

FOREWORD

It is with pride that we present to you comprehensive European Women on Boards Gender Diversity Index (GDI). This index was developed to allow companies to benchmark themselves against other companies in their country or sector with regard to the diversity of their boards and other key positions. It has been our aim to create a study that provides an objective European benchmark on gender equality and this 2020 research gives an excellent point of comparison to the index of 2019.

European Women on Boards is a Brussels-based non-profit association with focus on promoting gender equality in European decision-making. In addition to conducting research on gender diversity across the largest European corporations, we disseminate best practices on corporate governance policies and measures which favor gender diversity, contribute to the development and empowerment of women who are candidates for board and senior executive positions, train, mentor and give support. In short, European Women on Boards is a unique constantly growing network of experienced female leaders.

The starting point to our work is the firm belief that gender diversity leads to diverse thinking and better decision making. There is no doubt that women and men complement each other. In life, at work. In large, medium and small companies, on boards and in governments. Women are an important target group for companies, their needs and insights can often differ greatly from the needs and insights of men. In a heterogeneous environment with more diversity of thought, perspectives get wider and business risks decrease. And utilizing the full labor force with all its capacity, Europe can ensure its competitiveness in the global economy. This is an opportunity that we need to tap into.

Our research shows that despite some encouraging progress in recent years, the under-representation of women on corporate boards and in management positions remains an important challenge for EU Member States. **Some 13 % of the 669 companies studied are close to gender equality** at board and executive level. There are now **87 companies** where the absolute share of women in leadership is 40% or more, which is a significant improvement from 47 in 2019. In **60%** of the companies for which data is available for both years, there was an **improvement** in their GDI. However, despite the excellent progress made in the top companies, there is significantly less change at the bottom end. This is the reason why we want to publish the names of both the top and the bottom end companies and to compile best practice guidelines for any company or political decision-maker that is interested to hear about these learnings.

Looking at the data on country level, companies from **Norway, France, UK, Finland and Sweden** were the closest to having gender balanced governance in 2020. From the 20 best practice leading, most diverse companies, 7 come from the UK and 6 from France. From the results we see that there is a clear difference in results of countries where governments have implemented quota legislation vs.

countries with softer measures. Sweden and Finland are the only two EU member states where self-regulation has brought visible results.

We cannot tackle inequality if we are in denial that it exists. Our research is clear - there is room for improvement throughout the corporate world and in all European member states. We should continue to make sure that everyone feels valued and able to be themselves in our society. Women belong in all places where decisions are being made, they should not be the exception. At European Women on Boards, **we invite both men and women to join the change** and to work together for better decision-making and improved business results. Positive actions at country level influencing both political decision-makers and corporations large and small are important in driving this change. We know that diversity and inclusion are essential - let's consider this in our daily business lives.