

Women Executive Barometer



REPORT by Elke Holst and Anja Kirsch (FU Berlin)

Corporate Boards of Large Companies:
More Momentum Needed for Gender Parity 13

INTERVIEW with Elke Holst

»Higher Shares of Women on Corporate Boards
Still a Long Way off« 26

REPORT by Elke Holst and Anja Kirsch (FU Berlin)

Financial Sector: Share of Women on Corporate Boards
Increases Slightly but Men Still Call the Shots 27

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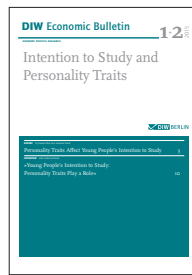
Press office

Renate Bogdanovic
Tel. +49-30-89789-249
presse@diw.de

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

By Elke Holst and Anja Kirsch (FU Berlin)

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

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

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

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

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

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

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

Table 1

Women on executive and supervisory boards¹ in Germany's largest 200 companies (excluding financial sector)

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

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

Source: calculations by DIW Berlin.

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

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

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

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

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

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

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

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

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

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

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

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

Listed companies

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

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

Overview 1

Women on executive boards in Germany at year end 2015

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

¹ Only companies providing data on the composition of their corporate boards.
² Chairwoman.

Source: survey by DIW Berlin.

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

Overview 2

Names of the chairwomen

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

Source: Survey by DIW Berlin.

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

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

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

The law on equality for women and men in managerial positions came into force in Germany on May 1, 2015 (see box). It provided for a statutory 30-percent quota (known as the “gender quota”⁸) for listed companies which also have employee representation on their supervisory boards (full codetermination). The law currently affects around 100 companies⁹ and is to be implemented gradually as it applies to new supervisory board appointments from 2016.

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

Table 2

Percentage of women on supervisory boards by company category
In percent

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

Source: calculations by DIW Berlin.

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

DAX 30 companies: executive boards remain predominantly male

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

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

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

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

Largest 200 companies¹ (excluding financial sector) with more than 20 percent women on supervisory board at year end 2015

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

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

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

Source: calculations by DIW Berlin.

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

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

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

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

Progress varies across company categories: DAX 30 in the lead

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

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

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

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

Source: survey by DIW Berlin.

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

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

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

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

Since 2010, DIW Berlin has included companies with government ownership in its analysis of women's representation in the upper echelons of commercial enterprises. A total of 61 companies with direct government ownership listed in the government's equity holdings report¹¹ were analyzed in the present study. These companies cover a variety of sectors such as transport, tele-

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

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

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

WOMEN EXECUTIVE BAROMETER: COMPANIES

Table 3

Women on executive and supervisory boards in listed companies¹

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

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

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

Source: calculations by DIW Berlin.

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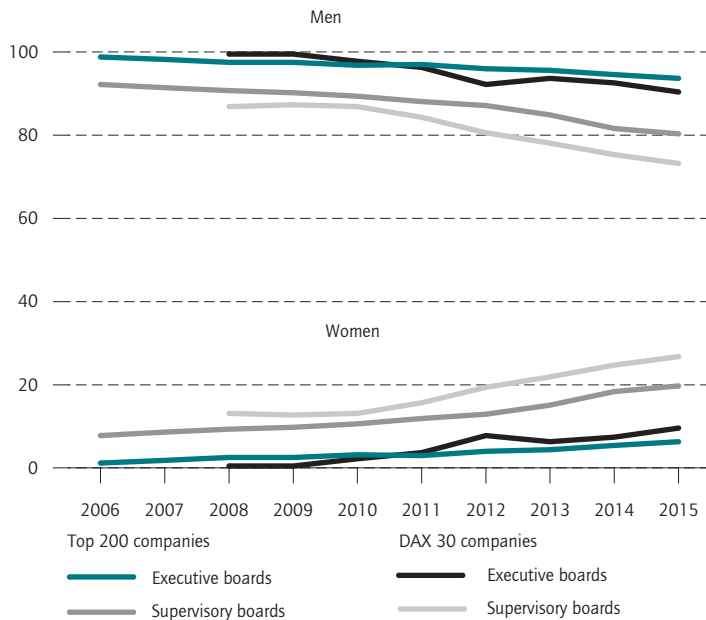
Among the listed companies, the DAX-30 group fared particularly well.

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

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

Figure 1

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



Source: calculations by DIW Berlin.

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

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

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

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

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

Box

Law on equality for women and men in managerial positions

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

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

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

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

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

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

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

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

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

Public sector:

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

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

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

Table 4

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

	2010	2011	2012	2013	2014	2015
Executive boards / management boards						
Total number of companies	61	60	60	60	60	61
With data on composition	60	60	60	60	60	61
With women on executive board	9	10	12	14	17	20
Percentage	15.0	16.7	20.0	23.3	28.3	32.8
Total number of members	152	147	143	143	135	144
Men	142	135	127	125	115	122
Women	10	12	16	18	20	22
Percentage of women	6.6	8.2	11.2	12.6	14.8	15.3
Total number of chairpersons	54	55	57	56	52	37
Men	51	52	51	51	47	33
Women	3	3	6	5	5	4
Percentage of women	5.6	5.5	10.5	8.9	9.6	10.8²
Supervisory boards / administrative boards						
Total number of companies	61	60	60	60	60	61
With data on composition	54	55	54	51	54	55
With women on supervisory board	46	42	43	41	50	53
Percentage	85.2	76.4	79.6	80.4	92.6	96.4
Total number of members	577	587	579	553	602	595
Men	472	483	464	453	459	431
Women	105	104	115	100	142	164
Percentage of women	18.2	17.7	19.9	18.1	23.6	27.6
Total number of chairpersons	53	53	53	47	49	55
Men	45	45	42	39	40	48
Women	8	8	11	8	9	7
Percentage of women	15.1	15.1	20.8	17.0	18.4	12.7

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

² Due to a change in calculations comparisons with previous years are not possible.

Source: calculations by DIW Berlin.

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

boardroom quotas¹³ and, as such, contributed to blocking the EU gender quota initiative for the foreseeable future.¹⁴

Europe-wide comparison: Germany ranks mid-table

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

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

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

Overview 5

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

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

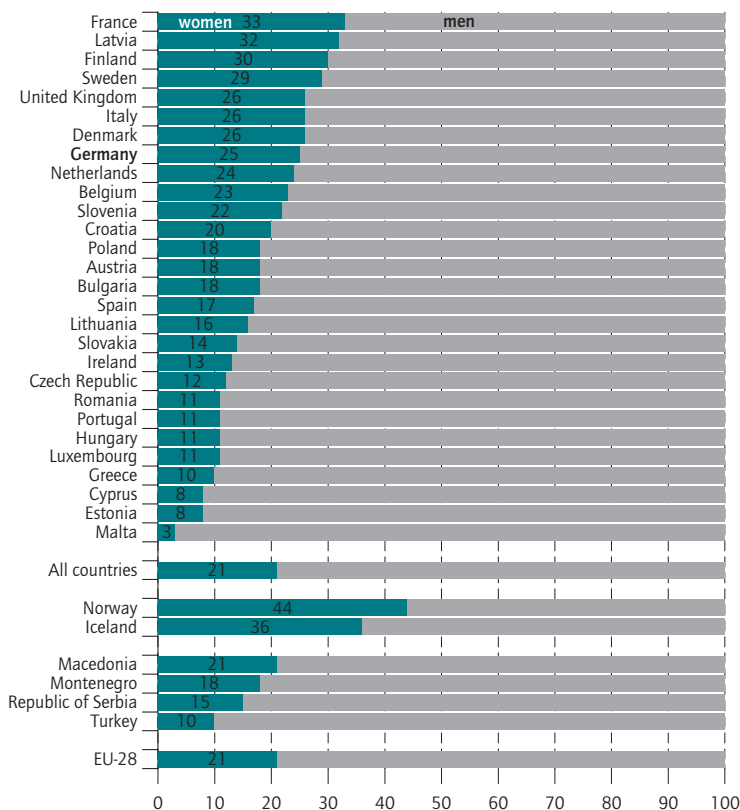
Source: survey by DIW Berlin.

