

Transatlantic CEO Gender Gap Analysis of the S&P 500 and S&P Euro 350

Europe Leads U.S. in Closing the CEO Gender Gap at Blue Chip Companies

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Preface: This article is a continuation of our Gender Gap Research which focuses on women to men Chief Executive Officer (CEO) ratios in blue chip companies. The last piece was published in 2016 focusing on the S&P 500 and S&P Europe 350 (S&P Euro 350). This research series draws attention to the importance of employee diversification in major corporations across the U.S. and Europe. Find out more about S&P Global's campaign to invest in woman via #changeypays.

S&P Global recently published a report stating that acceleration in U.S. GDP growth under increased female labor force participation could add a whopping [\\$5.87 trillion](#) to global market capitalization in 10 years, report published June 2018. To see if this impact has been felt at the largest U.S. companies we conducted research on the gender gap trends of S&P 500 at the CEO level as of March 29, 2019. We then compared these trends to the S&P Euro 350 (which accounts for approximately 70% percent of the European equity market by capitalization)¹ for the same time period.² The current number of female CEOs running S&P Euro 350 companies is fifteen, compared to twenty four running S&P 500 companies.

The assessment conducted by S&P Global Market Intelligence from 2009 to 2019 revealed the following key findings³.

- Despite seven new women CEOs appointed to S&P 500 companies since 2016, the number of women CEOs in the index has dropped to twenty four since our previous report. This is due to five women-led companies dropping off the index

and an additional five men CEOs being appointed at companies previously run by women. The growth rate is 0.6 new female CEOs every year.

- The proportion of women-led companies for S&P Euro 350 is slowly growing and has reached an all-time high of fifteen over the last eleven years, with 8 new female CEOs added since 2016.
- Positive development for women representation in leadership positions in S&P Euro 350 is evident over the last eleven years, with a growth rate of 0.8 new female CEOs every year, higher than S&P 500.
- The Utilities, Financials, Information Technology, and Consumer Discretionary sectors have the highest number of women CEOs in S&P 500 with four women leaders each. Similarly, S&P Euro 350's top sectors are Financials and Consumer Discretionary with three women CEOs, followed by Communication Services and Utilities with two women leaders each.
- The S&P 500 is showing positive signs of women-median tenure, with now equal years in the office as men counterparts. The median tenure for S&P Euro 350 women CEOs however lags men CEOs by two years.

Current Standings: 2019 Gender Gap in S&P Euro 350 Companies, Compared with S&P 500

The S&P Euro 350 currently has fifteen companies with women CEOs, which is only 4.3% of the entire index. The growth has been steady with eight new women CEOs added since 2016. Since our previous report, two women led companies: PostNL N.V. and TDC A/S were dropped from the index, and four: Skandinaviska Enskilda Banken AB (publ), EasyJet plc, Tele2 AB (publ), and Swedbank AB (publ) replaced by men CEOs.

The eight new women CEOs added in 2019 are:

- Helena Stjernholm from AB Industrivarden, the company was added to the index in 2016
- Francesca Jane McDonagh from Bank of Ireland Group Plc, who replaced Richie Boucher in 2017
- Mahkâmeh Brunel from Gecina, the company was added to the index in 2018
- Emma Walmsley from GlaxoSmithKline plc, who replaced Andrew Witty in 2017
- Hille Korhonen from Nokian Renkaat Oyj, who replaced Ari Lehtoranta in 2017
- Ilham Kadri from Solvay SA, who replaced Jean-Pierre Clamadieu in 2019
- Carina Åkerström from Svenska Handelsbanken AB (publ), who replaced Anders Bouvin in 2019
- Dame Carolyn J. McCall from ITV Plc, who stepped down from her role as CEO of EasyJet and was appointed as new CEO of ITV Plc.

Further adding to the number of women CEOs, Hilde Merete Aasheim has been appointed as CEO of Norsk Hydro ASA, succeeding Svein Richard Brandtzæg, effective May 2019. Therefore, progress is being made gradually, and it is encouraging that we have not seen a decrease in women CEOs over the last eleven years. The complete list of S&P Euro 350 women CEOs is in the table below.

