Table 3

### Women on executive and supervisory boards of DAX 30/DAX 40 and MDAX companies<sup>1</sup>

	DAX 30/DAX 40 <sup>2</sup>							MDAX <sup>3</sup>					
	2008	2011	2014	2017	2020	2021	2022	2011	2014	2017	2020	2021	2022
<b>Executive/management boards</b>													
Total number of companies	30	30	30	30	30	40	40	50	50	50	60	50	50
With composition data	30	30	30	30	29	39	39	50	50	50	60	50	50
With women on executive board	1	6	12	21	21	31	33	5	5	8	24	20	18
Percentage share	3.3	20.0	40.0	70.0	72.4	79.5	84.6	10.0	10.0	16.0	40.0	40.0	36.0
Total number of members	183	188	188	200	178	234	243	213	187	208	250	193	189
Men	182	181	174	174	152	193	190	208	182	199	220	170	166
Women	1	7	14	26	26	41	53	5	5	9	30	23	23
Percentage share of women	0.5	3.7	7.4	13.0	14.6	17.5	21.8	2.3	2.7	4.3	12.0	11.9	12.2
Total number of chairpersons	30	30	30	30	29	39	39	50	49	48	59	49	49
Men	30	30	30	30	29	38	37	50	49	47	57	47	47
Women	0	0	0	0	0	1	2	0	0	1	2	2	2
Percentage share of women	0	0	0	0	0	2.6	5.1	0	0	2.1	3.4	4.1	4.1
<b>Supervisory boards/administrative boards</b>													
Total number of companies	30	30	30	30	30	40	40	50	50	50	60	50	50
With composition data	30	30	30	30	29	39	39	50	50	50	60	50	49
With women on supervisory board	27	26	28	30	29	39	39	35	47	47	55	45	47
Percentage share	90.0	86.7	93.3	100	100	100	100	70.0	94.0	94.0	91.7	90.0	95.9
Total number of members	527	479	490	490	452	544	574	581	595	631	629	527	518
Men	458	404	369	327	287	355	360	515	492	461	420	353	343
Women	69	75	121	163	165	189	214	66	103	170	209	174	175
Percentage share of women	13.1	15.7	24.7	33.3	36.5	34.7	37.3	11.4	17.3	26.9	33.2	33.0	33.8
Total number of chairpersons	n/a	30	30	30	29	39	39	50	49	50	60	50	49
Men	n/a	29	29	29	28	36	35	50	48	49	57	49	47
Women	n/a	1	1	1	1	3	4	0	1	1	3	1	2
Percentage share of women	n/a	3.3	3.3	3.3	3.4	7.7	10.3	0	2.0	2.0	5.0	2.0	4.1

<sup>1</sup> The figures for 2022 were researched from November 15 to 30, 2022.

<sup>2</sup> Since September 20, 2021, the group of the largest listed companies has included 40 instead of 30 companies.

<sup>3</sup> In contrast to the expansion of the DAX 30 to the DAX 40, the MDAX was reduced by ten companies in autumn 2021.

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Sources: Authors' surveys and calculations.

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The DAX-40 companies are also leading the way in terms of supervisory boards: In the fourth quarter of 2022, this group had both one of the highest shares of women on supervisory boards (a good 37 percent) as well as a large increase compared to 2021 (plus almost three percentage points, Table 3). However, growth among the TecDAX companies kept up with the other groups, coming close to them for the first time in 2021, with the share increasing by around three percentage points to nearly 38 percent in 2022.

The MDAX companies, in contrast, only increased their share of women on supervisory boards by nearly one percentage point to almost 34 percent. While there were 14 more women on supervisory boards at SDAX companies in 2022 compared to 2021, the share of women at around 32 percent was more or less stable because there were more seats overall.

There was one more woman chair of supervisory boards of the DAX-40 and MDAX companies each, increasing the shares to ten and four percent, respectively.<sup>13</sup> The number of

women as chair of supervisory boards at SDAX and TecDAX companies, however, went from four to three women (from nearly six percent to four percent) and from three women to one woman (from ten percent to three percent), respectively.<sup>14</sup>

### Companies with government-owned shares achieved 30 percent women on executive boards, 40 percent on supervisory boards

As many companies with government-owned shares are small, they can only be compared to the other groups of companies examined here to a limited extent.<sup>15</sup> In addition, in contrast to the private sector, supervisory board seats in these companies are often tied to a leading position in public administration or to political mandates. The share of women in senior public administration positions and political offices

<sup>13</sup> Doreen Nowotne (Brenntag), Simone Bagel-Trah (Henkel), Héloïse Temple-Boyer (Puma), Cristina Stenbeck (Zalando), Helene von Roeder (Deutsche Wohnen SE), and Iris Löw-Friedrich (Evotec SE).

<sup>14</sup> Claudia Badstöber (Kontron S&T AG), Ayla Busch (Pfeiffer Vacuum Technology AG), Susanne Klatten (SGL Carbon SE), and Iris Löw-Friedrich (Evotec SE).

<sup>15</sup> Companies with government-owned shares are a very heterogeneous group containing very large companies such as Deutsche Telekom AG and Deutsche Bahn AG, but also some very small cultural or scientific companies, such as the Wissenschaftszentrum Berlin für Sozialforschung gGmbH (WZB), the Futurium gGmbH, or the Bayreuther Festspiele GmbH.

Table 4

Women on executive and supervisory boards of SDAX and TecDAX companies<sup>1</sup>

	SDAX							TecDAX					
	2011	2013	2015	2017	2019	2021	2022	2013	2015	2017	2019	2021	2022
<b>Executive/management boards</b>													
Total number of companies	50	50	50	50	70	70	70	30	30	30	30	30	30
With composition data	50	50	50	50	70	70	70	30	30	30	30	30	30
With women on executive board	6	11	11	9	15	30	31	8	3	5	9	10	11
Percentage share	12.0	22.0	22.0	18.0	21.4	42.9	44.3	26.7	10.0	16.7	30.0	33.3	36.7
Total number of members	168	170	165	172	259	262	276	107	101	117	131	118	121
Men	160	157	154	163	244	229	242	98	98	111	119	102	102
Women	8	13	11	9	15	33	34	9	3	6	12	16	19
Percentage share of women	4.8	7.6	6.7	5.2	5.8	12.6	12.3	8.4	3.0	5.1	9.2	13.6	15.7
Total number of chairpersons <sup>2</sup>	50	50	50	48	69	70	70	30	30	29	29	30	30
Men	49	50	50	46	67	64	65	30	30	27	28.5	28	29
Women	1	0	0	2	2	6	5	0	0	2	0.5	2	1
Percentage share of women	2.0	0	0	4.2	2.9	8.6	7.1	0	0	6.9	1.7	6.7	3.3
<b>Supervisory boards/administrative boards</b>													
Total number of companies	50	50	50	50	70	70	70	30	30	30	30	30	30
With composition data	50	50	49	50	70	70	70	30	29	30	30	30	29
With women on supervisory board	21	27	33	35	53	60	62	19	23	25	26	27	28
Percentage share	42.0	54.0	67.3	70.0	75.7	85.7	88.6	63.3	79.3	83.3	86.7	90.0	96.6
Total number of members	346	388	365	399	636	612	643	207	201	241	259	269	281
Men	309	337	302	309	455	418	435	174	153	187	178	176	175
Women	37	51	63	90	181	194	208	33	48	54	81	93	106
Percentage share of women	10.7	13.1	17.3	22.6	28.5	31.7	32.3	15.9	23.9	22.4	31.3	34.6	37.7
Total number of chairpersons	50	50	49	50	70	70	70	30	29	30	30	30	29
Men	50	50	48	49	66	66	67	29	27	28	28	27	28
Women	0	0	1	1	4	4	3	1	2	2	2	3	1
Percentage share of women	0	0	2.0	2.0	5.7	5.7	4.3	3.3	6.9	6.7	6.7	10.0	3.4

<sup>1</sup> The figures for 2022 were researched from November 15 to 30, 2022.

<sup>2</sup> In cases of dual leadership, the chairperson is counted as two half positions.