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Figure 2

Women in the highest decision-making bodies¹ of the largest listed companies in Europe in 2015

In Percent



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

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

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

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

¹⁵ European Commission, Database. Women and men in decision-making (2015), http://ec.europa.eu/justice/gender-equality/gender-decision-making/database/index_en.htm, December 3, 2015.

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

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In an international comparison, Germany ranks mid-table.

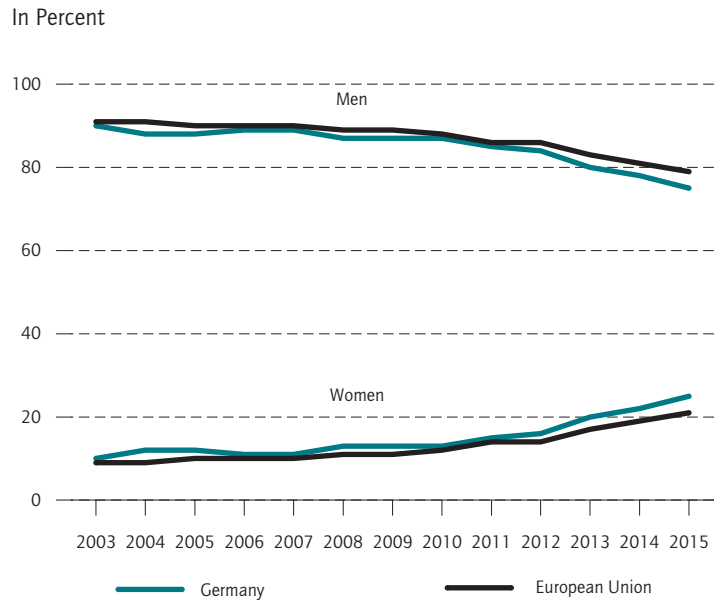
gender quota. Nevertheless, there is still a long way to go before full gender equality is achieved (see Figure 3).

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

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

Figure 3

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



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

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

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

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

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

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

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

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

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

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

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

Overview 6

Companies¹ without women on the supervisory or the executive board by company category

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

¹ 38 companies in total (without duplicates).

Source: survey by DIW Berlin.

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

American studies indicate that the presence of women in the top decision-making bodies of companies has a positive impact on their career opportunities in the broader sense: studies show that more female managers are employed in companies which have more women on their boards²⁵ and more women are appointed CEOs in these companies and enjoy longer tenures.²⁶

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

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

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

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

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

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

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

²⁸ German Corporate Governance Codex in the version dated June 24, 2014, Article 5.1.2, para. 1, sentence 2, accessed January 4, 2016, www.dcgk.de/en/code/archive.html.

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

Conclusion

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

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

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

The law on equality for women and men in managerial positions passed in 2015 includes statutory provisions for the composition of supervisory boards of only just over 100 companies. Further regulations for setting targets to increase the share of women on supervisory boards, executive boards, and in the top management levels in approximately 3,500 companies are more flexible and non-binding. Consequently, the extent to which companies prioritize a balanced representation of men and women in managerial positions will play a major role in years to come.³⁰ Supplementary policy measures to improve women’s career opportunities can and should be taken—for instance, accompanying tax and family policy. A study conducted by DIW Berlin³¹ shows that the lack of incentives for married women’s labor market participation due to income tax splitting could, for example, be counteracted by switching to individual taxation only. Finally, social norms also impact on women’s career opportunities, so a change in individuals’ behavior, for instance, concerning the division of paid employment³² and childcare between fathers and mothers,³³ could also contribute to reducing the underrepresentation of women in managerial positions.

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

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

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

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

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

Elke Holst is Research Director Gender Studies in the Department of the Executive Board at DIW Berlin | eholst@diw.de

Anja Kirsch is a Research Fellow at the Department of Management, Freie Universität Berlin | anja.kirsch@fu-berlin.de

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Keywords: Board composition, board diversity, boards of directors, corporate boards, Europe, female directors, gender equality, gender quota, Germany, listed companies, management, private companies, public companies, supervisory boards, women CEOs, women’s quota



PD Dr. Elke Holst, Research Director
Gender Studies in the Department
of the Executive Board at DIW Berlin

EIGHT QUESTIONS TO ELKE HOLST

»Higher Shares of Women on Corporate Boards Still a Long Way off«

1. Dr. Holst, for ten years now, DIW Berlin has been studying the representation of women on corporate boards in the financial sector and the best-performing companies in Germany. To date, it has only been possible to very gradually achieve a slight increase in the low share of women. Did that change at all in 2015? *Progress is being made but only in small steps. There is still a long and difficult path ahead.*
2. How did the share of women on the corporate boards of large German companies change in 2015? *At the close of 2015, the share of women on the executive boards of the 200 top German companies was six percent, which is less than one percentage point higher than at the close of 2014. Among supervisory boards, growth even slowed slightly. The level of representation of women in the top 200 companies is almost 20 percent here.*
3. What developments have there been in the financial sector? *A little progress was made in the financial sector, too. The share of women on executive boards was only just under eight percent here, however. In the 59 insurance companies we studied, the corresponding figure was a good nine percent. This was not even one percentage point more than in the previous year. The level of representation of women on the supervisory boards of the financial institutions examined is 21 percent and on the supervisory boards of the insurance companies analyzed, it's 19 percent. This is also not exactly major progress compared to the previous year—men remain firmly in the majority. The findings on the cooperative banks are interesting. These were in a particularly unfavorable position with only just under 16 percent women on their supervisory boards—although these banks are in fact based on a participatory business model.*
4. Where was the most progress made last year and where the least? *If we look at this question in relation to executive boards, not much progress has been made at all. The biggest increases were in the DAX 30 companies with 2.2 percentage points to just under ten percent, which is the highest share of women compared to other company categories. Others, such as the TecDAX companies, for*
- instance, even saw a decline of 2.4 percentage points and currently only have three percent women on their executive boards. *More progress was made by the supervisory boards of the private banks studied, for example, which showed an increase in female board members of 5.2 percentage points. These now have around 24 percent women, while companies with government-owned shares showed an increase of four percentage points.*
5. At this rate, how long would it take for companies to achieve full gender parity on their corporate boards? *If we extrapolate the trend in the top 200 companies, for instance, it would take beyond 2100 until as many women are sitting on the executive boards as men, and beyond 2040 for the same to be achieved on supervisory boards.*
6. From the beginning of this year, a statutory women's quota of 30 percent for new supervisory board appointments applies. Which companies does this affect? *It currently applies to 102 companies listed companies whose supervisory board is subject to parity co-determination.*
7. How well prepared are these companies for the gender quota? *Of the companies affected by the statutory quota, around 28 percent have either achieved or exceeded the 30-percent quota. This most often applies to companies with government-owned shares and DAX 30 companies. Other companies still have a very long way to go to achieve this target. A total of 13 percent of the top 200 companies don't have a single woman on their supervisory boards, for example, and this figure is as high as one-third for the SDAX companies. This shows that there are still a lot of companies that are a very long way from achieving gender equality on their supervisory boards.*
8. In 2001, an agreement was struck between the German government and leading German business associations to improve equal opportunities for women and men in the private sector. Would you say this agreement has failed? *Yes, I definitely think it has.*

Interview by Erich Wittenberg

Financial Sector: Share of Women on Corporate Boards Increases Slightly but Men Still Call the Shots

By Elke Holst and Anja Kirsch (FU Berlin)

In 2015, the share of women in the top decision-making bodies of the financial sector increased once again but men remain in the overwhelming majority and thus continue to call the shots. At the end of 2015, women made up just under eight percent of executive board members of the 100 largest banks in Germany. The corresponding figure for the 59 largest insurance companies was a good nine percent. In both cases, this is less than a percentage point more than in 2014. Even on supervisory boards where the share of women is traditionally higher, both banks (with just over 21 percent women on supervisory boards) and insurance companies (with just over 19 percent) have a long way to go before achieving gender parity. The proportion of women on the supervisory boards of cooperative banks was particularly low (under 16 percent) despite the fact that these institutions are, in principle, based on a participatory business model. Overall, many more women than men are employed in the financial sector.