Deep Dive into CEO Gender Gap

Source: Market Intelligence, Key Development: Norsk Hydro ASA appoints Hilde Merete Aasheim as President and CEO. Announced March 18, 2019

Women CEOs of S&P Euro 350 Companies as of March 29, 2019

CEO Name	Company Name	Company Ticker	Tenure	Start Year	Industry Sector
Nancy McKinstry	Wolters Kluwer, NV	ENXTAM:WKL	17	2003	Industrials
Alison J. Cooper	Imperial Brands PLC	LSE:IMB	10	2010	Consumer Staples
Véronique Laury-Deroubaix	Kingfisher plc	LSE:KGF	6	2014	Consumer Discretionary
Dominique Leroy	Proximus PLC	ENXTBR:PROX	6	2014	Communication Services
Olivia R. Garfield	Severn Trent Plc	LSE:SVT	6	2014	Utilities
Helena Stjernholm	AB Industrivarden	OM:INDU A	5	2015	Financials
Isabelle Kocher	Engie SA	ENXTPA:ENGI	4	2016	Utilities
Alison Brittain	Whitbread PLC	LSE:WTB	4	2016	Consumer Discretionary
Francesca Jane McDonagh	Bank of Ireland Group Plc	ISE:BIRG	3	2017	Financials
Mahkâmeh Brunel	Gecina	ENXTPA:GFC	3	2017	Real Estate
Emma N. Walmsley	GlaxoSmithKline plc	LSE:GSK	3	2017	Health Care
Hille Korhonen	Nokian Renkaat Oyj	HLSE:NRE1V	3	2017	Consumer Discretionary
Dame Carolyn J. McCall	ITV Plc	LSE:ITV	2	2018	Communication Services
Ilham Kadri	Solvay SA	ENXTBR:SOLB	1	2019	Materials
Carina Åkerström	Svenska Handelsbanken AB (publ)	OM:SHB A	1	2019	Financials

Source: S&P Global Market Intelligence data as of March 29, 2019.

Note: A CEO's tenure starting in 2019 is counted as one year. Similarly, a CEO that started in 2018 and is currently active is counted as two years.

Current Standings: Comparison to S&P 500

While the S&P 500 has more constituents than the S&P Euro 350, it also has a higher percentage of women CEOs; 4.8% in the S&P 500 vs. 4.3% in the S&P Euro 350. There has been a slight decrease in the number of women CEOs in the S&P 500 since 2016, with five women led companies being removed from the index and five women-led companies being replaced by male CEOs. In total, twenty four companies within the S&P 500 are led by women CEOs in 2019 vs. twenty seven in 2016. Seven new women CEOs have been added since then, including:

- Jayshree V. Ullal from Arista Networks, Inc., the company was added to the index in 2018
- Lisa T. Su from Advanced Micro Devices, Inc., the company was added to the index in 2017
- Gail Koziara Boudreaux from Anthem, Inc., who replaced Joseph Swedish in 2017
- Adena T. Friedman from Nasdaq, Inc., who replaced Robert Greifeld in 2017
- Kathy J. Warden from Northrop Grumman Corporation, who replaced Wesley Bush in 2019
- Michele Gross Buck from The Hershey Company, who replaced John Bilbrey in 2017
- Michelle D. Gass from Kohl's Corporation, who replaced Kevin Mansell in May 2018