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affects the share of women on the supervisory boards of these companies due to this fact.

As in previous years, companies with government-owned shares had a significantly higher share of women on executive boards than private sector companies as of late autumn 2022, and they reached 30 percent for the first time: Of 186 executive board positions, 56 were filled by women. This corresponds to a little over 30 percent, a good two percentage points more than in 2021 (Table 5, Overview 3). After reaching 20 percent for the first time in 2019, the development of the share of women on executive boards of companies with government-owned shares has been relatively dynamic, despite a brief stall in growth in 2021. However, the number of women CEOs, seven, remained the same.<sup>16</sup>

<sup>16</sup> Cara Schwarz-Schilling (WIK Wissenschaftliches Institut für Infrastruktur und Kommunikationsdienste GmbH), Aletta von Massenbach (Flughafen Berlin Brandenburg GmbH), Sabine Brüngrer-Weilandt (FIZ Karlsruhe – Leibniz-Institut für Informationsinfrastruktur GmbH), Anna-Katharina Hornidge (Deutsches Institut für Entwicklungspolitik gGmbH), Katharina Wagner (Bayreuther Festspiele GmbH), Astrid Irrgang (Berliner Zentrum für Internationale Friedenssätze gGmbH), and Christina Lang (DigitalService4Germany GmbH).

The share of women also continued to increase on the supervisory boards of companies with government-owned shares: It exceeded 40 percent for the first time in autumn 2022, reaching a high of nearly 41 percent, which was not the case for any other group. The share of women as chairs of supervisory boards continued to increase as well. For the first time, over one third (21 out of 61) of all supervisory board chairs in this group were filled by women in 2022.<sup>17</sup>

### Banks and insurance companies lagging behind other sectors

Similar to the situation at the 100 largest companies outside the financial sector, the share of women on executive boards of the 100 largest banks in Germany increased somewhat in 2022, but much less than the increase from 2020 to 2021. As of late autumn 2022, the share was 14 percent, about one percentage point more than in 2021 (Table 6, Overview 4). There was a stronger, two-percentage-point increase to nearly 16 percent in the share of women at the 60 largest insurance

<sup>17</sup> Cf. Overview 3 in the online supplement to this Weekly Report ([www.diw.de/managerinnen](http://www.diw.de/managerinnen), in German).

Table 5

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

	2010	2013	2015	2017	2019	2021	2022
<b>Executive/management boards</b>							
Total number of companies	61	60	61	61	62	66	69
With composition data	60	60	61	60	62	66	69
With women on executive board	9	14	20	22	28	33	36
Percentage share	15.0	23.3	32.8	36.7	45.2	50.0	52.2
Total number of members	152	143	144	140	150	162	186
Men	142	125	122	115	117	117	125
Women	10	18	22	25	33	45	56
Percentage share of women	6.6	12.6	15.3	17.9	22.0	27.8	30.1
Total number of chairpersons	54	56	37	41	49	37	35
Men	51	51	33	36	41	30	28
Women	3	5	4	5	8	7	7
Percentage share of women	5.6	8.9	10.8	12.2	16.3	18.9	20.0
<b>Supervisory boards/administrative boards</b>							
Total number of companies	61	60	61	61	62	66	69
With composition data	54	51	55	51	56	59	61
With women on supervisory board	46	41	53	50	56	59	61
Percentage share	85.2	80.4	96.4	98.0	100	100	100
Total number of members	577	553	595	530	601	626	623
Men	472	453	431	368	393	385	369
Women	105	100	164	162	208	241	254
Percentage share of women	18.2	18.1	27.6	30.6	34.6	38.5	40.8
Total number of chairpersons	53	47	55	51	54	59	61
Men	45	39	48	41	43	40	40
Women	8	8	7	10	11	19	21
Percentage share of women	15.1	17.0	12.7	19.6	20.4	32.2	34.4

<sup>1</sup> The figures for 2022 were researched from November 15 to 30, 2022.

Figures for further years and the names of all women on the executive boards of the top 200 companies in 2022 are available online: [www.diw.de/managerinnen](http://www.diw.de/managerinnen)

Sources: Authors' surveys and calculations.

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companies. The shares of women in CEO positions at both the banks and the insurance companies declined slightly to nearly eight and five percent, respectively.<sup>18</sup>

In contrast, the share of women on supervisory boards in the financial sector increased moderately in 2022. In the 100 largest banks, the share of women on supervisory boards increased by one percentage point to nearly 26 percent; in the 60 largest insurance companies, it rose by about two percentage points to around 28 percent. There was a larger increase in the share of supervisory board chairwomen at the 100 largest banks. As of 2022, there were eleven supervisory board chairwomen, four more than in 2021, corresponding to a share of a little over 11 percent (an increase of

four percentage points).<sup>19</sup> In contrast, the share of supervisory board chairwomen at the 60 largest insurance companies decreased from ten to nearly seven percent. This is a decline of two women, from six to four.<sup>20</sup>

Comparing the financial sector (top 100 banks) with the other sectors (top 100 companies in the private sector, excluding the financial sector) shows that the trend of recent years is continuing: While the financial sector initially had higher shares of women on supervisory and executive boards than the 100 top companies in the private sector at the beginning of the observation period in the mid-2000s, the other sectors have surpassed the financial sector, both in terms of women on supervisory boards (in 2016) and on executive boards (2018) (Figure 2). The top 100 banks now lag far behind the top 100 companies in terms of the shares of women on supervisory and executive boards.<sup>21</sup>

Women's strikingly low representation in the financial sector is particularly noteworthy considering women make up the majority of employees in this sector. A recent evaluation from the Institute for Employment Research (*Institut für Arbeitsmarkt- und Berufsforschung*, IAB) has shown that women are significantly underrepresented in both the top and middle levels of management at companies in the financial sector.<sup>22</sup>

Gender stereotypes and the male-dominated management culture in the financial sector likely contribute to the lower share of women in leadership positions at banks and insurance companies.<sup>23</sup> Empirical studies have shown that employees who put up with extremely long and inflexible working hours are compensated disproportionately high in this sector.<sup>24</sup>

<sup>18</sup> Eva Wunsch-Weber (Frankfurter Volksbank), Katrin Leonhardt (Sächsische Aufbaubank – Förderbank), Kathrin Kerls (BMW Bank), Edith Weymayr (Landeskreditbank Baden-Württemberg – Förderbank), Kristine Braden (Citigroup Global Markets Europe AG), Christine Novakovic (UBS Europe S.E.), Isabelle Chevelard (Targobank AG), Karin-Brigitte Göbel (Stadtparkasse Düsseldorf), Nina Klingspor (Allianz Private Krankenversicherungs-AG), and Zeliha Hanning (Württembergische Versicherung AG).

<sup>19</sup> Susanne Klöß-Braekler (ING Holding Deutschland GmbH), Mona Neubaur (NRW.Bank), Dagmar Kollmann (Citigroup Global Markets Europe AG), Ingrid-Ulla Bartölke (Volkswagen Bank GmbH), Mónica López-Monís Gallego (Santander Consumer Bank AG), Clare Woodman (Morgan Stanley Europe SE), Silke Torp (Investitionsbank Schleswig-Holstein), Katrin Lange (Investitionsbank des Landes Brandenburg), Anke Beckemeyer (Sparda-Bank West eG), Gitta Wild (Sparda-Bank Südwest eG), Tamara Bischof (Sparkasse Mainfranken Würzburg), and Katja de la Viña (Allianz Lebensversicherungs-AG).

<sup>20</sup> Silke Lautenschläger (DKV Deutsche Krankenversicherung AG), Liane Buchholz (Provinzial Versicherung AG), Isabella Pfaller (Bayerische Beamtenkrankenkasse AG), and Cosima Ingenschay (DEVK Allgemeine Versicherungs-AG).

<sup>21</sup> A more detailed comparison of the development of the share of women on the supervisory and executive boards in the financial sector and other private sectors from 2006 to 2019 as well as an overview of the possible causes of the especially sluggish development of the share of women on boards in the financial sector can be found in Kirsch and Wrohlich, "More women on supervisory boards."