As is generally known, the presence of women in senior management in particular is a prerequisite for their promotion to top management bodies. The companies would therefore be well advised to improve the career opportunities of their most talented female employees by promoting them more frequently and appointing them to managerial positions. This would be a wise move in anticipation of a possible expansion of the statutory gender quota and a tightening of the sanctions set out in the new law on equality for women and men in managerial positions, both in the private and public sectors, which was enacted in Germany in May 2015.

For ten years now, DIW Berlin has been analyzing the representation of women on the executive and management boards (subsequently executive boards), as well as on the supervisory and administrative boards (subsequently supervisory boards)¹ of Germany's financial and insurance services industry (subsequently the financial sector).² The analysis also shows the number of female CEOs and executive spokeswomen (subsequently CEOs)³ as well as supervisory board chairs. The survey includes the 100 largest banks based on total assets and the 59 largest insurance companies based on revenues from premiums.⁴ The representation of women on the highest decision-making bodies of public banks and savings banks is compared to that of private banks and cooperatives. Further, the present report examines the gender balance on the highest decision-making bodies

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

2 Most recently in 2015, see E. Holst and A. Kirsch, "Financial Sector: Share of Women in Top Decision-Making Bodies Remains Low," *DIW Economic Bulletin*, no. 4 (2015).

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

4 The largest banks and savings banks by total assets (2014) were selected according to S. Hirschmann, "Eine Branche im Stillstand: Top 100 der deutschen Kreditwirtschaft," *Die Bank, Zeitschrift für Bankpolitik und Praxis*, no. 8 (2015): 8-11. The choice of largest insurance companies by income from premiums (2014) was based on *Die großen 500. Deutschlands Top-Unternehmen* (Müßig Verlag, November 2015). Corporations/groups with no supervisory board were excluded because they only exist as "combined brands." Research into the composition of banks, savings banks, and insurance companies was conducted between November and the beginning of January 2016. For instance, new appointments in banks at the beginning of 2016 were considered. The data are based on online company profiles, annual reports, and financial statements from 2014, German Federal Gazette publications, as well as specific data requests made to the companies by DIW Berlin.

Table 1

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

In percent

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

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

2 Listed as "Insurance Industry" up to 2008.

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

Source: German Federal Employment Agency, *Arbeitsmarkt in Zahlen, Sozialversicherungspflichtig Beschäftigte nach Wirtschaftszweigen*, (WZ 2008), Nuremberg, March 2015.

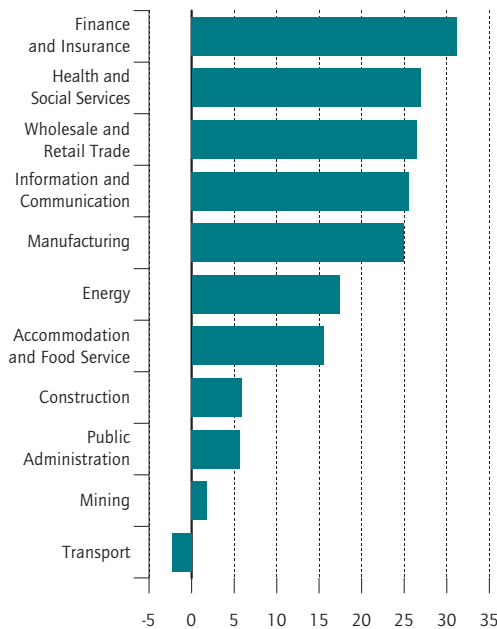
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Women make up the majority of employees in the provision of financial services.

Figure 1

Gender Pay Gap among full-time and part-time workers in 2014 by industry¹

In percent



1 Manufacturing and services, quarterly survey.

Source: Federal Statistics Office (2016) *Earnings and Labour Costs*, calculations by DIW Berlin.

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The pay gap between women and men is highest in the financial sector.

of the European Central Bank (ECB) and of the national central banks in the European Union.

Women's representation on the executive and supervisory boards of companies outside the financial sector is discussed in a separate article in this issue of *DIW Economic Bulletin*. That survey includes the 200 largest companies outside the financial sector, listed companies on the DAX 30, MDAX, SDAX, and TecDAX, plus another 61 companies with government-owned shares.⁵ Taken together, the two reports show the extent to which women are represented in the highest decision-making bodies of over 500 companies across Germany.

Many more women than men employed in financial sector

For more than 15 years now, 57 percent of employees subject to mandatory social security contributions in the "provision of financial services" sector have been women (see Table 1). In the field of "insurance, reinsurance, and pension funds (excluding social security)," the share of women increased by a good three percentage points to just under 50 percent during the same period. In the sector comprising "activities associated with financial and insurance services,"⁶ the share of women was just under 59 percent (1.4 percentage points less than in 1999). This illustrates that, overall, the financial sector employs more women than men.⁷

However, women are in the minority in management positions in the financial sector. In 2014, just over a fifth of management positions in savings banks were held by women. In private banks, women made up almost one-third of personnel not employed under collective wage agreements, and the corresponding figure for cooperative banks was just under 22 percent. In the insurance industry, the share of office-based female senior managers was over one-quarter.⁸

5 Findings from this analysis can be found in the following article in the present edition of *DIW Economic Bulletin*: E. Holst and A. Kirsch, "Corporate Boards of Large Companies: More Momentum Needed for Gender Parity," *DIW Economic Bulletin*, no. 3 (2016).

6 These are services closely related to financial institutions and insurance companies, without actually including them (such as stock and commodity exchanges, trade in stocks and commodities, risk and damage evaluation services, insurance broker activities, and fund management).

7 However, there is more gender parity than in the health and social care or teaching and education sectors.

8 German Savings Bank Association (*Deutscher Sparkassen- und Giroverband*), *report to shareholders*, http://www.dsgv.de/_download_gallery/Publikationen/Bericht_Gesellschaft_2014_DE.pdf; The Employers' Association of Private Banks (*Arbeitgeberverband des privaten Bankgewerbes e.V.*), *Führungspositionen im privaten Bankgewerbe: Frauen holen auf*, http://agvbanken.de/AGVBanken/Statistik/_doc_Statistik/Infografik_Frauen_Führungspositionen.pdf; The Employers' Association of Insurance Companies in Germany (*Arbeitgeberverband der Versicherungsunternehmen in Deutschland e.V.*), *Frauenanteil in den Unternehmen*, accessed November 26, 2015, <http://>

Table 2

Women on the supervisory boards and/or executive boards of large banks, savings banks, and insurance companies in Germany¹

