



2020
WOMEN
ON BOARDS

GENDER
DIVERSITY
INDEX

2011–2014 Progress of
Women Corporate Directors
by State, Sector and Size of Company

GOOD NEWS ON ALMOST ALL FRONTS

We are pleased to share with you 2020 Women on Boards' Gender Diversity Index of *Fortune 1000* Companies for 2014.

For the fourth year in a row, we are seeing the impact of the campaign. The percentage of women on U.S. company boards continues to increase, to 17.7% in 2014 from 16.6% in 2013 for the *Fortune 1000* Index. The increase is even more pronounced when compared to our first year of research in 2011 when women held just 14.6% of *Fortune 1000* board seats.

The news is good on almost all fronts: the number of Winning **W** Companies has increased, the number of Zero **Z** Companies has declined. Every sector has seen growth in the numbers of women placed on their boards. We remain confident we are on track to reach - and expect to exceed—our goal of 20% or more company board seats held by women in the *Fortune 1000* by 2020.

We started the 2020 Women on Boards campaign in 2010 as a grass roots initiative to engage corporate stakeholders to hold companies accountable in diversifying their boards of directors. We educate people about what boards do and why diversified boards are so important. We encourage dialogue on the topic and we measure and report on the progress being made.

We don't do this work alone. We recognize the work of the 30% Club, Catalyst, Inter Organization Network (ION), the Thirty Percent Coalition, WomenCorporateDirectors, and YPO/WPO Women's International Network in advancing women to the boardroom. We also recognize our 57 Affiliate organizations who work with us to support our mission; and we thank our sponsors and supporters for helping us reach our goal.

Check the 2020 Women on Boards website for initiatives where you live and work. We hope you'll take the monthly *2020 Challenge* and add your voice to the thousands who regularly congratulate the Winning **W** Companies and encourage the Zero **Z** Companies to add women. To participate, register your support for the campaign at www.2020wob.com. For our thousands of supporters across the U.S. and around the world, we thank you for your ongoing endorsement. We are motivated by your encouragement and by the results to date.

We look forward to continued success!

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HOW WE CATEGORIZE COMPANIES

The cornerstone of 2020 Women on Boards is the 2020 Gender Diversity Directory, a database of public and private companies categorized by the gender composition of their boards.

A subset of the 2020 Directory is the 2020 Gender Diversity Index (GDI), which is based on the 2010 *Fortune 1000* list of companies. We track this group of companies from year to year, measuring the percentage of board seats held by women. Utilizing the same list from year to year allows us to understand trends within this group.

W WINNING
20%+ Women

V VERY CLOSE
11–19% Women

T TOKEN
1 Woman

Z ZERO
0 Women

2014 KEY FINDINGS

"Today, being 'average' as a company means being well below equity when it comes to women in leadership. **We've needed change since yesterday**—there is no time to be average. Calvert Investments has long recognized the value of diversity and sustainability."

BARBARA KRUMSIEK President, CEO and Chair, Calvert Investments

WHY DO WE STUDY THE *FORTUNE 1000*?

It's important to include companies from a broad geographic area so our volunteer chapters have information on companies in their regions. The *Fortune 1000* provides the necessary geographic depth, and research on this group of companies supports regional studies that show that smaller companies lag behind larger companies in the gender composition of their boards.ⁱ

i. *Follow the Leaders: It CAN Happen Here*, The Ninth Annual Status Report of Women Directors and Executive Officers of Public Companies in 16 Regions of the United States, Inter Organization Network (ION) 2012