<sup>22</sup> Susanne Kohaut and Iris Möller, "Führungspositionen in Betrieben und Verwaltungen: Der Weg nach ganz oben bleibt Frauen oft versperrt," *IAB-Kurzbericht 1* (2022) (in German).

<sup>23</sup> Cf. for example Astrid Jäkel, Carolin Kütz, and Emily Niemann, "Female Leadership in Germany and Switzerland," in *Women in Financial Services*, ed. Oliver Wyman (2016): 54ff.

<sup>24</sup> Cf. for the USA: Marianne Bertrand, Claudia Goldin, and Lawrence Katz, "Dynamics of Gender Gap for Young Professionals in the Financial and Corporate Sectors," *American Economic Journal: Applied Economics* 2, (2010): 228-255. This correlation is shown for Germany in Aline Zucco, "Occupational Characteristics and the Gender Pay Gap," *DIW Discussion Paper*, no. 1794 (2019) (available online) as well as in Aline Zucco, "Strong correlation between large gender pay gaps and non-linear pay in certain occupations," *DIW Weekly Report*, no. 10 (2019): 127–136 (available online).

Table 6

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

	Banks							Insurance companies						
	2006	2009	2012	2015	2018	2021	2022	2006	2009	2012	2015	2018	2021	2022
<b>Executive/management boards</b>														
Total number of companies	100	100	100	100	100	99	100	63	62	61	59	60	60	60
With composition data	100	100	100	100	100	99	100	63	62	61	59	59	60	60
With women on executive board	10	9	17	28	29	39	42	10	11	21	27	26	32	40
Percentage share	10,0	9,0	17,0	28,0	29,0	39,4	42,0	15,9	17,7	34,4	45,8	44,1	53,3	66,7
Total number of members	442	418	407	394	404	403	418	394	392	384	353	342	348	392
Men	431	407	390	364	369	350	358	384	381	362	321	309	302	331
Women	11	11	17	30	35	53	60	10	11	22	32	33	46	61
Percentage share of women	2,5	2,6	4,2	7,6	8,7	13,2	14,4	2,5	2,8	5,7	9,1	9,6	13,2	15,6
Total number of chairpersons <sup>2</sup>	100	100	100	98	97	95	96	63	62	61	59	60	60	60
Men	98	100	97	95	92	87	88,5	63	62	60	58	58	55	57
Women	2	0	3	3	5	8	7,5	0	0	1	1	2	5	3
Percentage share of women	2,0	0	3,0	3,1	5,2	8,4	7,8	0	0	1,6	1,7	3,3	8,3	5,0
<b>Supervisory boards/administrative boards</b>														
Total number of companies	100	100	100	100	100	99	100	63	62	61	59	60	60	60
With composition data	100	100	100	98	99	97	98	63	62	61	59	59	60	58
With women on supervisory board	89	87	88	93	96	94	95	46	48	50	50	50	52	49
Percentage share	89,0	87,0	88,0	94,9	97,0	96,9	96,9	73,0	77,4	82,0	84,7	84,7	86,7	84,5
Total number of members	1633	1555	1491	1518	1531	1428	1459	812	734	704	640	592	605	618
Men	1387	1294	1226	1194	1176	1074	1083	720	643	596	518	459	453	448
Women	246	261	265	324	355	354	376	92	91	108	122	133	153	170
Percentage share of women	15,1	16,8	17,8	21,3	23,2	24,8	25,8	11,3	12,4	15,3	19,1	22,5	25,3	27,5
Total number of chairpersons	100	100	100	98	98	97	98	63	62	61	59	60	60	58
Men	97	96	97	92	93	90	87	63	61	60	57	59	54	54
Women	3	4	3	6	5	7	11	0	1	1	2	1	6	4
Percentage share of women	3,0	4,0	3,0	6,1	5,1	7,2	11,2	0	1,6	1,6	3,4	1,7	10,0	6,9

<sup>1</sup> The figures for 2022 were researched from November 15 to 30, 2022.

<sup>2</sup> In cases of dual leadership, the chairperson is counted as two half positions.

Figures for further years and the names of all women on the executive boards of the largest banks and insurance companies in 2022 are available online: [www.diw.de/managerinnen](http://www.diw.de/managerinnen)

Sources: Authors' surveys and calculations.

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## Statutory gender quota and inclusion requirement have had a positive effect on the share of women

In 2015, the Equal Participation of Women and Men in Leadership Positions in the Private and Public Sectors Act (*Gesetz für die gleichberechtigte Teilhabe von Frauen und Männern an Führungspositionen in der Privatwirtschaft und im öffentlichen Dienst*, FüPoG I) became law in Germany and stipulated a statutory gender quota of 30 percent for supervisory boards. This quota applies to publicly listed companies that also have employee representation on their supervisory boards (full co-determination). As of autumn 2022, 102 companies were subject to the quota.

Within the group of the top 200 companies, a comparison of those companies that are subject to the supervisory board quota with those companies to which it does not apply shows that there has been a significantly stronger increase in the share of women in the quota companies, especially from

2014 to 2019 (Figure 3). In this period, the share of women in companies subject to the quota rose by almost 15 percentage points (from around 20 percent to over 34 percent), while it only increased by a good seven percentage points (from just under 16 percent to just over 23 percent) in companies not subject to the quota. From 2019 to 2021, the non-quota group caught up some, but the gap between the two groups has widened again recently. As of late autumn 2022, the share of women on supervisory boards of the quota companies among the top 200 companies was 36 percent, while it was only nearly 27 percent in the non-quota companies.

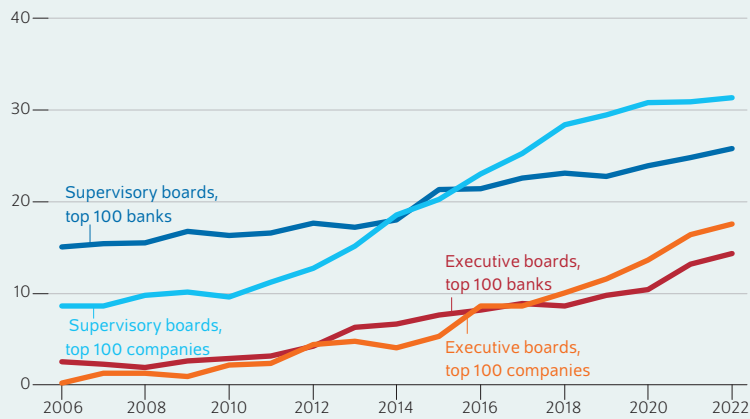
Initially, the FüPoG I adopted in 2015 did not set any numerical targets for the executive boards; they were first set in the Law to Expand and Modify the Regulations for the Equal Participation of Women and Men in Leadership Positions in the Private and Public Sectors Act (*Gesetz zur Ergänzung und Änderung der Regelungen für die gleichberechtigte Teilhabe von Frauen an Führungspositionen in der Privatwirtschaft und im öffentlichen Dienst*, FüPoG II), which came into effect in



Figure 2

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

In percent



Sources: Authors' surveys and calculations.

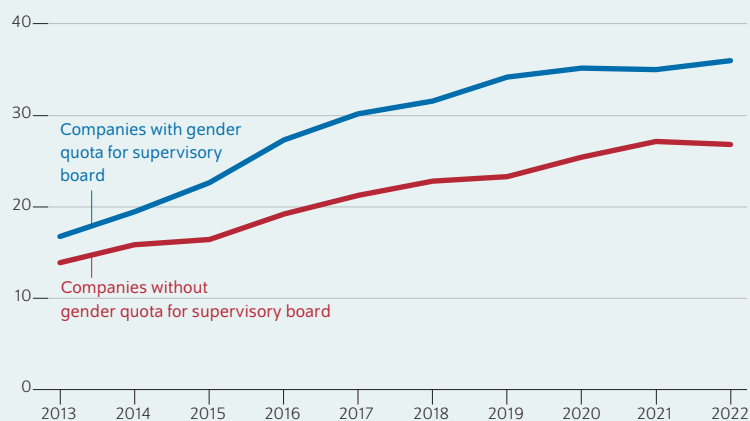
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Women's representation at the 100 largest banks has fallen behind.

