



# 2020 WOMEN ON BOARDS GENDER DIVERSITY INDEX

**2018** Progress of Women Corporate Directors  
by Company Size, State and Industry Sector



# BOARDROOM DIVERSITY: A STRATEGIC IMPERATIVE

## WHAT IS THE GENDER DIVERSITY INDEX?

The 2020 Women on Boards Gender Diversity Index (GDI) is an annual review of the gender diversity in boards of directors of companies on the *Russell 3000 Index* and *Fortune 1000* list. We group companies into one of four categories: **W**, **V**, **T**, or **Z**. All of the GDI companies are listed in the 2020 Gender Diversity Directory at [www.2020WOB.com](http://www.2020WOB.com).

This year we compared companies on the 2017 and 2018 *Russell 3000* lists. To provide continuity with reports from previous years we also reviewed companies on this year's *Fortune 1000* list.

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

We are happy to unveil this year's 2020 Women on Boards (2020WOB) Gender Diversity Index which shows that the average number of corporate board seats held by women on the 2018 *Russell 3000 Index (R3000)* has risen to 17.7%, up from 16.0% last year. This upward trend represents good progress, but still, half the companies in the index have one or no women on their boards.

After the *Fortune 1000* companies reached our goal of 20% board seats held by women last year, we wanted to significantly expand the number of companies in our annual study so we partnered with Equilar, a leading provider of board intelligence solutions, and invested in research that focuses on *R3000* companies. Our work over the years informed us that smaller companies tend to be less diverse than larger ones, and the *R3000* gives us some 2000 more companies to analyze and compare.

In 2017 we also began tracking IPO companies to monitor whether or not they went public with women directors on board. Updated IPO research is included in this report. Our findings show that the majority of new, mid-cap and small-cap companies continue to go public with just one or no women on their boards.

With the help of our affiliate partners and sponsors, we continue to challenge companies that have no women on their boards and encourage them to change. We have expanded our Gender Diversity Directory to include more companies than ever before. More cities are presenting our National Conversation on Board Diversity events than in the past, in the US and abroad. We have launched a year-long series of in-depth "Board Readiness Workshops" to provide senior women executives and business owners with the tools and knowledge needed to pursue their own pathways to boards.

Board diversity is not a social issue, it is a strategic imperative. At 2020 Women on Boards, we are more dedicated than ever to our mission of having all corporations exceed 20% by 2020. We invite you to participate with us. It takes legions of women and men to achieve our goal together.

Betsy Berkhemer-Credaire  
CHIEF EXECUTIVE OFFICER

Stephanie Sonnabend  
CO-FOUNDER AND CHAIR

# 2018 KEY FINDINGS

## Big Companies Get it. Small Companies Don't.

Of the 2835 active<sup>1</sup> R3000 companies, women now hold 17.7% of the board seats, an increase from 16.0% in 2017 when there were 2871 active companies. In 2018, the percentage of women in the largest R100 companies is 25.3%; in the smaller R2001-3000 companies it's 13.0%, demonstrating that smaller companies are less diverse.

## W Companies Increase, Z Companies Decrease. Half of R3000 Have One or No Women.

Forty-three percent of the R3000 companies are W companies, with 20% or more of their board seats held by women, up from 37% in 2017. The number of Z companies, those with no women on their boards, fell to 17% from 22% in 2017. Despite these improvements, 50% of R3000 companies still have one or no women on their boards.

## Women Gain Board Seats, Men Are Losing Them.

In looking at trends from the 2629 companies that are on both the R3000 in 2018 and 2017, women gained 469 board seats (net) while men lost 382 board seats (net). Sixty-three percent of the companies that added women did so by adding board seats rather than replacing men.

## Industry Sectors Show Progress.

Women now hold more than 20% of the board seats in two industrial sectors: Services and Utilities. In 2017, Utilities was the only sector with 20% or more female directors. All sectors improved the percentage of women directors.

## Four States Exceed Goal.

Four of the top 26 states ranked by board diversity exceed the 20% women on boards goal in 2018, up from one state in 2017. These states are Connecticut, Michigan, Minnesota and Washington. Only Minnesota exceeded the goal in 2017.

