2019 CWDI REPORT:  
WOMEN BOARD DIRECTORS OF FORTUNE GLOBAL 200 COMPANIES

**Key Findings**

- **Women now hold 22.4% of all director positions on the boards of the 200 largest companies in the world – the Fortune Global 200, representing a modest 1% increase in past two years.** More than 3% of all board seats on the world’s largest companies are still held by men.

- The percentage of 22.4% is more than double the percentage of women directors in 2004, when only 10.4% of board appointments were held by women in these global powerhouse companies representing 26 countries.

**Regional Comparison**

- European companies have driven the surge in the percentage of women board directors in the *Fortune* Global 200. Since 2004, the overall percentage of women on boards of the European companies in the listing has increased tremendously – from 9.1% to 34.1%, largely due to national initiatives to speed up women’s access to board seats.

  France and Italy, far and away, account for the largest gains in Europe from 2004 to the present. *French companies in Fortune Global 200 have increased from 7.2% to 43.2%, while Italian companies have increased from 1.8% to 35.4%.*

- The largest companies in the Americas (primarily US companies with a small number in Brazil and Mexico) dominated the *Fortune* Global 200 in 2004 and led globally in women’s board appointments at 17%.

  In 2019, **the percentage of women directors in the Americas has increased only 10 percentage points in 15 years to 27.4%**. While there is much dialogue and efforts to increase women’s representation on boards in the U.S., and to a smaller extent in Brazil and Mexico, no *nationally-driven* program has emerged.

- *Fortune* Global 200 companies in the Asia-Pacific region, which now represent the largest slice of the 200 largest companies in the world, have only 9.7% women’s representation on their boards of directors. This is, however, a significant increase from 0.9% women’s directorship in 2004. The increase in the region is largely due to initiatives in Australia and a national push in Japan to increase women in leadership posts.

- **Though the Asia-Pacific region considerably trails Europe and the Americas in placing women on boards, they now dominate the Fortune Global 200 listing.** In 2004, there
were only 36 Asia-Pacific companies compared to 83 European and 81 from the Americas. In the 2019 listing, there are now 84 Asia-Pacific companies, 67 from the Americas and 48 from Europe.

**Why Europe Leads**

*The increase of women directors in Europe is the direct result of concerted national efforts to accelerate women’s access to board seats through legislated mandates.*

- Since 2004, the number of countries with legislative quotas for publicly-listed or state-owned companies has increased from 7 to 28. Of these 28 countries, 19 are in Europe. Three others are in Asia, and two are in each of Africa, South America and the Middle East.

- Quotas are working. *Fortune* Global 200 companies based in countries with quotas averaged 34.8% women’s representation on boards compared to 18.4% in countries without quotas, a difference of 16.4%. The rates of increase are larger and faster in *Fortune Global 200* companies based in countries with quotas.

- Among the companies with the ten highest percentages of women directors, 8 (of 16 companies accounting for ties) are from France. The U.S. is only country outside of Europe with companies among these best performers. 5 are from the U.S. and one each from Germany, the Netherlands, and the UK.

- The company with the highest percentage of women board directors among *Fortune Global 200* companies is French energy giant Total SA, with 58.3% women directors (7 women out of 12)

  Five other companies have also reached gender parity on their board. Also from France, AXA has 53.3% women directors and Electricite de France has reached the 50% mark. The other three companies are headquartered in the U.S. – HP with 55.6%, General Motors with 54.5%, and Amazon with 50%.

**Why Corporate Governance Codes Matter**

*Since quotas remain a controversial strategy for increasing women’s board representation, other countries have utilized a private sector (as opposed to governmental) initiative in which gender diversity is added to corporate governance codes or stock exchanges’ listing requirements.*

- In 2004, there were only four countries with such language in their corporate governance codes; now there are 31. The majority are recommendations only, but a few are required. Seventeen of these countries are in Europe, 8 are in Asia, 4 are in Africa and 2 are in the Middle East.
While this initiative is not mandatory like quotas, they have also proven to be effective in moving the needle on women directors. *Fortune* Global 200 companies based in countries with gender diversity provisions in corporate governance codes averaged 35.6% women directors, while companies based in countries without those guidelines had 17.7% women-held board seats. This difference of 17.9% has increased from 8.6% in the past five years.

**Recommendations:**

- Whether quotas or targets, whether through legislative mandates or private sector strategies, opening up women’s access to corporate board seats will not happen unless there is a concerted *national* effort. Relying on the old belief that meritocracy alone will make women rise to the top of corporate leadership is naïve given the plethora of male-dominated boards which recruit their own.

- Boards must be repeatedly exposed to the ‘business case’ for more women on corporate boards. There are currently over 75 research studies from numerous countries indicating that more women on boards correlates with a company’s better financial performance. As a McKinsey report indicated, however, only 29% of corporate executives see gender diversity in corporate leadership as a necessary component of their business strategy.

- Companies should insist that when board openings occur that Nominations Committees’ or search firms’ recommendations include women candidates.