Figure 3

### Share of women on supervisory boards of the top 200 companies with and without a supervisory board quota

In percent



Sources: Authors' surveys and calculations.

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Growth in the quota companies was higher, especially from 2014 to 2019.

August 2021 and applies to new executive board positions as of August 2022.<sup>25</sup> This law states, among other things, that publicly listed companies with full co-determination whose executive board has at least four members must fill the next vacancy with a woman if the board does not already include a woman. In contrast to the gender quota for supervisory boards, which is set at 30 percent in the FöPoG I, the FöPoG II stipulates an inclusion requirement rather than a fixed quota for executive boards. This design makes sense, as executive boards are significantly smaller bodies than supervisory boards. The companies subject to the gender quota for supervisory boards have an average of 15.7 supervisory board members and 4.6 executive board members. The average size of the executive board of companies that are subject to the supervisory board quota and the inclusion requirement for executive boards is 5.6. The inclusion requirement thus corresponds to an average quota of around 17 percent.

Previous studies documented anticipation effects as a result of these laws.<sup>26</sup> The top 200 companies that were subject to the inclusion requirement for executive boards increased the number of women on their executive boards between 2020 and 2021 markedly more than the top 200 companies not subject to the requirement as of autumn 2021 (Figure 4). In 2022, however, the increase in this group was noticeably weaker. Of the companies in the top 200 group that are subject to the inclusion requirement, the share of women on executive boards was recently around 20 percent, still well above that of the other top 200 companies at just over 16 percent. This development indicates that the companies subject to the requirement had reacted quickly and appointed women to their boards in the previous year. This very dynamic growth likely did not continue because the companies have already met the implicit quota, at least on average. Overall, the share of women on executive boards of companies that are subject to the inclusion requirement is 19 percent (Table 2). Of the 62 affected companies, 13 still do not have a woman on their executive board. These 13 companies must fill the next vacant executive board position with a woman.

The inclusion requirement for executive boards applies only to publicly listed companies with full co-determination whose executive board has at least four members. This gives the companies the opportunity to determine, to a certain extent, whether or not they must adhere to the inclusion requirement depending on how they structure their executive board. By and large, the board sizes of the top 200 companies remain constant over time. However, of the 66 companies affected by the inclusion requirement in 2021, some have changed their board size: Of the five companies that appointed a woman to the board for the first time in 2022,

<sup>25</sup> A more detailed description of the FöPoG II can be found in Anja Kirsch, Virginia Sondergeld, and Katharina Wrohlich, "While Gender Quotas for Top Positions in the Private Sector Differ across EU Countries, They Are Effective Overall," *DIW Weekly Report*, no. 3/4 (2022): 32-39 (available online).

<sup>26</sup> Cf. Virginia Sondergeld and Katharina Wrohlich, "Mindestbeteiligung von Frauen in Vorständen: Einige Unternehmen sind neuem Gesetz bereits zuvorgekommen," *DIW aktuell*, no. 65 (2021) (in German; available online); as well as Kirsch, Sondergeld, and Wrohlich, "While Gender Quotas for Top Positions in the Private Sector Differ across EU Countries."

two increased their board size. In contrast, five other companies reduced the size of their boards from more than three members to three or fewer. Of these five companies, not one has a woman on their executive board.

This data cannot be used to determine whether the boards were reduced deliberately to circumvent the inclusion requirement. However, even if this were the case, the number of companies indicates that the inclusion requirement is not being avoided in this way en masse.

### A European comparison: Germany catching up in terms of the share of women on executive boards

A European comparison shows that the share of women on the supervisory boards of the largest publicly listed companies in Germany has been above the EU average since the beginning of the 2010s.<sup>27</sup> For example, Germany reached the 30 percent women on supervisory boards in 2016, when the EU average was nearly 26 percent. In the following years, the share of women on the supervisory boards of the largest publicly listed companies both in Germany and on an EU average continued to grow (Figure 5 and Figure 6).

The gender quota for supervisory boards that has been in force in Germany since 2015 is partially why Germany has been well above the EU average for a long time, especially since the mid-2010s. Several international comparison studies have shown that statutory gender quotas have a significantly greater impact than non-binding recommendations or voluntary commitments, as is still the case in many EU countries.<sup>28</sup> It is also striking that as of 2022, countries with particularly high shares of women include many that have introduced gender quotas since the early 2010s, such as Spain, the Netherlands, Belgium, France, and Italy. Italy is also the first EU country to achieve gender parity on the supervisory boards of the largest publicly listed companies.

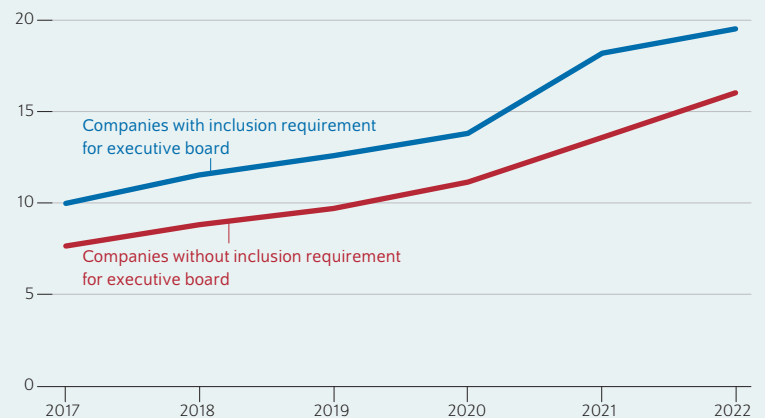
However, gender parity on executive boards or among members with executive functions remains a distant prospect in all EU countries. In Germany, where until recently there were no legal requirements for women on executive boards, the share of women has been below the EU average in the past. It was only since 2020 that Germany has caught up, recording a share of women on executive boards of the largest publicly listed companies in the fourth quarter of 2022 that was slightly above the EU average. This growth since 2020 may also be related to the introduction of the inclusion requirement for women on executive boards.

<sup>27</sup> The figures are based on data from the Gender Statistics Database of the European Institute for Gender Equality (EIGE), *Women and men in decision making/Business and finance: Largest listed companies: CEOs, executives and non-executives* (available online; accessed on December 15, 2022). This database contains the share of women on the executive boards (executive board members) as well as on the supervisory boards (non-executive board members) of the largest publicly listed (blue chip) companies in each country.

<sup>28</sup> Kirsch, Sondergeld, and Wrohlich, "While Gender Quotas for Top Positions In the Private Sector Differ across EU Countries."

Figure 4

### Share of women on executive boards of the top 200 companies with and without an inclusion requirement<sup>1</sup> In percent



1 In each case, the companies considered were those that were subject to or would have been subject to the inclusion requirement in 2021 and those that were part of the top 200 group every year from 2017 to 2022.

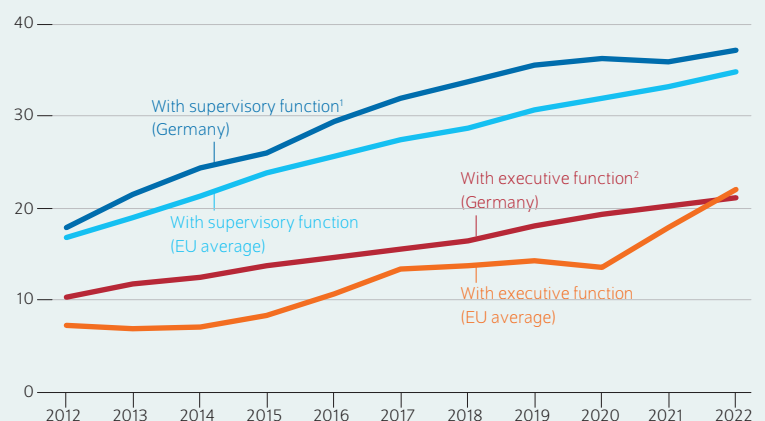
Sources: Authors' surveys and calculations.