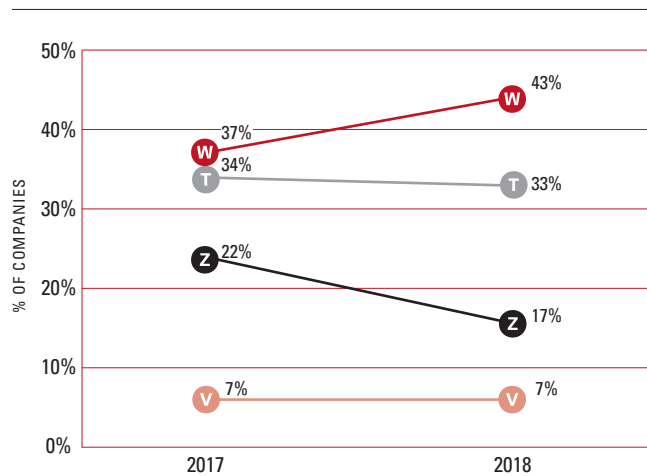
<sup>1</sup> Active companies are public and currently traded with active boards of directors. See methodology for more details.

## Board Diversity at IPOs Continues to Disappoint.

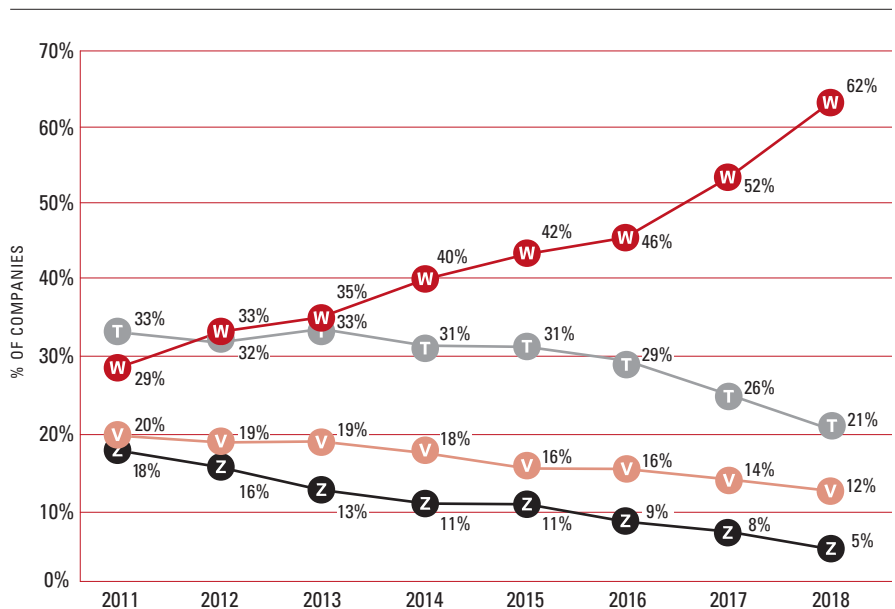
Women hold just 9.2% of the board seats in the largest 25 IPO companies in 2017, up from 8.2% women in 2016, but below the 4-year average of 9.4%. Twelve of the 25 companies went public with no women, and 80% went public with none or only one woman on their boards.

- W WINNING 20%+ Women
- V VERY CLOSE 11-19% Women
- T TRANSFORMING 1 Woman
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2017-2018 TRENDS RUSSELL 3000



2011-2018 TRENDS FORTUNE 1000



# 2018 ANALYSIS

## Larger Companies Continue to Lead

In the 2018 *Russell 3000 Index* women hold 4477 of the 25250 board seats or 17.7%. This is up from 4082 of 25510 board seats in 2017 when the percentage of women was 16.0%.”

Larger companies continue to outperform smaller companies in diversifying their boards. In the 100 largest companies on the *R3000*, 294 women hold 25.3% of the board seats, an average of 2.9 women directors per board, similar to last year’s results. In the *R1000*, 2130 women hold 21.3% of the board seats, an average of 2.1 women directors per board, up from 1.9 directors per board last year. In smaller *R2001-3000* companies, 868 women hold 13.0% of board seats, or 1.0 women director per board, up from 0.9 in 2017.

Of particular interest, 28% (794 companies) of 2018 *R3000* companies have 25% or more women on their boards, 13% (379 companies) have 30% or more, 4% (103 companies) have 40% or more and 1% (38 companies) have reached parity. This too is an improvement over 2017 when the percentages were 23% for 25%+, 11% for 30%+, 3% for 40%+ and 1% for 50%+.

In the 2018 *Fortune 1000* companies, women hold 22.0% of the board seats, compared with 20.4% last year.

**BRIAN MOYNIHAN** CEO, BANK OF AMERICA



“Women make up more than 50% of our global workforce, more than 40% of our global management team and more than 30% of our independent board of directors. These leaders play a significant role in driving responsible growth and are key to the success for our company.”