Women CEOs of S&P 500 Companies as of March 29, 2019

CEO Name	Company Name	Company Ticker	Tenure	Start Year	Industry Sector
Debra A. Cafaro	Ventas, Inc.	NYSE:VTR	21	1999	Real Estate
Jayshree V. Ullal	Arista Networks, Inc.	NYSE:ANET	12	2008	Information Technology
Beth E. Mooney	KeyCorp	NYSE:KEY	9	2011	Financials
Patricia Leonard Kampling	Alliant Energy Corporation	NasdaqGS:LNT	8	2012	Utilities
Virginia M. Rometty	International Business Machines Corporation	NYSE:IBM	8	2012	Information Technology
Heather Bresch	Mylan N.V.	NasdaqGS:MYL	8	2012	Health Care
Lynn J. Good	Duke Energy Corporation	NYSE:DUK	7	2013	Utilities
Phebe N. Novakovic	General Dynamics Corporation	NYSE:GD	7	2013	Industrials

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CEO Name	Company Name	Company Ticker	Tenure	Start Year	Industry Sector
Marillyn A. Hewson	Lockheed Martin Corporation	NYSE:LMT	7	2013	Industrials
Mary N. Dillon	Ulta Beauty, Inc.	NasdaqGS:ULTA	7	2013	Consumer Discretionary
Lisa T. Su	Advanced Micro Devices, Inc.	NasdaqGS:AMD	6	2014	Information Technology
Susan N. Story	American Water Works Company, Inc.	NYSE:AWK	6	2014	Utilities
Mary T. Barra	General Motors Company	NYSE:GM	6	2014	Consumer Discretionary
Safra Ada Catz	Oracle Corporation	NYSE:ORCL	6	2014	Information Technology
Barbara Rentler	Ross Stores, Inc.	NasdaqGS:ROST	6	2014	Consumer Discretionary
Margaret M. Keane	Synchrony Financial	NYSE:SYF	6	2014	Financials
Patricia Kessler Poppe	CMS Energy Corporation	NYSE:CMS	4	2016	Utilities
Vicki A. Hollub	Occidental Petroleum Corporation	NYSE:OXY	4	2016	Energy
Susan Patricia Griffith	Progressive Corporation	NYSE:PGR	4	2016	Financials
Gail Koziara Boudreaux	Anthem, Inc.	NYSE:ANTM	3	2017	Health Care
Adena T. Friedman	Nasdaq, Inc.	NasdaqGS:NDAQ	3	2017	Financials
Michele Gross Buck	The Hershey Company	NYSE:HSY	3	2017	Consumer Staples
Michelle D. Gass	Kohl's Corporation	NYSE:KSS	2	2018	Consumer Discretionary
Kathy J. Warden	Northrop Grumman Corporation	NYSE:NOC	1	2019	Industrials

Source: S&P Global Market Intelligence data as of March 29, 2019.

Note: A CEO's tenure starting in 2019 is counted as one year. Similarly, a CEO that started in 2018 and is currently active is counted as two years.

Gender Split by Industry: For S&P Euro 350 & S&P 500 in 2018

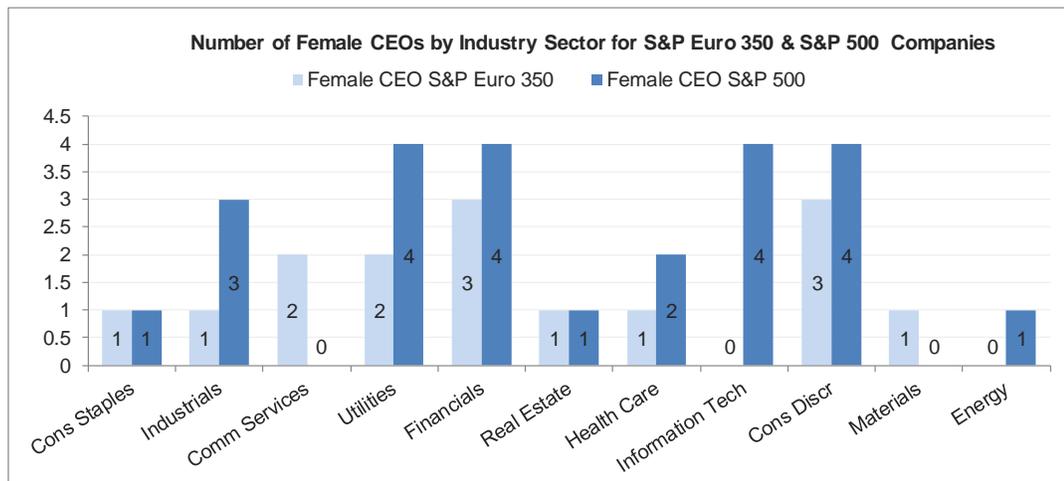
The analysis looks at eleven industry sectors for S&P 500 and the S&P Euro 350. Two industry sectors (Energy and IT) do not have any women CEO in the S&P Euro 350.