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In anticipation of the new requirement, many women were appointed to executive boards from 2020 to 2021.

Figure 5

### Share of women on boards of the largest publicly listed companies in Germany and on an EU average In percent



1 In Germany, this corresponds to a supervisory board.

2 In Germany, this corresponds to an executive board.

Source: European Institute for Gender Equality (EIGE).

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The share of women on executive boards of the largest publicly listed companies in Germany was recently slightly above the EU average for the first time.

Abbildung 6

# Share of women on the boards of the largest publicly listed companies by EU country, 2022

In percent



Source: European Institute for Gender Equality (EIGE).

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While the shares of women on supervisory and executive boards in Germany were recently above the EU average, they are still markedly lagging behind countries such as France.

In November 2022, the EU agreed on a gender quota of 40 percent for supervisory boards of publicly listed companies that will apply to all EU countries from 2026. Alternatively (for countries with mixed systems of executive and supervisory boards), women must make up 33 percent of executive and non-executive positions combined if a board has executive and non-executive members. As

a result of this rule, many EU countries must now enact laws to improve the representation of women in leadership positions.<sup>29</sup>

<sup>29</sup> A detailed overview of EU countries with and without statutory gender quotas can be found, for example, in Kirsch, Sondergeld, and Wrohlich, "While Gender Quotas for Top Positions In the Private Sector Differ across EU Countries."

## Conclusion: Gender parity still a distant prospect in many cases; companies must create an inclusive work culture

Following growth in the share of women on the executive boards of the largest companies in Germany at an above-average rate in 2021, momentum has recently slowed again. Most of the groups of companies analyzed in the DIW Berlin Women Executives Barometer—as of late autumn 2022—have experienced only slight increases in the share of women on executive boards, such as the 200 or 100 largest companies (excluding the financial sector), the DAX average, and the largest banks and insurance companies. DAX-40 companies and companies with government-owned shares were exceptions, as they experienced larger increases. The situation was similar for the share of women on supervisory boards, albeit at a significantly higher level.

The inclusion requirement for women on executive boards of certain publicly listed companies is partially responsible for the sharp increase in the share of women on the executive boards of DAX-40 companies. This statutory regulation, which has been in effect since 2022, is having the desired effect, similar to the gender quota for women on supervisory boards.

Women are increasingly present on executive and supervisory boards, but how inclusive are these bodies in reality? In inclusive work groups and organizations, all members, regardless of group affiliations, are valued and included in important decision-making processes.<sup>30</sup> However, such an environment does not necessarily develop only because there are more women on boards. Interview studies with women on supervisory boards show that they still struggle to be accepted by the majority of members, who are men.<sup>31</sup> However, further research is needed to show what contextual factors enable an inclusive work culture. Companies should ensure all top bodies, especially executive boards, where the share of women is lower compared to supervisory boards, have an inclusive work culture. Only in this way can all members, regardless of gender, develop their full potential.

<sup>30</sup> Lynn M. Shore, Jeanette N. Cleveland, and Diana Sanchez, "Inclusive workplaces: A review and model," *Human Resource Management Review* 28, no. 2 (2018): 176–189.

<sup>31</sup> Tiffany Trzebiatowski, Courtney McCluney, and Morela Hernandez, "Managing the double bind: Women directors' participation tactics in the gendered boardroom," *Organization Science* (online) (2022); as well as Anja Kirsch, "Revolution from above? Female directors' equality-related actions in organizations," *Business & Society* 61, no. 3 (2022): 572–605.

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

# Corporate reporting provides insight into companies' commitment to gender equality

By Anja Kirsch, Virginia Sondergeld, Philipp Alexander Thompson, and Katharina Wrohlich

## ABSTRACT

Many companies in Germany must provide information beyond financial figures in their annual reports. For some years now, legislators have increasingly required information on non-financial aspects, such as the shares of women in leadership positions. Using a quantitative text analysis of annual reports, this second report in the 2023 DIW Berlin Women Executives Barometer shows that the major publicly listed corporations in Germany implement the reporting requirements very differently. Reporting about women and leadership positions increased overall between 2009 and 2020 in line with the requirements. However, there were clear differences in the companies' focus: There is an equality-oriented group of companies that reports extensively about concrete measures to increase the share of women in leadership positions. This group has significantly more women on their supervisory boards than the other group, compliance-oriented companies, which seem to be mainly concerned with fulfilling the legal requirements. Companies' reporting on women and leadership positions is thus an indicator and useful signal to outside stakeholders of how serious companies are about gender equality.

In this second report in the 2023 DIW Berlin Women Executives Barometer, the impact of the changing statutory reporting requirements on the disclosure of the largest publicly listed companies in Germany is analyzed, based on quantitative text analyses of their consolidated annual reports<sup>1</sup> from 2009 to 2020.<sup>2</sup>

## Statutory reporting requirement about women in leadership positions since 2015

Since the introduction of 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 in der Privatwirtschaft und im öffentlichen Dienst*, FüPoG) in 2015, much has happened in the upper echelons of companies in Germany. There has been a strong increase in the number of women on supervisory boards and an upward trend can also be seen for executive boards.<sup>3</sup> While most public attention has focused on the law's gender quota for supervisory boards and inclusion requirement for executive boards, a lesser-known fact is that it also includes a reporting requirement regarding the representation of women in leadership positions. Together with the CSR Directive Implementation Act (*CSR-Richtlinie-Umsetzungsgesetz*, CSR-RUG),<sup>4</sup> which was introduced in 2017, corporate or consolidated group reporting (hereinafter referred to as corporate reporting) on women's participation in leadership positions was changed fundamentally.

<sup>1</sup> In this study, consolidated annual reports are analyzed as a special form of the annual report, as all companies analyzed in this report are consolidated groups. In contrast to the parent company's annual report, the consolidated annual report presents the situation of the consolidated group as a whole.

<sup>2</sup> This research was funded by the Berlin University Alliance as part of the German federal and state governments' excellence strategy.

<sup>3</sup> Cf. the other report in this issue, Anja Kirsch, Virginia Sondergeld, and Katharina Wrohlich, "Number women on top boards of large companies keeps growing; momentum from the inclusion requirement for executive boards is waning," *DIW Weekly Report*, no. 3/4 (2023): 20–31.

<sup>4</sup> The CSR Directive Implementation Act transposes the non-financial reporting directive adopted at the EU level into German law and thus aims to strengthen corporate social responsibility (CSR). The core of this legislation, according to the European Commission, requires companies "to disclose information on their risks and opportunities arising from social and environmental issues, and on the impacts of their activities on people and the environment. This helps investors, civil society organizations, consumers, and other stakeholders to evaluate the sustainability performance of companies, as part of the European green deal" (available online).



## Leadership Positions Act

The FÜPoG came into effect in May 2015 and was further supplemented in August 2021 by the Law to Expand and Modify the Regulations for the Equal Participation of Women and Men in Leadership Positions in the Private and Public Sectors Act (*Gesetz zur Ergänzung und Änderung der Regelungen für die gleichberechtigte Teilhabe von Frauen an Führungspositionen in der Privatwirtschaft und im öffentlichen Dienst*, FÜPoG II).

The law mandates that publicly listed companies with equal representation of shareholders and employees on their supervisory board (full co-determination) fulfill a gender quota of at least 30 percent on their supervisory boards. The supervisory boards of companies that are either publicly listed or have full co-determination must set their own target for the share of women on their supervisory board and a deadline by which this target should be achieved.

FÜPoG II contains a further requirement for the publicly listed companies with full co-determination if their executive board has more than three members: Such executive boards must include at least one woman and at least one man. In companies that are either publicly listed or have full co-determination, and to which the above inclusion requirement does not apply, the supervisory board must set a target for the share of women on the executive board and a deadline for achieving said target. The executive board of such companies is required to set targets for the share of women on the two management levels below the board level and a corresponding deadline.