## BREAKDOWN BY POSITION ON RUSSELL 3000 INDEX

	2018 RUSSELL	2017 RUSSELL
<b>RUSSELL 100</b>		
% WOMEN ON BOARDS	25.3%	23.9%
TOTAL # WOMEN	294	282
TOTAL # DIRECTORS	1,162	1,182
# ACTIVE COMPANIES	100	100
<b>RUSSELL 1000</b>		
% WOMEN ON BOARDS	21.3%	19.6%
TOTAL # WOMEN	2,130	1,965
TOTAL # DIRECTORS	10,013	10,026
# ACTIVE COMPANIES	1,000	1,000
<b>RUSSELL 1001-2000</b>		
% WOMEN ON BOARDS	17.2%	15.3%
TOTAL # WOMEN	1,479	1,321
TOTAL # DIRECTORS	8,577	8,623
# ACTIVE COMPANIES	1,000	1,000
<b>RUSSELL 2001-3000</b>		
% WOMEN ON BOARDS	13.0%	11.6%
TOTAL # WOMEN	868	796
TOTAL # DIRECTORS	6,660	6,861
# ACTIVE COMPANIES	835	871
<b>RUSSELL 3000</b>		
% WOMEN ON BOARDS	17.7%	16.0%
TOTAL # WOMEN	4,477	4,082
TOTAL # DIRECTORS	25,250	25,510
# ACTIVE COMPANIES	2,835	2,871

## BREAKDOWN BY POSITION ON FORTUNE 1000 LISTS

	2018 FORTUNE	2017 FORTUNE	2011 FORTUNE*
<b>FORTUNE 100</b>			
% WOMEN ON BOARDS	25.7%	24.7%	19.6%
TOTAL # WOMEN	251	247	233
TOTAL # DIRECTORS	978	999	1188
# ACTIVE COMPANIES	86	86	100
<b>FORTUNE 1000</b>			
% WOMEN ON BOARDS	22.0%	20.4%	14.6%
TOTAL # WOMEN	1,987	1,840	1,440
TOTAL # DIRECTORS	9,017	9,031	9,846
# ACTIVE COMPANIES	898	895	951

\*2011 Fortune based on the 2010 Fortune 1000 list.

# 2018 ANALYSIS

## Board Turnover

Between 2017 and 2018, 56% of the *R3000* companies changed the composition of their boards. Five hundred and forty-five companies added women, accounting for 608 board seats. Over the same time period, 452 companies added men, accounting for 555 board seats. Men lost more board seats than women: 937 seats in 721 companies (men) compared with 139 seats in 129 companies (women). Overall women had a net gain of 469 board seats, while men had a net loss of 382 seats. These findings do not account for companies that replaced men with men or women with women, which would indicate an even greater rate of board turnover.

Of the 545 companies that added women to their boards, 345 (63%) did so by increasing the size of their boards. This trend, which 2020WOB first observed in 2012, shows that many companies are increasing the size of their boards to accommodate women directors rather than waiting for men to vacate their seats.