- The number of women on boards continues to increase within the Index: Of the 867 active companies, the percentage of board seats held by women increased to 17.7% in 2014, up from 16.6% in 2013. The percentage of board seats held by women in 2011, the first year of reporting, was 14.6%.
- Women gained 90 board seats in 2014, which compares to 72 board seats gained in the same companies in 2013. This is net of those companies losing a female board member.
- The number of *Fortune 1000* Winning **W** Companies increased to 351 from last year's 316, representing both the largest number and the largest percentage to date. We are also gratified to see the number of Zero **Z** Companies decline to 93 companies, representing the smallest number and the smallest percentage to date. The number of Very Close **V** Companies decreased to 159 in 2014, from 167 in 2013; and the number of Token **T** Companies dropped to 264, down from 292 in 2013.
- All sectors increased the percentage of women, with the largest gains in Consumer Defensive, Real Estate and Utilities, all three of which are now greater than 20%. The Energy sector significantly lags other sectors at 11.5%.
- Almost 80% of the companies that dropped off this year's *Fortune 1000* Index were in the **T** or **Z** categories (companies are dropped from the Index when they no longer have an active board of directors due to a sale, merger or other reason). Of the 26 net inactive companies, 8 are **Z** Companies and 14 are **T** Companies. We think this is significant. Research has demonstrated that companies with women on boards are more profitable. While we cannot speak to causality, there is clearly a correlation between fewer women directors and failure to maintain a presence on the Index.

“As State Treasurer and a longtime business owner, I am convinced that **significant increases in board diversity result in more innovative leadership**, as well as the best results for all stakeholders.”

STEVEN GROSSMAN

State Treasurer & Receiver General,
Commonwealth of Massachusetts

2014 GDI ANALYSIS

	% WOMEN ON BOARDS	AVERAGE # WOMEN ON BOARDS	TOTAL # WOMEN	TOTAL # DIRECTORS	# ACTIVE COMPANIES
FORTUNE 1000					
2014	17.7%	1.8	1585	8973	867
2013	16.6%	1.7	1526	9207	893
2012	15.6%	1.6	1493	9593	928
2011	14.6%	1.5	1440	9846	951
FORTUNE 100					
2014	22.2%	2.6	250	1124	97
2013	20.6%	2.4	238	1153	98
2012	19.9%	2.4	233	1168	99
2011	19.6%	2.3	233	1188	100
FORTUNE 500					
2014	19.0%	2.1	965	5074	462
2013	18.0%	2.0	928	5163	471
2012	17.1%	1.9	909	5313	479
2011	16.4%	1.8	888	5407	489
FORTUNE 501-1000					
2014	15.9%	1.5	620	3899	405
2013	14.8%	1.4	598	4044	422
2012	13.6%	1.3	584	4280	449
2011	12.5%	1.2	554	4436	462

LARGER COMPANIES, MORE WOMEN

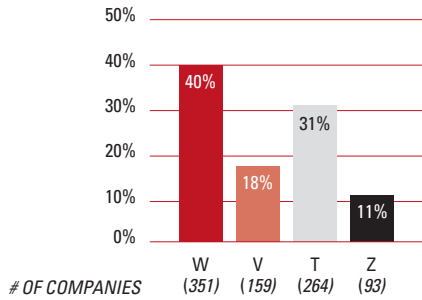
The correlation between company size and number of women directors continues to hold true. Since 2011, when we first started tracking the GDI, the largest U.S. companies have added women to their boards in greater numbers.

In *Fortune 1000* companies this year (97 active companies), 22.2% of board seats are held by 250 women, for an average of 2.6 women directors per board. This year, for the first time, the number has shown more than just a negligible gain; from 20.6% (238 women) in 2013, 19.9% (233 women) in 2012 and 19.6% (233 women) in 2011.

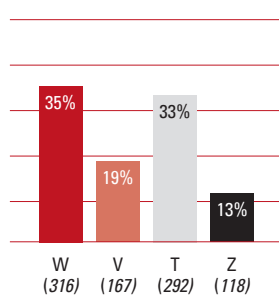
In *Fortune 500* companies this year (462 active companies), 19% of board seats are held by 965 women, for an average of 2.1 women directors per board. This compares to last year’s 18% of board seats, held by 928 women, an average of 2 women directors per board.

Smaller companies, those in the *Fortune 501-1000* (405 active companies), have continued to add women directors, but the percentage of board seats held by women remains lower than that held in larger companies. In 2014, in this cohort, 620 women hold 15.9% of board seats, with 1.5 women directors per board. The average number of women directors per board has slightly increased since the start of our research in 2011 with 1.2 women directors per board.