Less public attention has been paid to the fact that the FÜPoG also includes reporting requirements. Accordingly, companies must describe the targets and deadlines they have set in their management report. If they fail to achieve any of the targets by the deadlines, they must explain why. Companies subject to the 30 percent gender quota on the supervisory board must also provide an explanation if they fail to meet the quota.

A 2021 provision requires companies that set a target of zero women on their supervisory or executive boards or in the upper management levels to provide a detailed explanation of the reasons behind the decision.

## CSR Directive Implementation Act

A non-financial reporting directive was introduced at the European Union (EU) level in 2014. It includes a statutory reporting obligation requiring companies to provide information publicly on the composition and functioning of the administrative, management, and supervisory boards; to describe their diversity policy for these boards; and to report on its implementation and results.<sup>5</sup> In April 2017, this direc-

tive was transposed into German law in the CSR Directive Implementation Act (*Gesetz zur Stärkung der nichtfinanziellen Berichterstattung der Unternehmen in ihren Lage- und Konzernlageberichten*).

Since then, major publicly traded companies are required to describe their diversity policy as it relates to the composition of the executive and supervisory boards. The diversity policy may include aspects such as age, gender, education, or professional background. Companies must describe the policy's objectives, how it was implemented, and the results achieved in the fiscal year. If a company does not have a diversity policy, it must explain why.

## Using corporate reporting to promote socio-political goals is gaining in significance

The primary purpose of corporate reporting is to provide information on a company's financial position and performance to investors and other stakeholders. The management report in particular should summarize information on the company's economic condition, assess the position and development of the company in relation to the market as a whole and to the economic situation, provide supplementary information beyond that contained in the financial report, and contain forecast-oriented information.<sup>6</sup>

Over the past two decades, however, corporate reporting has taken on an additional purpose that has grown in importance: It is now also meant to foster companies' social responsibility by requiring them to disclose their activities transparently to stakeholders.<sup>7</sup> In this way, legislators pursue environmental and social aims by requiring the disclosure of non-financial information in corporate reporting, instead of imposing direct regulations. In other words, they use reporting requirements to achieve socio-political objectives.<sup>8</sup>

This approach has the benefit of granting companies more flexibility in fulfilling their social responsibilities. The disadvantage, however, is that this approach may not lead to any substantial behavioral changes by companies, but rather only to symbolic compliance, expressed in standardized statements in corporate reports.<sup>9</sup> To be effective, mandated transparency, which is no end in itself, must be followed by a change in corporate practice. This can happen in two ways: Firstly, companies can use the published information to compare themselves with other companies (benchmarking) and to develop best practices. Secondly, stakeholders

<sup>5</sup> Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 amending Directive 2013/34/EU as regards disclosure of non-financial and diversity information by certain large undertakings and groups Text with EEA relevance (available online).

<sup>6</sup> Klaus Ruhnke, Sönke Sievers, and Dirk Simons, *Rechnungslegung nach IFRS und HGB: Lehrbuch zur Theorie und Praxis der Unternehmenspublizität mit Beispielen und Übungen* (Freiburg: 2018) (in German).

<sup>7</sup> David Hess, "Social reporting and new governance regulation: The prospects of achieving corporate accountability through transparency," *Business Ethics Quarterly* 17, no. 3 (2007): 453-476.

<sup>8</sup> Barnali Choudhury and Martin Petrin, "Corporate governance that 'works for everyone': Promoting public policies through corporate governance mechanisms," *Journal of Corporate Law Studies* 56, no. 2 (2018): 381-415.

<sup>9</sup> Gregory Jackson, Julia Bartosch, Emma Avetisyan, Daniel Kinderman, and Jette Steen Knudsen, "Mandatory non-financial disclosure and its influence on CSR: An international comparison," *Journal of Business Ethics* 162, no. 2 (2020): 323-342.

## Box

## Methods and data

The findings of this study are based on an analysis of the consolidated annual reports of all DAX-30 and DAX-40 companies from 2009 to 2022. Five hundred and fifty-four German-language reports from 51 companies, covering the reporting years 2009 to 2020, were taken from the *Bundesanzeiger's* online company register, where companies subject to mandatory disclosure must file their annual reports in a standardized format.<sup>1</sup> The data on the shares of women on supervisory and executive boards are taken from the annual DIW Berlin Women Executives Barometers.

All paragraphs containing a combination of keywords for women ("woman," "female") and leadership positions ("management," "supervisory board," "executive board") were identified as passages relevant to the topic of women and leadership positions.

For the content analysis of the reports, topic modeling was implemented using the Latent Dirichlet Allocation (LDA) algorithm, a method frequently used in exploratory text mining<sup>2</sup> to identify latent topic structures<sup>3</sup> but is also used in the analysis of genetic

structures, among other things.<sup>4</sup> The LDA algorithm models the composition of texts (here: paragraphs) from one or more topics, which in turn are characterized by different probability distributions for the occurrence of individual words. In this way, extensive quantities of text can be linked to different topic categories. A key challenge in implementing the LDA algorithm is determining the number of topics to be identified. Here, the number was determined by a combination of statistical performance metrics and qualitative content comparisons of different topic solutions. The LDA algorithm was "trained" using text passages from the 2009 to 2020 annual reports and identified eight different topics. The large amount of text enables the algorithm to identify the topics precisely. Four topics relate specifically to gender equality in corporate leadership. Four other topics (departmental assignments and personnel changes, compensation of the supervisory and executive boards, committee composition, and a residual category) contained the keywords used for the text selection without reference to gender equality. For this reason, only the four topics classified as relevant were included in the more extensive trend analyses and comparisons.

To find groups ("clusters") of companies with similar thematic focuses in their reporting on women and leadership positions, a hierarchical cluster analysis was performed based on the (Euclidean) distances between the average proportions of topics. The period for this analysis was limited to 2015 to 2020 to focus on the more recent characteristics of corporate reporting.

<sup>1</sup> Since individual companies in the sample were newly listed or lost their listing within the study period from 2009 to 2020, reports are not available for all companies for all twelve years. On average, 10.86 reports per company were included in the analysis.

<sup>2</sup> Text mining is "the task of extracting meaningful information from text." This is a computer-aided task performed with the help of statistical methods and machine learning or artificial intelligence. See Mehdi Allahyari et al., *A brief survey of text mining: Classification, clustering and extraction techniques* (2017) (available online).

<sup>3</sup> David M. Blei, Andrew Y. Ng, and Michael I. Jordan, "Latent Dirichlet Allocation," *Journal of Machine Learning Research* 3 (2003): 993-1022.

<sup>4</sup> Jonathan K. Pritchard, Matthew Stephens, and Peter Donnelly, "Inference of population structure using multilocus genotype data," *Genetics* 155, no. 2 (2000): 945-959.

can use the information to put pressure on companies to change their behavior.

The statutory reporting requirements for women in leadership positions and companies' diversity policies are indirect measures for achieving a socio-political goal, namely gender equality in economic decision-making positions. The reporting requirements are indirect because they do not dictate the composition of the boards; rather, they require companies to disclose information on the boards' composition as well as their decisions and plans about it. Companies can report on this in more or less detail. This increased transparency makes it possible for stakeholders to better assess companies' commitment to gender equality.

Civil society organizations such as the *AllBright Foundation* and *Frauen in die Aufsichtsräte* (FidAR) regularly analyze corporate reporting on women in leadership positions and publish their findings.<sup>10</sup> As a result of their work, it has become widely known that many companies have set a target of zero

women, especially for the share of women on their executive boards, and that most companies set targets that they had already achieved.<sup>11</sup>

### Reporting on women in leadership positions has changed substantially over time

The empirical results presented here are based on the analysis of the consolidated annual reports of all companies that were listed in the DAX-30 or DAX-40 index from 2009 to 2022; this is a total of 554 reports from 51 companies in the reporting years 2009 to 2020. Quantitative text analysis methods were used, that allow statistically sound evaluations of large amounts of text (Box). All paragraphs dealing with women and leadership positions were identified as relevant passages for these analyses.