	Banks and savings banks							Insurance companies						
	2006	2008	2009	2011	2013	2014	2015	2006	2008	2010	2011	2013	2014	2015
Executive boards/management boards														
Total number of companies	100	100	100	100	100	100	100	63	58	62	59	60	60	59
With data on composition	100	100	100	100	100	100	100	63	58	62	59	60	60	59
With women on executive board	10	7	9	12	24	23	28	10	9	10	14	29	27	27
Percentage	10.0	7.0	9.0	12.0	24.0	23.0	28.0	15.9	15.5	16.1	23.7	48.3	45.0	45.8
Total number of members	442	414	418	404	396	387	394	394	372	399	385	396	353	353
Men	431	406	407	391	371	361	364	384	363	389	370	362	323	321
Women	11	8	11	13	25	26	30	10	9	10	14	34	30	32
Percentage of women	2.5	1.9	2.6	3.2	6.3	6.7	7.6	2.5	2.4	2.5	3.6	8.6	8.5	9.1
Total number of chairpersons	100	100	100	100	100	100	98	63	58	62	59	60	60	59
Men	98	100	100	99	97	98	95	63	57	62	59	59	59	58
Women	2	0	0	1	3	2	3	0	0	0	0	1	1	1
Percentage of women	2.0	0.0	0.0	1.0	3.0	2.0	3.1	0.0	0.0	0.0	0.0	1.7	1.7	1.7
Supervisory boards/administrative boards														
Total number of companies	100	100	100	100	100	100	100	63	58	62	59	60	60	59
With data on composition	100	100	100	100	100	97	98	63	58	62	59	60	60	59
With women on supervisory board	89	85	87	88	89	89	93	46	42	48	45	50	48	50
Percentage	89.0	85.0	87.0	88.0	89.0	91.8	94.9	73.0	72.4	77.4	76.3	83.3	80.0	84.7
Total number of members	1,633	1,566	1,555	1,567	1,485	1,504	1,518	812	727	732	689	683	661	640
Men	1,387	1,324	1,294	1,307	1,230	1,234	1,195	720	629	645	599	572	547	518
Women	246	242	261	260	255	270	324	92	98	87	90	111	114	122
Percentage of women	15.1	15.5	16.8	16.6	17.2	18.0	21.3	11.3	13.5	11.9	13.1	16.3	17.2	19.1
Total number of chairpersons	100	100	100	100	100	97	98	63	58	62	59	60	60	59
Men	97	97	96	98	97	92	92	63	57	61	58	59	58	57
Women	3	3	4	2	3	5	6	0	1	1	1	1	2	2
Percentage of women	3.0	3.0	4.0	2.0	3.0	5.2	6.1	0.0	1.7	1.6	1.7	1.7	3.3	3.4
Companies with data on employee representation	33	51	50	53	36	76	81	24	38	34	33	27	59	48
Total number of members	599	767	764	738	564	1,159	1,255	291	444	351	385	312	647	573
Men	496	654	637	628	455	943	968	256	390	319	347	266	534	461
Women	103	113	127	110	109	216	288	35	54	32	38	46	113	112
Female employee representatives	85	84	91	78	69	131	157	32	41	26	36	34	81	71
As a percentage of women members	82.5	74.3	71.7	70.9	63.3	60.6	54.5	91.4	75.9	81.3	94.7	73.9	71.7	63.4

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

Source: calculations by DIW Berlin.

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The surveyed insurance companies have a slightly higher share of women on their executive boards than the banks and savings banks do – the opposite is true for the supervisory boards.

Financial sector has highest gender pay gap

The inequality of career opportunities between men and women in the finance industry is reflected in salaries. Although the financial sector is characterized by high earnings, men benefit far more than women. In no other industry was the gender pay gap higher in 2014 than in the financial sector (31.2 percent, see Figure 1). Even among full-time “managerial staff” (job category 1) in the “provision of financial services” sector, the gender pay gap was 27.5 percent, which, compared with 25 per-

cent in the manufacturing and service industries combined, was one of the highest values.⁹

⁹ See German Federal Statistical Office 2015, *Arbeitnehmerverdienste* 16 (2.3) authors' own calculation. The gender pay gap among full-time employees in job category 1 is smaller in the financial sector than in the health and social services sector (29 percent) and in the field of art, entertainment, and recreation (56.3 percent); in the manufacturing sector, the gender pay gap in this group is 14.2 percent. In job category 1, the gender pay gap is higher than in the other four job categories. Job category 1 comprises “employees with supervisory and discretionary authorities.” This includes, for example, managing directors, provided their remuneration includes at least some non-performance-related salary components. The group also includes those employed in larger management divisions who have discretionary or managerial functions and also those in positions that involve responsibilities requiring extensive specialist commercial or technical knowledge. As a rule, this knowledge is acquired by way of a tertiary degree. The remaining four job categories comprise (2) “highly skilled workers” (3) “skilled workers” (4) “semiskilled workers” and (5) “unskilled workers.” See *Arbeitnehmerverdienste*, glossary.

www.agv-vers.de/statistiken/branchenzahlen/beschaefigtenstruktur/frauenanteile.html. Data from the National Association of German Cooperative Banks (*Arbeitgeberverband der Deutschen Volksbanken und Raiffeisenbanken e.V.*), provided on December 2, 2015.

Figure 2

Top 100 banks and top 59 insurance companies by share of women on supervisory boards 2015

In percent



Source: calculations by DIW Berlin.

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The threshold of 30 percent women on the supervisory board was reached more often by the insurance companies than by the banks at year-end 2015.

It is important to bear in mind that the impact of unequal pay accompanies an individual throughout the course of their life and into retirement. Consequently, improving women’s career opportunities, and thereby their access to higher earnings, also contributes (other things being equal) to a narrowing of the gender gap in pensions.

Top 100 banks and savings banks

Executive boards: women still grossly underrepresented

In 2015, a total of 28 of the 100 largest banks and savings banks had female board representatives, which is five more than in 2014 (see Table 2). However, women continue to be grossly underrepresented in top management positions: 364 men held board positions compared with only 30 women. The resulting share of women on executive boards is almost eight percent, which equates to an increase of one percentage point against 2014. The number of female CEOs continues to be extremely low.¹⁰

¹⁰ The female CEOs were Eva Wunsch-Weber at Frankfurter Volksbank e.G. and Dr. Birgit Roos at Sparkasse Krefeld. Carola Gräfin v. Schmettow was spokesperson of the executive board at HSBC Trinkaus & Burkhardt AG.

Supervisory boards: share of women increases by three percentage points

Women’s representation is far better on the supervisory boards of large banks and savings banks than on their executive boards. At the end of 2015, there were women on the supervisory boards of almost 95 percent of financial institutions. They held 324 of a total of 1,518 supervisory board seats, corresponding to a share of over 21 percent. This corresponded to an increase in the share of women on supervisory boards of a good three percentage points against 2014.

Six banks had female supervisory board chairs, which is one more than in the previous year.¹¹ Information on employee representation on supervisory boards was obtained for 81 of the 100 largest banks: there were 288 women on the supervisory boards of these financial institutions, 157 (nearly 55 percent) of whom were employee representatives. This represents a decline of more than five percentage points in the proportion of female supervisory board members who were employee representatives compared to 2014. This is evidence that the shareholders are catching up.

In nearly 27 percent of banks and savings banks, the share of female supervisory board members was 30 percent or more, while the corresponding figure in a further 13 financial institutions was between 25 and 29 percent (see Figure 2 and Table 3). In five percent of the financial institutions the supervisory board was exclusively male. There were equal numbers of men and women on the supervisory boards of Comdirect Bank, Investitionsbank des Landes Brandenburg, and Investitionsbank Schleswig-Holstein. Only at Investitionsbank Berlin were women in the majority (five female and four male supervisory board members). There were no women on the supervisory boards of five banks: Münchener Hypothekbank e.G., BMW Bank GmbH, Mercedes-Benz Bank AG, Düsseldorfer Hypothekbank AG, and Debeka Bausparkasse AG.

Cooperative banks bring up the rear

Since 2010, the data in DIW Berlin’s study has been grouped into the three pillars of the financial sector, differentiating between private, public, and cooperative banks.

¹¹ Marija Korsch at Aareal Bank AG, Wiesbaden; Karoline Linnert at Bremer Landesbank, Bremen; Cornelia Yzer at IBB Investitionsbank Berlin, Berlin; Ilse Aigner at LfA Förderbank Bayern, Munich; Dr. Dietlind Tiemann at Mittelbrandenburgische Sparkasse Potsdam and Tamara Bischof at Sparkasse Mainfranken, Würzburg.