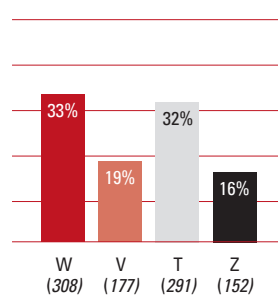
FORTUNE 1,000 2014



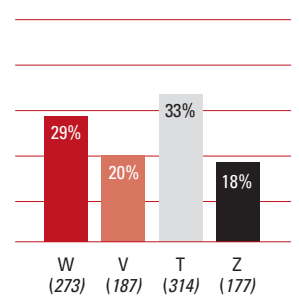
FORTUNE 1,000 2013



FORTUNE 1,000 2012



FORTUNE 1,000 2011



- W WINNING**
20%+ Women
- V VERY CLOSE**
11–19% Women
- T TOKEN**
1 Woman
- Z ZERO**
0 Women

**MORE W AND V COMPANIES;
FEWER T AND Z COMPANIES**

Since 2011, there has been steady progress across the categories. In 2014, 58% of the Index companies are in the **W** or **V** categories, 40% and 18% respectively. The percentage of **T** Companies has decreased marginally, 31% in 2014 compared to 33% in 2011; whereas the percentage of **Z** Companies has decreased the most, 11% in 2014, down from 18% in 2011.

**13 COMPANIES ADDED
2+ WOMEN**

- ABERCROMBIE AND FITCH CO.
- ACTAVIS
- AMERIPRISE FINANCIAL, INC.
- APACHE CORPORATION
- BLACKROCK, INC.
- CHILDREN'S PLACE RETAIL STORES, INC.
- CIT GROUP, INC.
- FANNIE MAE
- FREEMONT-MCMORAN COPPER & GOLD, INC.
- INGREDION INC.
- KAR AUCTION SERVICES INC.
- LEVI STRAUSS & CO.
- SYMANTEC CORPORATION

**38 COMPANIES WENT
FROM V TO W**

- 3M COMPANY
- AGL RESOURCES INC.
- ALLY FINANCIAL, INC.
- BLACKROCK, INC.
- CH2M HILL COMPANIES LTD.
- CHUBB CORPORATION
- CHURCH & DWIGHT CO., INC.
- CIGNA CORP
- CIT GROUP INC.
- CLOROX COMPANY
- CRANE COMPANY
- CUNA MUTUAL GROUP
- DUKE ENERGY CORPORATION
- EDISON INTERNATIONAL
- FASTENAL COMPANY
- FEDEX CORPORATION
- FRANKLIN RESOURCES, INC.
- GENERAL DYNAMICS CORPORATION
- HASBRO, INC.
- INGRAM MICRO INC.
- MARRIOTT INTERNATIONAL, INC.
- MASTERCARD, INC.
- MATTEL, INC.
- MCCORMICK & COMPANY, INC.
- MGM RESORTS INTERNATIONAL
- NEW YORK LIFE INSURANCE
- NIKE, INC.
- OGE ENERGY CORPORATION
- OWENS CORNING
- PHILIP MORRIS INTERNATIONAL, INC.
- PNC FINANCIAL SERVICES GROUP, INC.
- PPG INDUSTRIES, INC.
- PRAXAIR, INC.
- SOUTHERN COMPANY
- TRUE VALUE COMPANY
- UNUM GROUP
- WESTAR ENERGY, INC.
- WESTERN AND SOUTHERN FINANCIAL GROUP INC.

"The business rationale for a diverse board has been well documented. It is no longer a question of 'doing the right thing.' **The question is why wouldn't you take this step to have better company performance and stronger board decision making?**"

PAM REEVE Board of Directors, American Tower Corporation (NYSE: AMT), Frontier Communications Corp. (Nasdaq: FTR) and Sonus (Nasdaq: SONS)

“It is great to see that the numbers are moving in the right direction, but **it is nonetheless disappointing that they are not accelerating at a faster rate.** Continued leadership by Nom/Gov Committees is essential for further improvement.”