When considering the overall development of corporate reporting on women and leadership positions, it becomes clear that the companies under study report significantly

<sup>10</sup> AllBright Foundation, *Battle for the Best Minds: Competition for female directors is increasing* (2022) (available online); FidAR, *Women-on-Board-Index 185* (2022) (in German; available online).

<sup>11</sup> AllBright Stiftung, *Zielgröße: Null Frauen. Die verschenkte Chance deutscher Unternehmen* (2016) (in German; available online).

more on the topic over time. For example, the average quantity of corporate reporting on women and leadership positions, measured by number of words, was about nine times as high in 2020 as it was in 2009 (Figure 1). Particularly striking is the sharp increase from 2009 to 2011. During this period, in May 2010, the recommendation was included in the German Corporate Governance Code (DCGK) that supervisory boards should set concrete targets for supervisory board composition and ensure that women are adequately considered as candidates. These targets are to be published in the annual report. The next abrupt increase occurred between 2014 and 2015. In May 2015, the FöPoG I came into force, with the reporting requirements described earlier. Since then, the average number of words on the topic has remained at a level of around 650 to 850 per report.

A closer look at the content of corporate reporting on women and leadership positions using topic modeling (Box) reveals four central topics:

- Quota and targets for the supervisory and executive boards
- Targets for management levels below the executive board
- Qualifications in the supervisory and executive boards
- Measures for increasing the share of women in leadership positions

These topics are characterized by typical terms that appear with varying frequency in the reports. A selection of key terms for each topic are illustrated in the form of a word cloud (Figure 2).

The first two topics mentioned (quota and targets for supervisory and executive boards, targets for management levels below the executive board) are compliance-related topics whose primary function is to signal compliance with statutory regulations and reporting requirements on quotas and targets. The “qualifications of the supervisory and executive boards” topic is dedicated primarily to legitimating the composition of the boards by presenting their members’ qualifications and diversity. The diversity emphasized here is less related to gender and more to internationality, age, and expertise. Finally, the “measures for increasing the share of women in leadership positions” topic sets out ways in which companies actively promote gender equality in leadership positions, i.e., the “how” of achieving equality. These include measures to identify women for leadership positions within the company, to attract female recruits from the external labor market, and to identify and eliminate factors that hinder women’s careers and internal promotions. It also involves establishing responsibility structures for gender equality in the company, increasing gender and diversity awareness among managers, and training, advice, and networking for women.

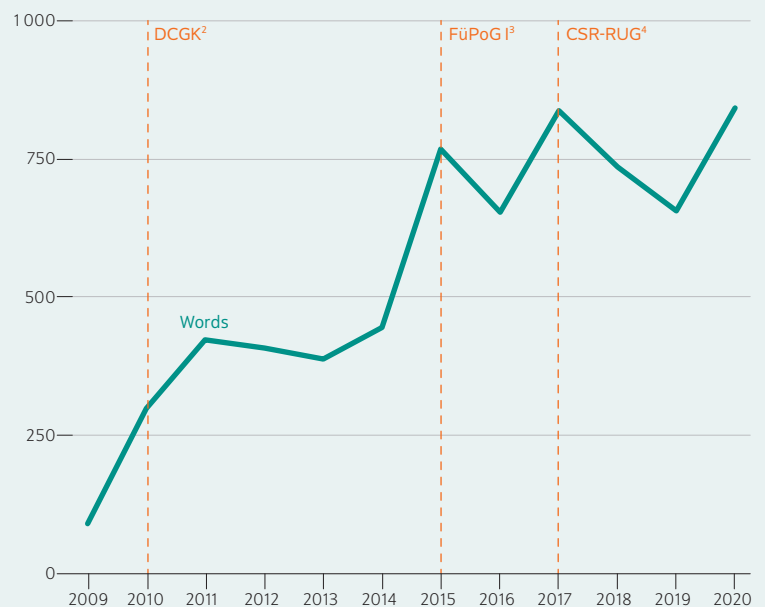
## Two reporting orientations

Beyond the overall reporting trends, a continuing divergence between two groups of companies can be found. Using the identified topics, it is possible to determine the shares of text in each report that represent each of the topics. When

Figure 1

### Reporting on women and leadership positions in the annual reports of DAX companies<sup>1</sup>

Volume, measured by number of words



- 1 The evaluation is based on the consolidated annual reports of all companies that were in the DAX 30/DAX 40 between 2009 and 2022 (51 companies in total).
- 2 German Corporate Governance Code (DCGK).
- 3 Equal Participation of Women and Men in Leadership Positions in the Private and Public Sectors Act (FöPoG I).
- 4 CSR Directive Implementation Act (CSR-RUG).

Source: Authors' survey.

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The average scope of reporting on women and leadership positions was about nine times higher in 2020 as it was in 2009.

analyzing the relevant text shares in corporate reporting from 2015 to 2020, the DAX companies can be grouped into two clusters of similar sizes: An equality-oriented cluster and a compliance-oriented cluster. The two clusters each include companies with a similar thematic focus in their reporting on women and leadership positions. On average, the 23 companies in the equality-oriented cluster focus on measures aimed at increasing the share of women in leadership positions (Figure 3). The 28 companies in the compliance-oriented cluster focus their reporting on compliance with statutory reporting requirements, in particular quotas and targets in the supervisory and executive boards. On average, the companies in this cluster are much less concerned with proactive measures for ensuring equality.

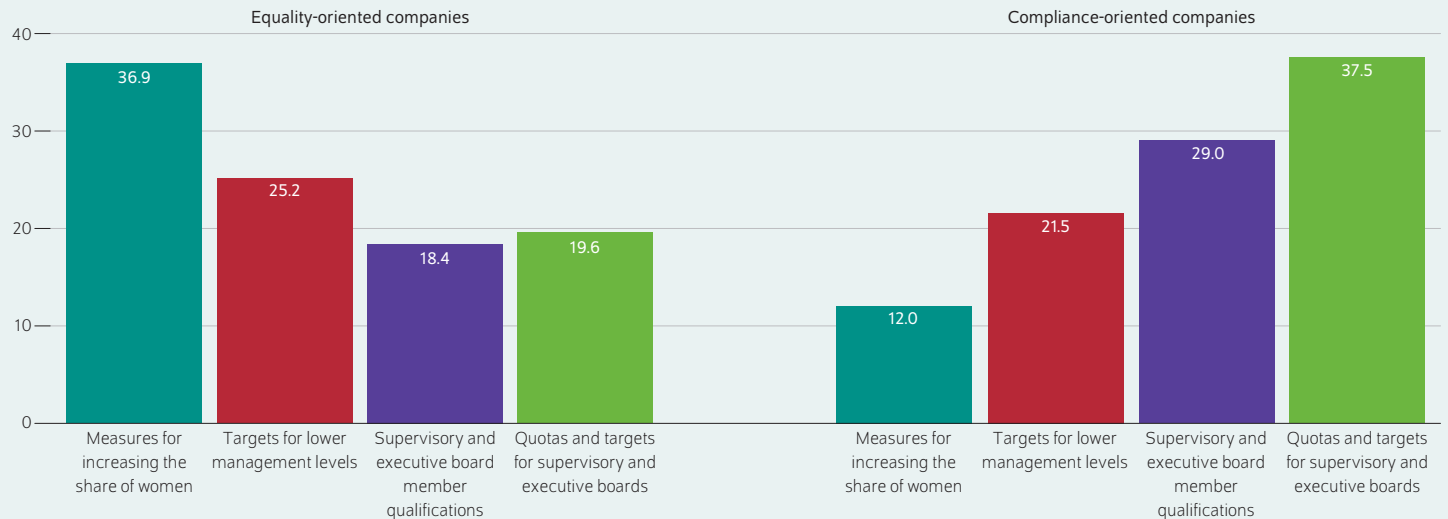
The reporting trends of both clusters show similarities as well as differences. Both clusters increased reporting about quotas and targets for the supervisory and executive boards as well as targets for management levels when the statutory reporting requirements were introduced. Thus, the jump in the average reporting volume from 2015 is primarily due to the increase in compliance reporting related to the FöPoG.