Deep Dive into CEO Gender Gap

Similarly, two sectors (Communication Services and Materials) do not have any women CEO representation in the S&P 500.

Incidentally, IT is markedly different between the two indices; there isn't a female CEO in the S&P Euro 350 vs. four women CEOs in the S&P 500.

Utilities, Financials, IT, and Consumer Discretionary are the top sectors in the S&P 500 that have the most women CEOs. In our previous analysis conducted in 2016, only IT had the highest number of women CEOs. This illustrates a continued improvement in closing the gender gap across different – typically male-led – sectors.

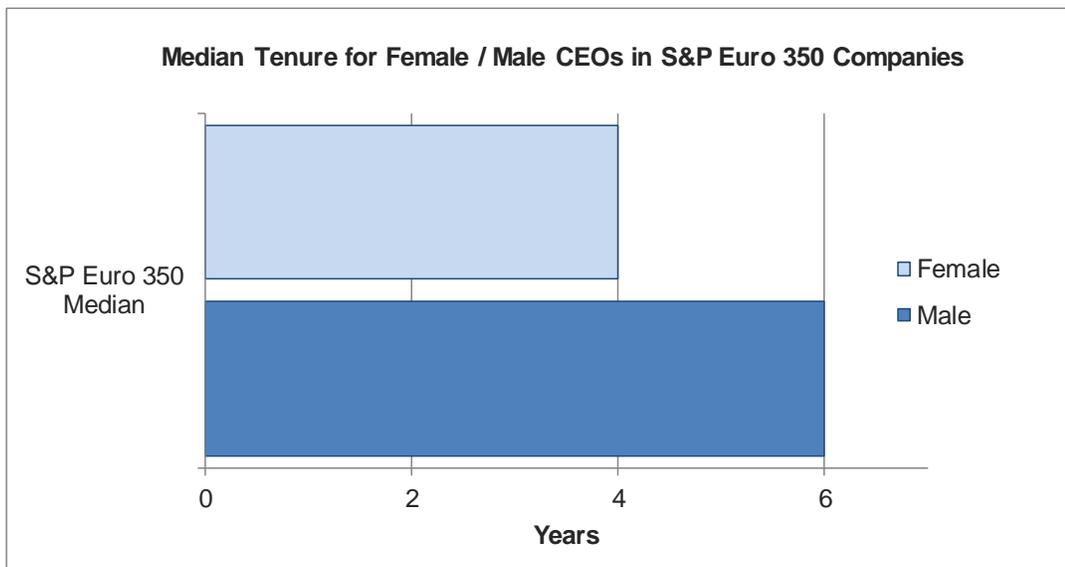


Source: S&P Global Market Intelligence data as of March 29, 2019.