ROBERT J. KUEPPERS Senior Partner, Global Regulatory & Corporate Governance, Deloitte LLP

- W WINNING**
20%+ Women
- V VERY CLOSE**
11–19% Women
- T TOKEN**
1 Woman
- Z ZERO**
0 Women

36 COMPANIES WENT FROM **T** TO **W**

ACTAVIS
ALERE, INC.
AMERIPRISE FINANCIAL, INC.
ANNALY CAPITAL MANAGEMENT, INC.
APPLE INC.
BED BATH & BEYOND, INC.
BON-TON STORES, INC.
BRINK'S COMPANY
CABELA'S INC.
CASEY'S GENERAL STORES, INC.
CELANESE CORPORATION
CHILDREN'S PLACE RETAIL STORES, INC.
COMPUTER SCIENCES CORPORATION
DEVON ENERGY CORPORATION
FREDDIE MAC
GENESCO INC.
GROUP 1 AUTOMOTIVE, INC.
HANOVER INSURANCE GROUP, INC.
HARSCO CORPORATION
LANDSTAR SYSTEM, INC.
MAGELLAN HEALTH, INC.
MOODY'S CORPORATION
PINNACLE FOODS FINANCE
QUESTAR CORPORATION
RAYTHEON COMPANY
REINSURANCE GROUP OF AMERICA, INC.
RITE AID CORPORATION
ROCK-TENN COMPANY
ROCKWELL COLLINS, INC.
ROSS STORES, INC.
SHERWIN-WILLIAMS COMPANY
STANLEY BLACK & DECKER, INC.
SYMANTEC CORPORATION
TETRA TECH, INC.
VARIAN MEDICAL SYSTEMS, INC.
WELLPOINT, INC.

2 COMPANIES WENT FROM **Z** TO **W**

APACHE CORPORATION
KAR AUCTION SERVICES INC.

T AND **Z** COMPANIES FALL OFF THE LIST

Since the GDI is based on the 2010 *Fortune 1000* list, every year companies become inactive. Of the 1000 companies on the list in 2010, 867 remain today. As in previous years, a disproportionate number of the companies that are no longer active are **T** and **Z** Companies. Between 2013 and 2014, 28 companies are no longer activeⁱ. Of this group, 14 (50%) are **T** Companies and 8 (29%) are **Z** Companies, for a total of 79% between these two categories. Between 2012 and 2013, 37 companies dropped off the list. Of those, 11 (30%) were **T** Companies and 13 (35%) were **Z** Companies, a total of 65%. One may only speculate why companies without adequate representation of women become inactive.

ⁱ Between 2013 and 2014, 28 companies became inactive and 2 companies rejoined the Index when they returned to the public market. Therefore a net of 26 companies came off the Index in 2014.

TOP 25 STATES 2014–2013

STATE (# of Active Companies)	2014 % WOMEN ON BOARDS	2013 % WOMEN ON BOARDS
Arizona (12)	14.8%	12.7%
California (82)	17.9%	16.7%
Colorado (12)	14.0%	12.2%
Connecticut (26)	19.7%	17.4%
Florida (29)	15.7%	15.8%
Georgia (28)	15.8%	15.3%
Illinois (46)	17.7%	17.5%
Indiana (14)	15.4%	12.2%
Maryland (9)	20.2%	18.0%
Massachusetts (22)	20.5%	19.8%
Michigan (24)	20.0%	19.3%
Minnesota (26)	18.7%	17.3%
Missouri (20)	16.6%	16.0%
Nebraska (9)	14.4%	14.3%
Nevada (8)	14.1%	11.9%
New Jersey (41)	20.1%	19.1%
New York (87)	20.8%	19.7%
North Carolina (21)	17.1%	16.2%
Ohio (52)	17.8%	17.8%
Pennsylvania (43)	13.9%	12.9%
Tennessee (22)	18.1%	15.7%
Texas (87)	14.0%	13.3%
Virginia (29)	15.8%	15.2%
Washington (13)	21.0%	19.7%
Wisconsin (25)	18.1%	17.9%

ANALYSIS OF FORTUNE 1000 BOARD COMPOSITION BY STATE

Of the top 25 states, six states have exceeded the threshold of 20% women on boards. These include Maryland, Massachusetts, Michigan, New Jersey, New York and Washington. All states improved their percentages with the exception of Ohio, which remained the same and Florida, which lost .1% as a result of adding more men than women.