Overview

Women on the executive boards of large banks, savings banks, and insurance companies in Germany in 2015

Rank	Company		Pillar
100 largest banks and savings banks			
1	Deutsche Bank AG	Sylvie Matherat	private
3	KfW Kreditanstalt für Wiederaufbau	Dr. Ingrid Hengster	public
8	Norddeutsche Landesbank Girozentrale	Ulrike Brouzi	public
10	Deutsche Postbank AG	Susanne Klöß-Braekler	private
12	ING-DiBa AG	Katharina Herrmann	private
13	Deka Bank Deutsche Girozentrale	Manuela Better	public
16	Landwirtschaftliche Rentenbank AG	Imke Ettori	public
20	Landeskreditbank Baden-Württemberg – Förderbank (L-Bank)	Yvonne Zimmermann	public
22	Landesbank Berlin AG	Tanja Müller-Ziegler	public
23	Aareal Bank AG	Dagmar Knopek	private
24	Volkswagen Bank GmbH	Dr. Heidrun Zirfas	private
26	Hamburger Sparkasse AG	Bettina Poullain	independent savings bank
44	HSBC Trinkaus & Burkhardt AG	Carola Gräfin v. Schmettow (Vorsitz)	private
46	Investitionsbank Berlin (IBB)	Sonja Kardorf	public
50	Stadtsparkasse München	Marlies Mirbeth	public
51	Comdirect Bank AG	Martina Palte	private
52	Oldenburgische Landesbank AG	Karin Katerbau	private
53	Investitionsbank des Landes Brandenburg	Jacqueline Tag; Gabriela Pantring	public
54	Sparkasse Hannover	Kerstin Berghoff-Ising; Marina Barth	public
56	Targobank AG & Co. KGaA	Maria Topaler	private
62	Stadtsparkasse Düsseldorf	Karin-Brigitte Göbel	public
71	Westdeutsche ImmobilienBank AG	Christiane Kunisch-Wolff	public
74	Sparda-Bank Südwest e.G.	Karin Schwartz	cooperative
80	Frankfurter Volksbank e.G.	Eva Wunsch-Weber (Vorsitz)	cooperative
81	TeamBank AG	Dr. Christiane Decker	cooperative
84	BB Bank e.G.	Gabriele Kellermann	cooperative
86	Sparkasse Krefeld	Dr. Birgit Roos (Vorsitz)	public
92	Kreissparkasse Waiblingen	Ines Dietze	public
59 largest insurance companies			
1	Munich RE	Giuseppina Albo; Dr. Doris Höpke	
2	Allianz Deutschland AG	Dr. Birgit König	
5	ERGO Versicherungsgruppe AG	Dr. Bettina Anders; Silke Lautenschläger	
7	AXA Konzern AG	Dr. Andrea van Aubel; Dr. Astrid Stange	
9	Versicherungskammer Bayern	Barbara Schick	
10	Allianz SE	Dr. Helga Jung	
11	HUK-COBURG a.G.	Sarah Rössler	
14	DKV Deutsche Krankenversicherung AG	Silke Lautenschläger	
20	AXA Versicherung AG	Dr. Andrea van Aubel	
22	Generali Lebensversicherung AG	Claudia Andersch	
26	Allianz Private Krankenversicherungs-AG	Dr. Birgit König (Vorsitz)	
27	ERGO Lebensversicherung AG	Silke Lautenschläger	
28	AXA Lebensversicherung AG	Dr. Andrea van Aubel	
29	ERGO Versicherung AG	Silke Lautenschläger	
30	AXA Krankenversicherung AG	Dr. Andrea van Aubel	
32	Bayern-Versicherung Lebensversicherung AG	Barbara Schick	
33	Provinzial Rheinland Versicherung AG	Sabine Krummenerl	
35	Cosmos Lebensversicherung-Aktiengesellschaft	Claudia Andersch	
36	HDI Lebensversicherungs-AG	Barbara Riebeling	
37	Alte Leipziger Lebensversicherung a.G.	Wiltrud Pekarek	
39	Allianz Global Corporate & Speciality SE	Nina Klingspor; Sinéad Browne	
45	Generali Versicherung AG	Dr. Monika Sebold-Bender	
49	HUK-COBURG Allgemeine Versicherungs-Aktiengesellschaft	Sarah Rössler	
50	Württembergische Versicherung AG	Dr. Susanne Pauser	
51	Bayerische Beamtenkrankenkasse AG	Manuela Kiechle	
53	HDI Versicherung AG	Barbara Riebeling; Anette Rosenzweig	
59	Provinzial Rheinland Lebensversicherung AG	Sabine Krummenerl	

Source: survey by DIW Berlin.

Table 3

Largest 100 banks and savings banks' with at least 25 Percent women on the supervisory board

Rank	Company	Total number of members	Women	Percentage of women	Pillar
46	Investitionsbank Berlin (IBB) ²	9	5	55.6	public
47	Investitionsbank Schleswig-Holstein (IB.SH)	12	6	50.0	public
51	Comdirect Bank AG	6	3	50.0	private
53	Investitionsbank des Landes Brandenburg	18	9	50.0	public
27	Santander Consumer Bank AG	12	5	41.7	private
18	Hypothesenbank Frankfurt AG	5	2	40.0	private
49	SaarLB	13	5	38.5	public
14	HSH Nordbank AG	16	6	37.5	public
17	Deutsche Pfandbriefbank AG	8	3	37.5	private
57	Wüstenrot Bank AG Pfandbriefbank	8	3	37.5	private
39	IKB Deutsche Industriebank AG	11	4	36.4	private
86	Sparkasse Krefeld	17	6	35.3	public
1	Deutsche Bank AG	20	7	35.0	private
2	Commerzbank AG	20	7	35.0	private
23	Aareal Bank AG ²	12	4	33.3	private
30	Dexia Kommunalbank Deutschland AG	6	2	33.3	private
41	Wüstenrot Bausparkasse AG	12	4	33.3	private
45	LfA Förderbank Bayern ²	6	2	33.3	public
52	Oldenburgische Landesbank AG	12	4	33.3	private
54	Sparkasse Hannover	18	6	33.3	public
84	BB Bank e.G.	15	5	33.3	cooperative
85	Sparkasse Dortmund	15	5	33.3	public
97	Stadtsparkasse Wuppertal	15	5	33.3	public
11	NRW.Bank	16	5	31.3	public
21	Bausparkasse Schwäbisch Hall AG	20	6	30.0	cooperative
78	Sparkasse Münsterland-Ost	30	9	30.0	public
87	Kreissparkasse Esslingen-Nürtingen	17	5	29.4	public
6	Landesbank Baden-Württemberg	21	6	28.6	public
99	BHF-BANK Aktiengesellschaft	7	2	28.6	private
94	Sparkasse Mainfranken Würzburg ²	25	7	28.0	public
8	Norddeutsche Landesbank Girozentrale	18	5	27.8	public
37	Sparkasse KölnBonn	18	5	27.8	public
61	Ostächsische Sparkasse Dresden	18	5	27.8	public
77	Sparkasse Leipzig	18	5	27.8	public
95	Sparkasse Karlsruhe Ettlingen	29	8	27.6	public
20	Landeskreditbank Baden-Württemberg – Förderbank (LBank)	15	4	26.7	public
55	Sparda-Bank Baden-Württemberg e.G.	15	4	26.7	cooperative
5	UniCredit Bank AG	12	3	25.0	private
10	Deutsche Postbank AG	20	5	25.0	private

1 Only banks providing data on the composition of their supervisory board.

2 Chairwoman.

Source: calculations by DIW Berlin.

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Women were represented equally or were in the majority on the supervisory boards of four banks.

In 2015, the number of public banks and savings banks with female executive board members increased from 10 to 14 of the total 52 financial institutions examined in the study (see Table 4). However, women remained a rarity on the executive boards of public banks: at the end of 2015, there were 16 female and 187 male board members. Compared with the previous year, this corresponded to an increase of one percentage point (reaching a share of women of almost eight percent).

The share of private banks with female executive board members increased by a good four percentage points to over 32 percent. Yet with only ten women out of a total of 128 board members (eight percent), the share of women on the executive boards of private banks remained marginal (an increase of one percentage point against 2014).

In 2015, cooperative banks ranked lowest with regard to executive board diversity: of all the three pillars of the financial sector, cooperative banks had the lowest share of female executive board members (a good 6 percent); there was also virtually no increase over 2014. Further, at just 23.5 percent, the share of cooperative banks with at least one female executive board member was lower than that of both private and public banks. Given that cooperative banks are based, as a matter of principle, on a participatory business model, these results are particularly surprising.