The bigger the word, the more frequent the appearance

Figure 3

### Distribution of the information on women and leadership positions in the annual reports of DAX companies<sup>1</sup>

Shares in percent



<sup>1</sup> The evaluation is based on the consolidated annual reports of all companies that were in the DAX 30/DAX 40 between 2009 and 2022 (51 companies in total). There are 23 companies in the equality-oriented cluster and 28 companies in the compliance-oriented cluster.

Sources: Authors' surveys and calculations.

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While equality-oriented companies report the most on the implementation of measures to increase the share of women, compliance-oriented companies report on this topic the least.

In contrast, a clear difference emerges between the clusters when it comes to the question of *how* equality will be achieved: The equality-oriented cluster shows a considerable increase in reporting on measures to increase the share of women in leadership positions (Figure 4). In the compliance-oriented cluster, in contrast, the reporting on this topic has visibly decreased on average since 2011. Overall, following the introduction of diversity recommendations in the DCGK in 2010, the FöPoG in 2015, and, in particular, the CSR Directive Implementation Act in 2017, the differences in reporting between the two clusters have increased significantly.

Thus, only companies in the equality-oriented cluster, which consists of slightly less than half of the companies analyzed, take the opportunity to comprehensively report on proactive efforts toward gender equality and thus present themselves as modern, diverse organizations. The other half of the companies in the compliance-oriented cluster primarily limit themselves to showing compliance with the new statutory reporting requirements.

### Thematic focus signals corporate commitment to gender equality

The analyses show that despite uniform statutory reporting requirements on women and leadership positions, there are still differences in how companies address the issue. With

these differences as well as the potential reputational impact of corporate reporting in mind, the question arises to what extent these differences indicate whether companies are substantially committed to gender equality in leadership positions, or merely focused on achieving compliance with statutory regulations.

To answer this question, the correlations between equality orientation and compliance orientation in the annual reports on the one hand, and the share of women on the supervisory boards and executive boards of the companies on the other were examined. In 2022, companies in the equality-oriented cluster had a markedly higher share of women on their supervisory boards, at an average of 40 percent compared to companies in the compliance-oriented cluster, where the share was 34 percent (Table). This difference is also statistically significant.<sup>12</sup> With a 13-percentage-point increase in the share of women on supervisory boards since 2015, the increase in the equality-oriented cluster was somewhat higher than the increase in the compliance-oriented cluster (11 percentage points). Both clusters had equal shares of women on their executive boards in 2022 at 20 percent. Here, too, the 15-percentage-point increase in the share of women since 2015 in the equality-oriented cluster was somewhat higher than the increase in the compliance-oriented cluster

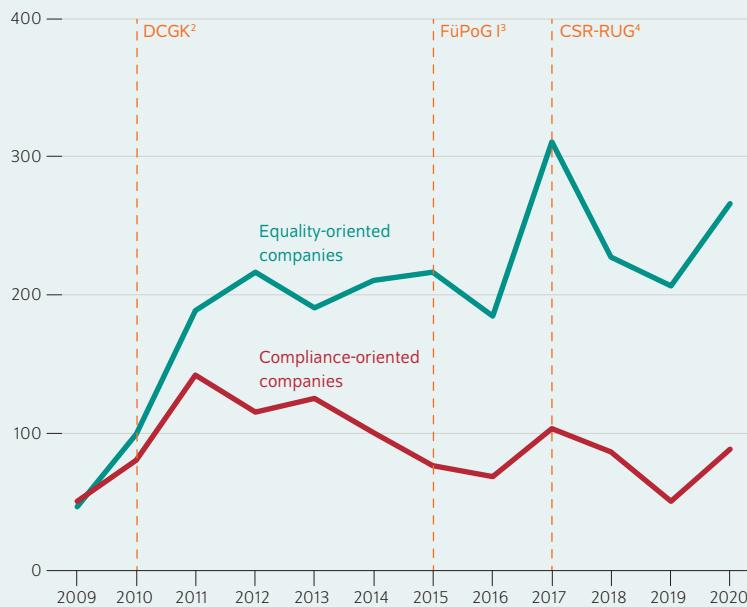
<sup>12</sup> In a conservative two-sided T-test for different means, with  $p < 0.05$  and assumed heteroskedasticity.



Figure 4

### Reporting on measures for increasing the share of women in the annual reports of DAX companies<sup>1</sup>

Volume, measured by number of words



1 The evaluation is based on the consolidated annual reports of all companies that were in the DAX 30/DAX 40 between 2009 and 2022 (51 companies in total).

2 German Corporate Governance Code (DCGK).

3 Equal Participation of Women and Men in Leadership Positions in the Private and Public Sectors Act (FöPoG I).

4 CSR Directive Implementation Act (CSR-RUG).

Source: Authors' survey.

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The equality-oriented companies have significantly expanded their reporting on how they will actually increase women's representation.

(12 percentage points). In concrete terms, this means that the average number of women on executive boards from 2015 to 2022 at the equality-oriented and compliance-oriented companies increased from 0.33 to 1.18 and from 0.55 to 1.16, respectively.<sup>13</sup>

Thus, among the large publicly listed companies, those that focused their reporting on concrete measures to increase the share of women in leadership positions had a higher share of women on their supervisory boards and an equally high share of women on their executive boards in subsequent years. In addition, these companies experienced a greater increase in the share of women on both boards than the companies whose reports were predominantly focused on compliance with mandatory legal disclosures. In this respect, corporate reporting on measures for increasing the share of women in leadership positions sends a signal to stakeholders: Through it, they can identify companies that actively and concretely want to improve gender equality in leadership positions.

### Conclusion: Statutory reporting obligations increased companies' transparency about gender equality

As the analyses show, the introduction of statutory, non-financial reporting requirements via the FöPoG and the CSR Directive Implementation Act has fundamentally changed corporate reporting on women and leadership positions. For example, major publicly listed companies now provide significantly more information on this topic in their annual reports on average than they did a few years ago. At the same time, there are significant differences in the way companies report on women and leadership positions as well as in the content of the reports, and these differences have increased further since the introduction of statutory reporting requirements. The different thematic focuses in corporate reporting provide insight into the motives and strategic orientations with which companies react to societal demands for gender equality in leadership positions.

The analyses reveal that a good half of the companies under study focus on compliance, meaning they primarily pay attention to meeting the minimum legal reporting requirements with regard to targets and the share of women on their boards. Here, gender equality is presented as an external demand on which the company takes a stance. This comparatively low commitment is also reflected in the actual share of women on the supervisory boards of these companies, which is only slightly above the quota requirement of 30 percent on average.

In contrast, the other half of the companies provide information above and beyond the statutory requirement, reporting on their concrete, proactive measures for gender equality in leadership positions. For these companies, reporting

Table

### Shares of women on boards at DAX companies<sup>1</sup> by topical orientation

In percent

	Share of women on supervisory board		Share of women on executive board	
	2015	2022	2015	2022
Equality-oriented companies	27	40	5	20
Compliance-oriented companies	23	34	8	20

1 The evaluation is based on the consolidated annual reports of all companies that were in the DAX 30/DAX 40 between 2009 and 2022 (51 companies in total). There are 23 companies in the equality-oriented cluster and 28 companies in the compliance-oriented cluster.

Sources: Authors' surveys and calculations.

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<sup>13</sup> On average, the companies analyzed had around a five-member executive board (5.49) and around a 15-member supervisory board (14.86) in 2022.

requirements are an opportunity to present more in-depth strategies for improving gender equality. Such reporting can function as a signal of a substantial (and not merely symbolic) commitment to gender equality in leadership positions. This is evident both in terms of a greater share of women on the supervisory boards of these companies and in terms of the range of reported initiatives that have the potential to increase the number of women in leadership positions.

Thus, in addition to the information on the current shares of women and targets for boards, the unstructured content of the reporting on women and leadership positions is also a valuable source of information: Stakeholders, competitors, and the public can gain insight into the current state of gender equality in companies, compare different approaches, and identify best practices. Legal reporting requirements have consequently increased corporate transparency by making it clearer where companies stand on the issue of gender equality.

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