SECTOR ANALYSIS 2014–2013

SECTOR (# of Active Companies)	2014 % WOMEN ON BOARDS	2013 % WOMEN ON BOARDS
Basic Materials (65)	15.8%	15.1%
Communication Services (19)	16.4%	16.1%
Consumer Cyclical (177)	17.7%	17.2%
Consumer Defensive (77)	20.8%	19.4%
Energy (52)	11.5%	10.7%
Financial Services (120)	19.3%	18.2%
Healthcare (71)	18.8%	17.8%
Industrials (142)	16.1%	14.8%
Real Estate (12)	20.2%	18.8%
Technology (80)	15.9%	15.1%
Utilities (52)	21.1%	20.1%

TOTAL # COMPANIES: 867

SECTOR ANALYSIS

Three sectors now have more than 20% women on their boards including Consumer Defensive, Real Estate and Utilities. The Energy sector continues to lag with only 11% womenⁱ.

TURNOVER DOES HAPPEN

While boards rarely turn over in their entirety, 59% of companies changed the composition of their boards between 2013 and 2014. We track the change of companies that added or lost women, or added or lost total board seats. This does not account for companies that replace a man with a man or a woman with a woman, which would indicate that even more board seats turned over in one year. Between 2012 and 2013, the turnover number as defined above was 51%.

ⁱ The 2020 Women on Boards GDI utilizes the Morningstar sector classification system: "Morningstar Sectors are our unique classifications that mimic the way economies evolve from dependence on producing physical products to delivering services. Unlike other classification systems, we offer Super Sectors to identify companies based on their broad economic spheres—Consumer Defensive, Cyclical, and Sensitive. These reveal the degree to which macroeconomic cycles affect sector groups. We also classify Real Estate and Financial Services as separate sectors to reflect their distinct qualities."

THE CAMPAIGN IS WORKING

THANK YOU TO OUR RESEARCH TEAM

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CONCLUSION

In the Gender Diversity Index, women are joining boards in companies of all sizes, sectors and geographic locations.

While this progress is inspiring, we have yet to create a corporate imperative for diversified boards. We wish all companies to adopt the measure of diversity at a minimum of 20%. We especially wish to encourage smaller companies to add women, as the percentage of board seats held by women remains lower than that held in larger companies.

Our continued education and advocacy activities include our annual *National Conversation on Board Diversity*, our monthly *2020 Challenge*, our applauding of  Companies, our growing database of supporters on our website and on social media, and our increasing number of local 2020 Chapters.

The boardroom is changing. We are focused. We will achieve our goal of 20% or more company board seats held by women by or before 2020. Join the campaign. Voice your support of gender diversity. Together we can make it happen!

METHODOLOGY

The 2020 Women on Boards Gender Diversity Index took the 2010 *Fortune 1000* companies as the baseline list. Researchers verified the number of women and total board members for these companies in 2011, 2012, 2013 and 2014, utilizing September as the cutoff date. If companies no longer had an active board of directors, due to a sale, merger or other reason, they were removed from the list. In addition, certain private companies were excluded if they did not identify the make-up of their boards of directors or if their boards had only insiders as directors. In a very few instances, companies went off the list in one year and returned to the list in a future year. The number of companies in the Index each year was as follows: 2011 (951); 2012 (928); 2013 (893); and 2014 (867).

The numbers of board seats that we report are net increases or decreases. If two women are added to one company and one drops off another company that would be reported as an increase of one female board seat.

For the overall percentage of women on boards, we used all of the active companies on the list at that time. When comparing state and sector, we only used the 867 companies that were active in 2014. While we analyzed all states, we are only reporting on the top 25 states that have eight or more *Fortune 1000* companies. This represents 90% of the Index companies.

All data was verified by a team of researchers and sent to the companies to confirm accuracy. We heard back from many companies, but not all. While we believe the data to be accurate and the trends clearly identified, human error, both on the part of the research team or the company's website, could create some inaccuracies. All reasonable steps were taken to ensure accuracy of the data.

The gender diversity of these and other companies may be viewed on our website at www.2020wob.com/companies. The 2020 Gender Diversity Directory may be searched by company name, city, state, sector, number of women or 2020 rating.