Every supervisory board of the 52 public banks had at least one female board member at the end 2015 and the share of women here increased by more than three percentage points to over 24 percent. There were five women chairing these boards—one more than in 2014—, corresponding to a share of just under ten percent. There continued to be a number of private banks with all-male supervisory boards (four from a total of 29 banks providing information about board composition). With a good 22 percent overall, the share of female supervisory board members was still as high as among the public banks, and the increase over 2014 (a good five percentage points compared to a good three points) was clearly higher than in the public banks. A total of 16 of the 17 cooperative banks examined in the study had female supervisory board members although the share of women was just under 16 percent and therefore considerably lower than the corresponding figure for the public and private financial institutions. As has been the case since the survey first began, once again in 2015, there were no women at all chairing the supervisory board of a cooperative bank.

Table 4

Women on the supervisory boards and/or executive boards of large banks and savings banks in Germany¹ by pillar

	Public banks					Private banks ²					Cooperative banks				
	2010	2011	2013	2014	2015	2010	2011	2013	2014	2015	2010	2011	2013	2014	2015
Executive boards/management boards															
Total number of companies	52	53	50	52	52	36	34	31	32	31	12	13	16	16	17
With data on composition	52	53	50	52	52	36	34	31	32	31	12	13	16	16	17
With women on executive board	3	4	8	10	14	5	5	10	9	10	2	3	5	4	4
Percentage	5.8	7.5	16.0	19.2	26.9	13.9	14.7	32.3	28.1	32.3	16.7	23.1	31.3	25.0	23.5
Total number of members	203	197	193	190	203	157	151	128	132	128	48	56	62	65	63
Men	199	192	184	177	187	151	146	118	123	118	46	53	57	61	59
Women	4	5	9	13	16	6	5	10	9	10	2	3	5	4	4
Percentage of women	2.0	2.5	4.7	6.8	7.9	3.8	3.3	7.8	6.8	7.8	4.2	5.4	8.1	6.2	6.3
Total number of chairpersons	52	53	50	50	52	36	34	31	28	29	12	13	16	15	17
Men	52	53	49	49	51	34	33	30	28	28	12	13	15	14	16
Women	0	0	1	1	1	2	1	1	0	1	0	0	1	1	1
Percentage of women	0.0	0.0	2.0	2.0	1.9	5.6	2.9	3.2	0.0	3.4	0.0	0.0	6.3	6.7	5.9
Supervisory boards/administrative boards															
Total number of companies	52	53	50	52	52	36	34	31	32	31	12	13	16	16	17
With data on composition	52	53	50	51	52	36	34	31	30	29	12	13	16	16	17
With women on supervisory board	48	50	47	50	52	29	26	24	24	25	11	12	15	15	16
Percentage	92.3	94.3	94.0	98.0	100.0	80.6	76.5	77.4	80.0	86.2	91.7	92.3	93.8	93.8	94.1
Total number of members	960	999	885	906	933	396	349	321	323	311	192	219	244	275	274
Men	802	831	730	735	725	333	291	264	264	239	160	185	204	235	231
Women	158	168	155	171	208	63	58	57	59	73	32	34	40	40	43
Percentage of women	16.5	16.8	17.5	18.9	22.3	15.9	16.6	17.8	18.3	23.5	16.7	15.5	16.4	14.5	15.7
Total number of chairpersons	52	53	50	51	52	36	34	31	30	29	12	13	16	16	17
Men	49	51	48	47	47	36	34	30	29	28	12	13	16	16	17
Women	3	2	2	4	5	0	0	1	1	1	0	0	0	0	0
Percentage of women	5.8	3.8	4.0	7.8	9.6	0.0	0.0	3.2	3.3	3.4	0.0	0.0	0.0	0.0	0.0

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

2 Two of the private banks are independent savings banks.

Source: calculations by DIW Berlin.

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The cooperative banks had the lowest shares of women on both executive and supervisory boards at year-end 2015.

Insurance companies

Executive boards: marginal growth

Of the 59 insurance companies studied, 27 had at least one woman on their executive board at the end of 2015 (see Table 2). Of a total of 353 executive board positions, 32 were held by women, which equates to a good nine-percent share. The share of women on the executive boards of insurance companies therefore continued to be slightly higher than in banks—both had the same initial level of 2.5 percent in 2006. Dr. Birgit König of the Allianz Private Krankenversicherungs-AG remained the only female CEO.

Supervisory boards:

15 percent of boards exclusively male

At the end of 2015, just under 85 percent of insurance companies had female supervisory board members. At over 19 percent, the share of all board seats occupied by women was almost two percentage points higher than in 2014. This is evidence that the upward trend observed since 2010 has continued. As in 2014, Ulrike Lubek remained chair of the supervisory boards at Provinzial Rheinland Versicherung AG and Provinzial Rheinland Lebensversicherung AG. Employee representatives were appointed to the supervisory boards at 48 of the insurance companies included in the study. There were 112 women on the supervisory boards of these companies, 71 of whom (a good 63 percent) were employee represent-

Table 5

Largest 59 insurance companies with at least 25 Percent women on the supervisory board

Rank	Company	Total number of members	Women	Percentage of women
8	Allianz Versicherungs-AG	6	3	50.0
39	Allianz Global Corporate & Speciality SE	6	3	50.0
1	Munich RE	20	8	40.0
5	ERGO Versicherungsgruppe AG	16	6	37.5
6	Hannover Rück SE	9	3	33.3
10	Allianz SE	12	4	33.3
12	Debeka Krankenversicherungsverein a.G.	12	4	33.3
14	DKV Deutsche Krankenversicherung AG	3	1	33.3
20	AXA Versicherung AG	3	1	33.3
26	Allianz Private Krankenversicherungs-AG	6	2	33.3
27	ERGO Lebensversicherung AG	3	1	33.3
29	ERGO Versicherung AG	3	1	33.3
52	Barmenia Krankenversicherung a.G.	6	2	33.3
56	SV SparkassenVersicherung Gebäudeversicherung AG	21	7	33.3
7	AXA Konzern AG	16	5	31.3
11	HUK-COBURG a.G.	10	3	30.0
46	R + V Versicherung AG	15	4	26.7
3	Talanx AG	16	4	25.0
25	SV SparkassenVersicherung Holding AG	20	5	25.0
50	Württembergische Versicherung AG	12	3	25.0

Source: calculations by DIW Berlin.

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In 20 of 59 insurance companies the share of women on the supervisory board was at least one quarter.

Table 6

Women on the ECB governing council¹

	Total number of members	Men	Women	Percentage of women
2003	17	16	1	5.9
2004	17	16	1	5.9
2005	17	16	1	5.9
2006	17	16	1	5.9
2007	19	18	1	5.3
2008	21	20	1	4.8
2009	22	21	1	4.5
2010	22	21	1	4.5
2011	23	23	0	0.0
2012	23	23	0	0.0
2013	23	23	0	0.0
2014	24	22	2	8.3
2015	25	23	2	8.0

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

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

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The ECB's Governing Council is made up of two women and 23 men.

atives. The share of women on these corporate boards has increased by almost eight percentage points since 2006 (the corresponding figure for banks is six percentage points). This is an indication that insurance companies are gradually closing the gap although their share of women board members continues to lag behind that of the banks.

Although this catch-up process is taking place at a very low level, it is still worth mentioning if we consider that the supervisory boards of 15 percent of insurance companies are an exclusively male domain. In the remaining insurance companies, therefore, even more women must have made their mark. A reflection of this is that more insurance companies managed to hit the 30-percent mark in terms of their share of female supervisory board members than banks—this applied to 27 percent of all insurance companies (see Figure 2). In a total of 20 insurance companies, women accounted for at least one-quarter of all supervisory board members (see Table 5) and in 14 companies, they made up one-third or more. Two companies—Allianz Versicherungs-AG and Allianz Global Corporate & Specialty SE—had achieved gender parity on the supervisory board. Not one of the insurance companies studied had a majority of women on its supervisory board.

European Central Bank and central banks of EU countries

This section discusses the share of women on the Governing Council of the European Central Bank (ECB), on the Supervisory Board of the new Single Supervisory Mechanism (SSM), and among the mid- and top-level management of the ECB, as well as in the key decision-making bodies at the national central banks of the EU member states, particularly the Deutsche Bundesbank.