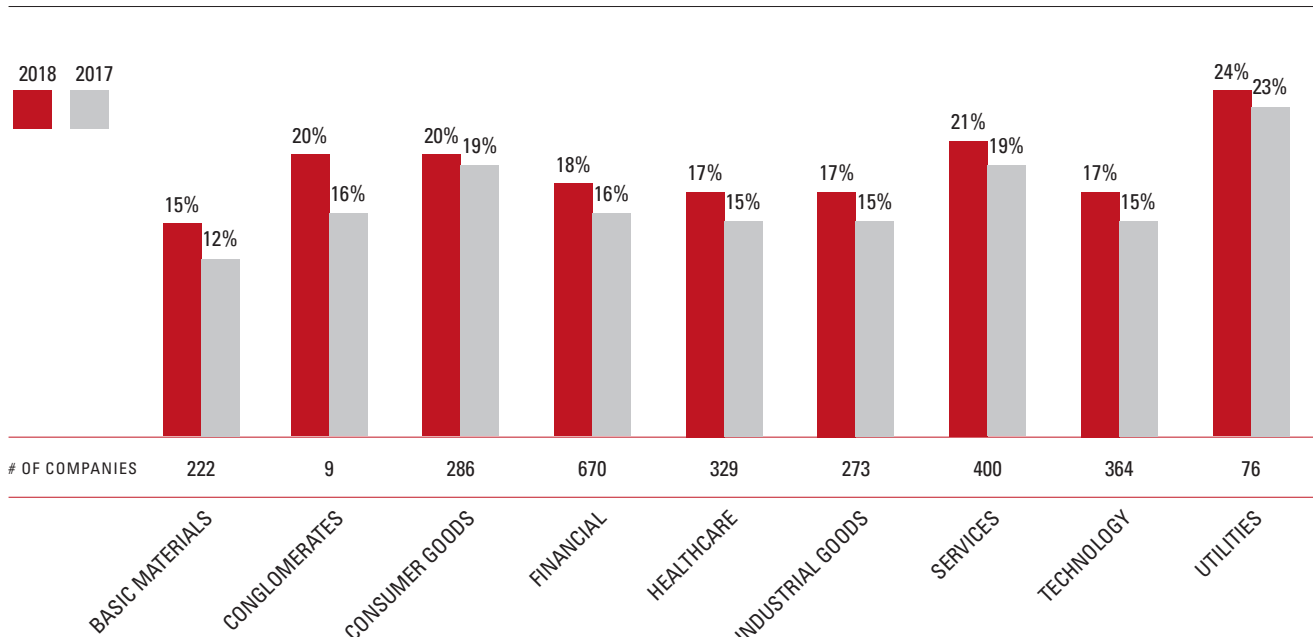
## Industry Sectors

In this year's report, we aggregated companies into nine industry sectors and compared only the 2629 companies that are on the *R3000* for 2017 and 2018. Among 2018 *R3000* companies, two sectors, Services and Utilities, have an average of 20% or more women on boards, up from only Utilities in 2017. In 2018, two additional sectors, Conglomerates (19.5%) and Consumer Goods (19.9%) are nearly at 20%, so are rounded up to 20% on the chart below. All sectors improved from 2017, with five sectors improving by more than two percentage points.

## 2017–2018 CHANGE IN BOARD SEATS

	# COMPANIES	# BOARD SEATS
Added Women	545	608
Added Women by Increasing Board Size	345	372
Increased Board Size as % of Women Added	63%	61%
Lost Women	129	-139
Net Change Women		469
No Change in Gender or Board Size	1164	
Added Men	452	555
Lost Men	721	-937
Net Change Men		-382
Total Companies	2629	
Change in Gender or Board Size	56%	

## 2018-2017 PERCENTAGE OF BOARD SEATS HELD BY WOMEN BY INDUSTRY SECTOR



# 2018 ANALYSIS

## 2018-2017 STATE ANALYSIS

### Board Composition by State

There are 26 states that are home to at least 20 companies on the 2018 *Russell 3000 Index*. Of those, four states (Connecticut, Michigan, Minnesota and Washington) have exceeded 2020 Women on Boards' 20% threshold, compared with one state (Minnesota) in 2017. In addition, seven states, Arizona, Connecticut, Maryland, Minnesota, Ohio, Washington and Wisconsin have over 50% of their companies at 20% women directors or more. Only Minnesota achieved this in 2017.

The largest increase of women directors came from Nevada with a four-percentage point increase and from Arizona, Colorado, Indiana, New Jersey, North Carolina, Utah, Virginia and Wisconsin with over two-percentage point increases each. All twenty-six states on the list did increase the percentage of women they have on their boards and increased the number of **W** companies, with California leading the way with 18 additional **W** companies, followed by New York (13), Massachusetts (12), Ohio (11) and Pennsylvania (10) increasing the number of companies with 20% or more women on their boards.

