



# The Value of Increased Women on Boards

September 19, 2019



**Artemis**

FINANCIAL ADVISORS

# Global Gender Gap Rankings



| GLOBAL INDEX   |      |             |
|----------------|------|-------------|
| Country        | Rank | Score (0–1) |
| Iceland        | 1    | 0.858       |
| Norway         | 2    | 0.835       |
| Sweden         | 3    | 0.822       |
| Finland        | 4    | 0.821       |
| Nicaragua      | 5    | 0.809       |
| Rwanda         | 6    | 0.804       |
| New Zealand    | 7    | 0.801       |
| Philippines    | 8    | 0.799       |
| Ireland        | 9    | 0.796       |
| Namibia        | 10   | 0.789       |
| Slovenia       | 11   | 0.784       |
| France         | 12   | 0.779       |
| Denmark        | 13   | 0.778       |
| Germany        | 14   | 0.776       |
| United Kingdom | 15   | 0.774       |
| Canada         | 16   | 0.771       |
| Latvia         | 17   | 0.758       |
| Bulgaria       | 18   | 0.756       |
| South Africa   | 19   | 0.755       |
| Switzerland    | 20   | 0.755       |
| Barbados       | 21   | 0.753       |
| Costa Rica     | 22   | 0.749       |
| Cuba           | 23   | 0.749       |
| Lithuania      | 24   | 0.749       |
| Bolivia        | 25   | 0.748       |

# Moving Backwards



# Women in the Workplace 2018

## REPRESENTATION IN THE CORPORATE PIPELINE BY GENDER AND RACE

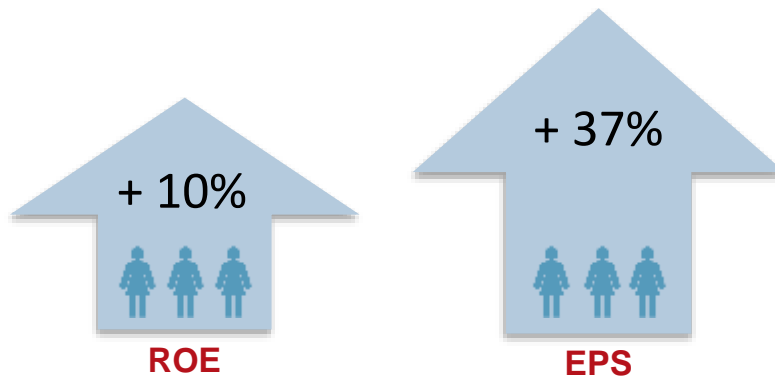
% OF EMPLOYEES BY LEVEL IN 2018\*



# Women Deliver Results

## Women on Corporate Boards

There is a positive influence on performance when **three or more women** are on a corporate board:



MSCI looked at 532 U.S. companies for the five year period from 2011-2016. Those that began the period with at least three women on the board experienced median gains in Return on Equity (ROE) of 10% and Earnings Per Share (EPS) of 37%, while those that started the period with no female directors experienced changes of -1% in ROE and -8% in EPS over the period.

A robust body of research<sup>1</sup> indicates that companies with more women in leadership have:



# “Money and Power: Women Need More of Both”



# UN Sustainable Investment Goals



# Environmental, Social and Governance (ESG) Factors

| Environmental                       | Social                        | Governance                      |
|-------------------------------------|-------------------------------|---------------------------------|
| Climate change and carbon emissions | Gender and diversity policies | Board composition               |
| Air and water pollution             | Human rights                  | Executive compensation          |
| Energy efficiency                   | Labor standards               | Audit committee structure       |
| Waste management                    | Employee engagement           | Bribery and corruption policies |
| Water scarcity                      | Customer satisfaction         | Lobbying activities             |
| Biodiversity and deforestation      | Community relations           | Political contributions         |



# Investors As Part of the Solution



1

Top three areas where investors want boards to focus in 2019  
**Board diversity – investors push for diverse directors as focus on board composition continues**

2

Top three areas where investors want boards to focus in 2019  
**Company-relevant environmental and social issues, particularly climate risk**

3

Top three areas where investors want boards to focus in 2019  
**Human capital management – investors seek to understand how boards are governing talent and culture**

# Resources For Increasing Corporate Board Knowledge

- National Association for Corporate Directors (NACD)
- EY Center for Board Matters
- Women Corporate Directors (WCD)

## Candidate Snapshot

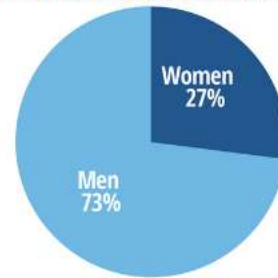
### FUNCTIONAL EXPERIENCE



### INDUSTRY EXPERIENCE



### CANDIDATES BY GENDER



### RACE

Of candidates reporting race, 16% belong to racial or ethnic minorities and represent African American, Asian, Hispanic, Native American, and other groups.

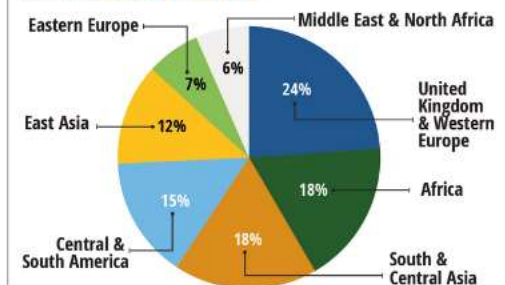
### COMPANY SIZE

52% of candidates have board or executive experience at companies with revenues in excess of \$1 billion.

### BOARD ROLES

|                              |     |
|------------------------------|-----|
| Chair                        | 27% |
| Audit Committee Chair        | 25% |
| Nominating/Governance Chair  | 20% |
| Compensation Committee Chair | 19% |
| Lead Director                | 9%  |

### GLOBAL EXPERIENCE



# Organizations Advancing Women on Corporate Boards



Planning for Board Service? Know the Current Trends

presented by the Club's Corporate Board Committee and generously hosted by Ernst & Young LLP



Women's Director Development Program  
*The Journey to the Boardroom*

WOMEN IN THE  
BOARDROOM



# CATALYST

WORKPLACES THAT WORK FOR WOMEN

Catalyst Women On Board™

## How to Become a Board Member

A Step-By-Step Guide for Women on Joining Nonprofit and Corporate Boards