The ECB's Governing Council is the top decision-making body of the European Central Bank and comprises the ECB's six-member Executive Board as well as the national central bank presidents of the 19 euro area countries.¹² Since 2014, two women have been serving on this 25-member committee (see Table 6): the German banker Sabine Lautenschläger as a member of the Executive Board and the President of the Central Bank of Cyprus, Chrystalla Georgiadji.

The Single Supervisory Mechanism (SSM) was established on November 4, 2014 to monitor the financial stability of significant banks in participating EU coun-

¹² With Lithuania's membership of the euro area as of January 1, 2015, the Governor of the Lithuanian Central Bank joined this group.

Table 7

Men and women on the supervisory board of the European Banking Supervision 2015

	Women	Men
ECB members	4	2
Representatives of the national supervisors		
Belgium	0	1
Germany	0	2
Estonia	0	2
Finland	1	1
France	0	1
Greece	0	1
Ireland	0	1
Italy	0	1
Latvia	1	1
Lithuania	1	0
Luxembourg	0	2
Malta	0	2
Netherlands	0	1
Austria	0	2
Portugal	0	1
Slovakia	0	1
Slovenia	1	0
Spain	0	1
Cyprus	0	1
	4	22
Total	8	24
In percent	25	75

Source: ECB Banking Supervision, Supervisory Board, <https://www.bankingsupervision.europa.eu/organisation/whoswho/supervisoryboard/html/index.en.html>, 15 January 2016.

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Women make up 25 percent of the SSM supervisory board.

tries.¹³ The SSM comprises the ECB and the national supervisory bodies of the participating states. The creation of the SSM significantly expanded the ECB’s remit and additional jobs were created accordingly.¹⁴

The Supervisory Board of the SSM comprises six ECB representatives (they hold the position of Chair and Vice-Chair) as well as representatives of the national supervisory authorities. The ECB delegated four women—Danièle Nouy, Sabine Lautenschläger, Julie Dickson,

13 For information on the criteria for classification as a “significant” institution and on the participating states, see European Central Bank – banking supervision, *Single Supervisory Mechanism*, accessed January 15, 2016, <https://www.bankingsupervision.europa.eu/about/thessm/html/index.en.html>.

14 As of December 31, 2014, the ECB had 2,577 positions (full-time equivalent, FTE). At the end of 2013, the corresponding figure was 1,790. European Central Bank, *Annual report 2014* (2015).

Table 8

Women in senior and middle management¹ at the European Central Bank

	Total	Women	Percentage of women
Year End 2013			
Senior management	41	6	15
Senior and middle management	242	44	18
Year End 2014			
Senior management	54	10	19
Senior and middle management	391	94	24
3rd Quarter 2015			
Senior management	57	11	19
Senior and middle management	413	99	24

¹ Senior management encompasses two pay bands (K and L), senior and middle management encompasses four pay bands (I,J,K,L).

Source: Information from the Directorate General Human Resources, Budget and Organisation of the ECB, October 9, 2015.

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The share of women is higher in the ECB’s middle management than in its top management.

and Sirkka Hämäläinen—and two men to this board. Four of the total of 26 national supervisory body representatives were also women. Overall, therefore, women held one-quarter of the seats on the 32-member Supervisory Board of the new SSM (see Table 7).

In 2013, the ECB introduced a set of internal targets regarding the percentage of women in management positions.¹⁵ According to these targets, by the end of 2019, the share of women holding positions in the top two salary bands should be 28 percent and in the top four salary bands, it should be 35 percent. Consequently, these provisions affect top (directors-general and deputy directors-general, directors, and also principal advisors) and mid management positions (heads of division, deputy heads of division, heads of section, senior advisors and advisors).¹⁶ The targets do not, however, apply to political positions, i.e., the ECB’s Governing Council and Executive Board whose members are appointed through a political process.

15 A. Rexer and M. Zydra, “Förderung von Managerinnen: EZB führt Frauenquote ein,” *Süddeutsche Zeitung*, August 29, 2013. See also E. Holst and A. Kirsch, “Financial Sector: Upward Trend in Share of Women on Corporate Boards Progressing Only in Small Steps,” *DIW Economic Bulletin*, no. 3 (2014): 24.

16 Advisors, senior advisors and principal advisors are managerial staff responsible for project and cross-sectional tasks within directorates. They have no direct management functions such as conducting employee performance appraisals.

Between the end of 2013 and the third quarter of 2015, the share of women in the top two salary bands increased from 15 to 19 percent and the share in the top four bands rose from 18 to 24 percent (see Table 8). It should be noted, however, that circumstances have been exceptional in the last two years. With the establishment of the SSM, a major recruitment drive was conducted, resulting in a substantial increase in the number of management staff overall: while there were 242 individuals in top and mid management positions at the end of 2013, by the third quarter of 2015, this figure had risen to 413. If there are no further increases in the absolute number of positions in future, more determined efforts will be required to meet the target for women in management positions. To this end, a wide range of measures were implemented as part of an action plan. This has included the appointment of diversity officers, mentoring and training programs for women, work-life balance measures (particularly an increase the number of teleworking days) and the introduction of changes in recruitment procedures (while still maintaining a purely meritocratic personnel selection process, among other measures, the wording of job adverts was changed, potential female applicants were targeted, and the representation of women on interview panels was monitored).¹⁷ We should therefore be able to watch the continued development of the share of women among ECB management up to the end of 2019 with bated breath.

Data on the share of women in the key decision-making bodies at the national central banks of the EU member states have been published by the European Commission since 2003. While the average representation of women on the top decision-making bodies of the national central banks has ranged between 16 and 18 percent in the past, the figure increased to 21 percent in 2015.¹⁸ At the same time, the disparities between the different EU member states, which were already substantial, increased even further (see Figure 3). For instance, the boards of the French and Slovenian central banks boast a 45-percent and 40-percent share of women respectively and so are well on their way to achieving gender equality, whereas the highest decision-making bodies at the national central banks of seven other countries (Greece, Croatia, the Netherlands, Austria, Portugal, Slovakia, and the Czech Republic) have no female representatives at all. In previous years, this applied to a smaller number of central banks (six in 2014 and five in 2013).

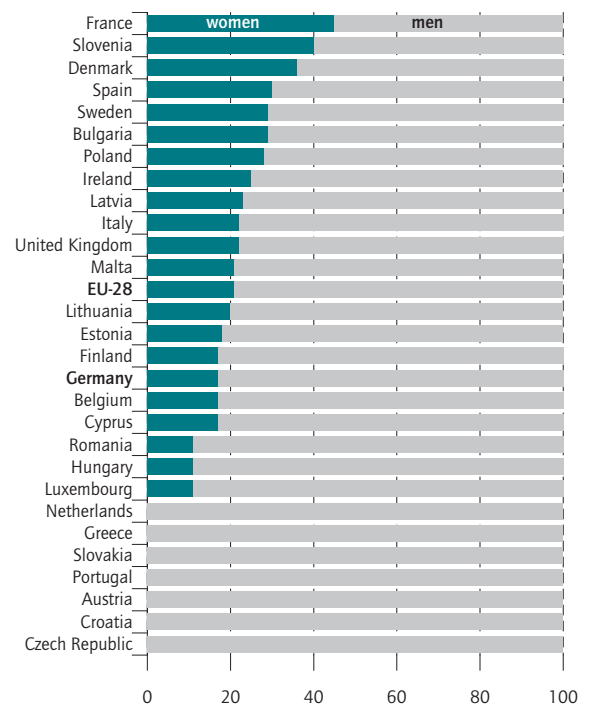
¹⁷ Information from the Directorate General Human Resources, Budget and Organisation of the ECB, October 9, 2015.

¹⁸ EU database on women and men in decision-making, accessed October 16, 2015, http://ec.europa.eu/justice/gender-equality/gender-decision-making/database/business-finance/index_de.htm.

Figure 3

Women and men in the key decision-making bodies of national central banks in the EU 2015¹

In percent



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

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

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The percentage of women on central bank boards is particularly high in France, Slovenia and Denmark.