STATE	2018 RUSSELL 3000			2017 RUSSELL 3000			2017-18 CHANGE % WOB	2017-18 CHANGE # <b>W</b>
	# CO.	% WOB	# <b>W</b>	# CO.	% WOB	# <b>W</b>		
ARIZONA	37	16.1%	19	35	13.3%	13	2.8%	6
CALIFORNIA	436	17.3%	168	448	15.6%	150	1.7%	18
COLORADO	73	15.4%	22	71	13.3%	18	2.1%	4
CONNECTICUT	63	20.6%	32	64	18.7%	29	1.9%	3
FLORIDA	107	17.1%	43	107	15.5%	35	1.6%	8
GEORGIA	74	18.2%	34	70	16.7%	29	1.5%	5
ILLINOIS	131	19.3%	65	137	17.3%	61	2.0%	4
INDIANA	42	17.6%	18	43	15.3%	17	2.3%	1
MARYLAND	54	18.3%	28	52	16.3%	22	2.0%	6
MASSACHUSETTS	178	18.5%	80	165	17.0%	68	1.5%	12
MICHIGAN	53	20.2%	25	51	19.4%	24	0.8%	1
MINNESOTA	50	22.2%	32	48	21.5%	28	0.7%	4
MISSOURI	36	18.7%	17	41	17.6%	15	1.1%	2
NEVADA	23	14.9%	7	23	10.9%	5	4.0%	2
NEW JERSEY	95	18.0%	44	98	15.6%	36	2.4%	8
NEW YORK	234	18.3%	102	239	16.5%	89	1.8%	13
NORTH CAROLINA	56	17.4%	23	59	15.0%	20	2.4%	3
OHIO	98	19.8%	51	102	18.3%	40	1.5%	11
OKLAHOMA	24	13.6%	7	24	12.1%	3	1.5%	4
PENNSYLVANIA	122	16.9%	49	125	15.0%	39	1.9%	10
TENNESSEE	51	15.3%	19	50	14.9%	17	0.4%	2
TEXAS	269	14.8%	85	272	13.0%	76	1.8%	9
UTAH	22	14.5%	8	22	11.6%	5	2.9%	3
VIRGINIA	77	18.1%	37	84	16.0%	32	2.1%	5
WASHINGTON	48	21.2%	27	51	19.4%	21	1.8%	6
WISCONSIN	46	19.7%	24	47	17.5%	22	2.2%	2
<i>RUSSELL 3000 OVERALL</i>	2835	17.7%	1210	2871	16.0%	1050	1.7%	160
# OF STATES: 20%+ % WOB	4			1				
# OF STATES: 50%+ # <b>W</b>			7			1		

Note: Included are the 26 states with 20 or more companies on the 2018 *Russell 3000*.

# 2018 ANALYSIS

## Board Composition of IPO Company Boards

Last year we introduced new research on the gender diversity of the boards of the 25 largest IPO companies by market cap for the years 2014, 2015 and 2016<sup>1</sup>. We looked at these companies this year for progress and added the largest 25 IPO companies in 2017 to the list. The findings continue to disappoint, although there are signs of change.

Women hold just 9.2% of the board seats in the largest 25 IPO companies in 2017, up from 8.2% women in 2016, but below the 4-year average of 9.4%. Twelve of the 25 companies went public with no women. Another eight companies had just one woman on the board. In the past four years, 49 of the 100 companies that went public had no women on their boards.

In looking at the top 25 IPO companies from 2014-2017 in September 2018, 90 of the original 100 companies remain public today. The percentage of women on these company boards increased from 9.4% at IPO to 16.5% in 2018. This was a combined increase of 53 women added to these companies.

Our research indicates that it takes about 4 years for these young companies to recognize the value of diverse boards. In 2018, the companies that went public in 2014 had reached 20.1% women directors; the 2015 IPO companies had reached 17.9%, the 2016 companies had reached 15.7% and the 2017 companies had reached 12.3%. Of special interest is the increase in women from 2017 to 2018. In that one-year, women gained 23 board seats on IPO company boards.

Of the 100 companies from 2014-2017, 19% went public as **W** companies with 20% or more women directors at the date of their IPO. In 2018 the percent of **W** companies in this group had increased to 38%. Over the same time period, **Z** companies, those with no women, declined from 49% to 27%. Even with all this progress, in 2018 54% of the 90 remaining companies have one or no women on their boards, down from 76% at IPO.

These findings tell us that IPO company boards continue to be populated by venture capital appointees who are mostly men. The major underwriters do not influence board composition of IPO companies, so it will be up to the investment community to hold these new public companies accountable. We encourage companies to add women to the board before going public. There is no reason to wait.

<sup>1</sup> "Women: Not Present on IPO Company Boards", July 20, 2017

FRANCIS DESOUZA PRESIDENT AND CEO, ILLUMINA



"A diverse group of talented leaders strengthens our ability to achieve our mission to improve human health by unlocking the power of the genome."

## 2014-2017 TOP 25 IPOs

	2017	2016	2015	2014	TOTALS
<b>TIME OF IPO</b>					
% WOMEN	9.2%	8.2%	10.4%	10.4%	9.4%
# WOMEN	18	16	20	21	75
# BOARD SEATS	196	194	199	211	800
# COMPANIES	25	25	25	25	100
<b>2018*</b>					
% WOMEN	12.3%	15.7%	17.9%	20.1%	16.5%
# WOMEN	25	28	36	39	128
# BOARD SEATS	203	178	201	194	776
# COMPANIES	24	23	22	21	90

\*As of September 2018

Note: Data obtained from WFE - The World Federation of Exchanges Ltd. and based on market cap on the first day of trading on the NASDAQ US and NYSE exchanges. Board diversity data is based on Form S-1 filed by the companies with the Securities Exchange Commission, and updated with information from the companies' websites.