The highest decision-making body of the Deutsche Bundesbank is a six-member Executive Board. In 2015, the President and four other board members were men but the position of Vice-President was held by a woman (Prof. Dr. Claudia Buch), placing the German Bundesbank mid-table among the national central banks of EU member countries.

Development of gender equality particularly weak in financial sector

DIW Berlin has been examining the development of women’s representation on executive and supervisory boards in the German financial sector for ten years now. During that time, the underrepresentation of women in the upper echelons of German companies has increasingly been in the public eye, and voluntary and statu-

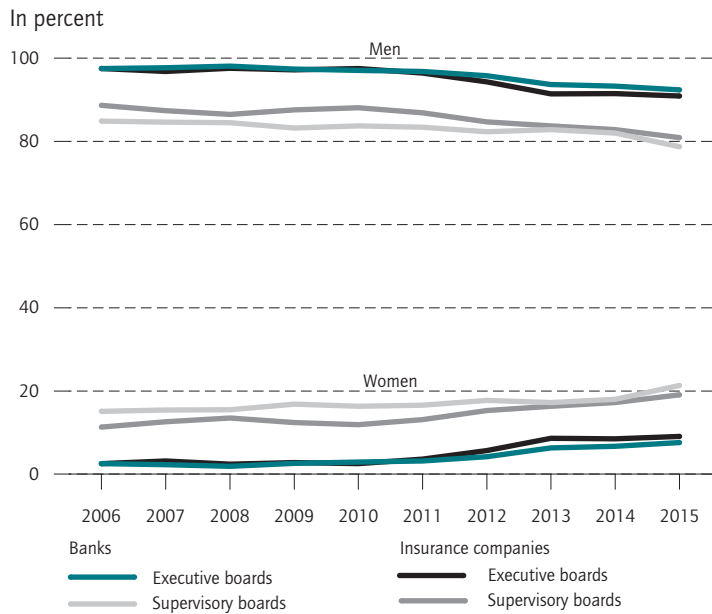
tory regulations have been introduced with the aim of improving the share of women. Despite these efforts, to date, very few women have been appointed to executive boards in particular. The supervisory boards of major banks and insurance companies also still have a very long way to go before achieving gender parity. Since 2006, the share of women on the executive boards of banks and savings banks has risen by slightly more than five percentage points and the corresponding figure for insurance companies is just under seven percentage points (see Figure 4). In the same period, the share of women on the supervisory boards of the largest banks grew by a good six percentage points and, for the insurance companies, the equivalent increase was just short of eight percentage points. This growth was far too weak to even come close to bridging the gap between the shares of women and men on corporate boards. The following banks neither had women on their supervisory boards nor on their executive boards: Münchener Hypothekbank e.G., BMW Bank GmbH, Mercedes-Benz Bank AG, Düsseldorfer Hypothekbank AG and Debeka Bausparkasse AG. Among the insurance companies, this applied to LVM Landwirtschaftlicher Versicherungsverein Münster a.G., VHV Allgemeine Versicherung AG and Gothaer Lebensversicherung AG.

A comparison of the 100 largest banks and the 200 largest companies shows more dynamic development of gender equality on supervisory boards outside the financial sector (see Figure 5). Starting at a substantially lower level of women’s representation on supervisory boards in 2006 (eight percent in the largest 200 companies against 15 percent in the largest banks), by 2015 the difference between the two groups of companies had shrunk to less than two percent. The percentage of women on the executive boards of the two groups of companies has also converged.

Although developments are moving in the right direction, the pace leaves a lot to be desired. There is an urgent need for women to have far better career opportunities within companies in the financial sector in order to secure a diverse pool of highly-qualified candidates of the requisite size as rapidly as possible, also with a view to filling top-level management positions in future. This is in the interests of the companies—not least in anticipation of a possible extension of the statutory gender quota in future and a tightening of sanctions set out in the new law on equality for women and men in managerial positions, both in the private and public sectors which was enacted in Germany in May 2015. The government is also required to improve the general conditions for women’s employment and careers. The concept of “family working hours,” for example, aims to counter the disadvantages experienced by women as a result of them taking more time out from gainful employment

Figure 4

Women and men on executive and supervisory boards in the financial sector



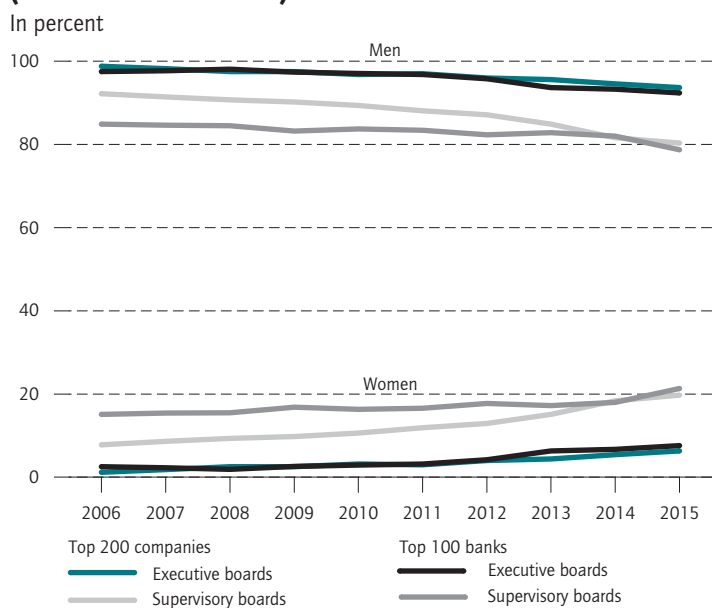
Source: calculations by DIW Berlin.

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There is a large gap between the share of women on supervisory boards and on executive boards

Figure 5

Percentage of women on the supervisory boards and executive boards of the top 100 banks and the top 200 companies (without financial sector)



Source: calculations by DIW Berlin.

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The top 200 companies have caught up and are now on par with the top 100 banks in terms of the representation of women on executive and supervisory boards.

to start a family. (This period also largely coincides with the beginning of their careers.)¹⁹

Conclusion

In 2001, an agreement was struck between the German government and leading German business associations committing them to promoting 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*). This agreement aimed, *inter alia*, at increasing the representation of women in management positions. At the time, a voluntary agreement was favored over a statutory provision. The result: 14 years on and not even one-tenth of executive board seats in the financial sector are occupied by women: at the end of 2015, the share of female executive board members in Germany's 100 largest banks was just under eight percent and in the 59 largest insurance companies, the corresponding figure was just over nine percent. Although supervisory boards traditionally have a larger share of women, even here, both Germany's banks (at just over

21 percent) and insurance companies (at just over 19 percent) are far from achieving full gender parity.

The clearly more limited promotion opportunities for women in the financial sector also have an impact on the difference between women's and men's earnings: the gender pay gap in the financial sector is larger than in any other industry. One way of addressing this issue could be improved career opportunities.

Germany's statutory 30-percent gender quota (in force from 2016) that companies must comply with for all new supervisory board appointments applies to five of the banks examined in the present study (Commerzbank AG, Deutsche Bank AG, Deutsche Postbank AG, HSBC Trinkaus & Burkhardt AG, and Oldenburgische Landesbank AG) as well as to four of the insurance companies analyzed (Munich RE, Talanx AG, Allianz SE, and Wüstenrot und Württembergische AG). Five of these nine financial institutions were already in compliance with the legal provisions for gender equality on their supervisory boards in 2015. We can therefore anticipate that the remaining four institutions will increase the share of women on their supervisory boards in the near future. However, the lion's share of banks, savings banks, and insurance companies examined here will not be obliged to comply with the gender quota. It therefore remains to be seen what actions these companies will take to address board equality in future.

¹⁹ See K.-U. Müller et al., "The "family working-time benefits model" (*Familienarbeitszeit*): Giving mothers more time for work, giving fathers more time for family," *DIW Economic Bulletin*, nos. 45 and 46 (2015): 595-602.

Elke Holst is Research Director Gender Studies in the Department of the Executive Board at DIW Berlin | eholst@diw.de

Anja Kirsch is a Research Fellow at the Department of Management, Freie Universität Berlin | anja.kirsch@fu-berlin.de

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