# COMPANIES ARE GETTING THE MESSAGE



## Conclusion

Companies are getting the message. In February 2019 we will recognize 1210 public companies on the 2018 *R3000* and 36 IPO companies for having 20% women on their boards. These Winning **W** Companies lead by example, demonstrating to their employees, investors and customers that putting women on their boards is smart business. Their stakeholders pay attention, and so do their competitors. Every year the percentage of women directors grows.

Every month, 2020WOB campaign supporters receive from us an email called the 2020 Challenge. It identifies a company with no women on its board and asks stakeholders to let the company know that in today's economy there is no room for gender bias. Sixty percent of the **Z** companies targeted in our monthly Challenge have added women to their boards since the first Challenge in 2011.

The 2020 Women on Boards Campaign works. By holding companies accountable and showing them that investors and consumers care about the gender composition of their boards, progress for women is accelerating. We will continue our work until women account for 20% or more of all public company boards.

**RICHARD A. JOHNSON** CHAIRMAN & CEO, FOOTLOCKER, INC.



"Our diverse board, including four women, ensures that our discussions will include multiple perspectives, helping us achieve the best possible outcome."





## Thank You to Our Team

STEPHANIE SONNABEND  
Co-founder and Chair

MALLI GERO  
Co-founder and Vice Chair

BETSY BERKHEMER-CREDAIRE  
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## Methodology

The 2020 Women on Boards Gender Diversity Index report analyzes, evaluates and identifies trends of the 2018 and 2017 *Russell 3000* companies. The data analyzed is based on information filed by the companies with the Securities Exchange Commission and was provided by our research partner Equilar. We analyzed 2835 active companies in 2018, compared to 2871 active companies in 2017. Of these companies, 2629 are on both the 2017 and 2018 lists, while 242 are only on the 2017 list, and 206 are only on the 2018 list. The number of *Russell 3000* companies used in this report is under 3000 due to mergers, acquisitions, bankruptcies, going-private transactions, etc. In addition, some companies may not have reported in time to make the current *Russell 3000 Index* as reported by Equilar.

The numbers of board seats reported are net increases or decreases. For example, if two women are added to one company board and one woman leaves that company board, it would be reported as an increase of one female board seat.

For the overall percentages of women on boards each year, we analyzed all the active companies on the *Russell 3000 Index*. When referencing the *R100*, *R1000* and *R2001* to *R3000*, the number of active companies is 100, 1000 and 835 respectively in 2018. In 2017, the number of active companies in the *R100*, *R1000* and *R2001* to *R3000* was 100, 1000 and 871, respectively. Most, but not all of the companies in the *R100* and *R1000* appear on the list in both 2017 and 2018.

When reporting on the **W**, **V**, **T** and **Z** rankings, we used the 2010 *Fortune 1000* list for years, 2011, 2012, 2013 and 2014. For 2015, 2016 and 2017, we used the *Fortune 1000* list for those respective years. For 2018, we used the *Fortune 1000* ranking provided by Equilar. Since the *Russell 3000 Index* only tracks public companies, there are private companies that were on previous years' lists and no longer analyzed. The number of companies for each year is as follows; *Fortune 1000*: 2011–951, 2012–928, 2013–893, 2014–868, 2015–960, 2016–967, 2017–980, 2018–898. *Russell 3000*: 2017–2871, 2018–2835.

For the industry sector data, the 2629 companies that were on both years' lists were included in our calculations, meaning our analysis compares the same companies each year. State data compares all the active companies headquartered in that state that are on the list for 2018 and 2017 regardless if they are on the list for one year or both years. While we analyzed all US states, we only included the top 26 states that currently have 20 or more companies on the 2018 *R3000* list. The 26 states we included represent 88% of the 2018 *R3000* companies.

The gender diversity of all active companies included in this report may be viewed on our website at [2020wob.com/companies](http://2020wob.com/companies). The 2020 Gender Diversity Directory can be searched by company name, city, state and industry sector, and filtered by the number of women directors or 2020 rating (**W**, **V**, **T** and **Z**).