Women/Men Tenures: For S&P Euro 350 & S&P 500 Companies in 2019

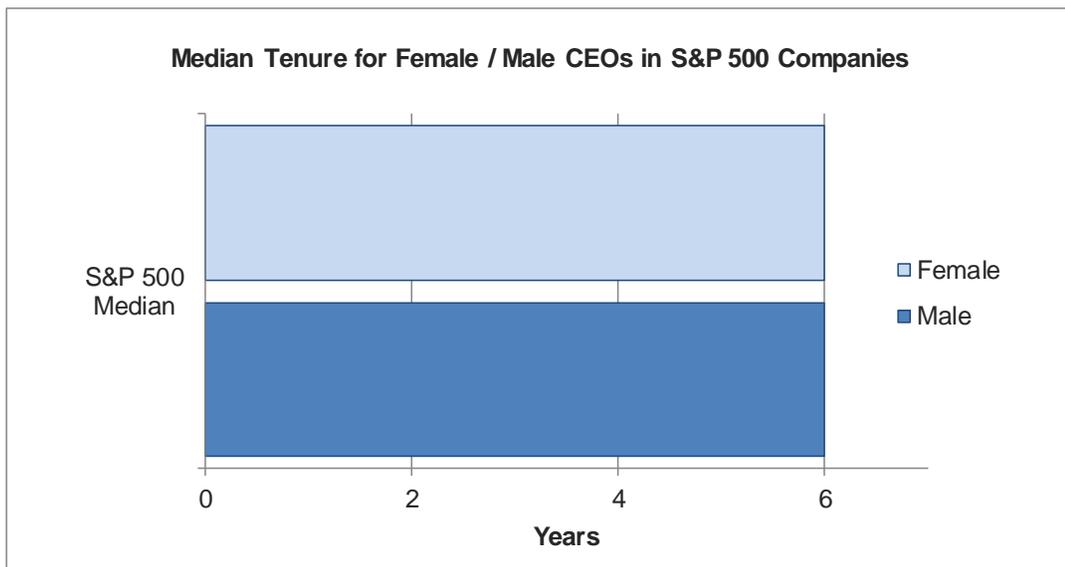
Taking the current CEOs of the S&P Euro 350 and S&P 500 as of March 29, 2019 and tracking their years in office⁶ we were able to generate the median tenures of male and female CEOs. We found that the tenure of women CEOs lag their male counterparts by two years for the S&P Euro 350, similar to our previous report.

Deep Dive into CEO Gender Gap



Source: S&P Global Market Intelligence data as of March 29, 2019.

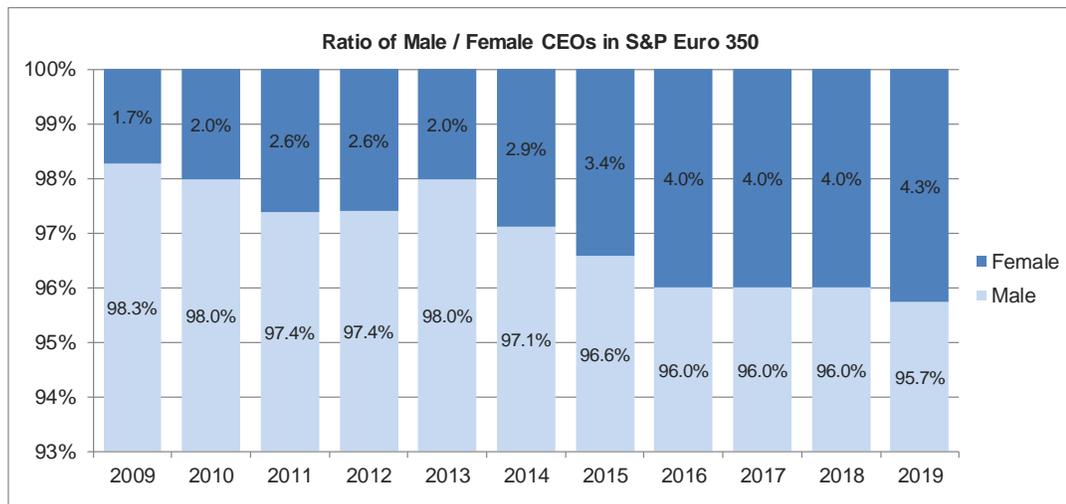
The median tenure of S&P 500 women and men CEOs is six years.⁷ Since our previous report, the gap in median tenure for men and women CEOs in S&P 500 has closed, showing positive developments in gender diversification in leadership positions.



Source: S&P Global Market Intelligence data as of March 29, 2019.

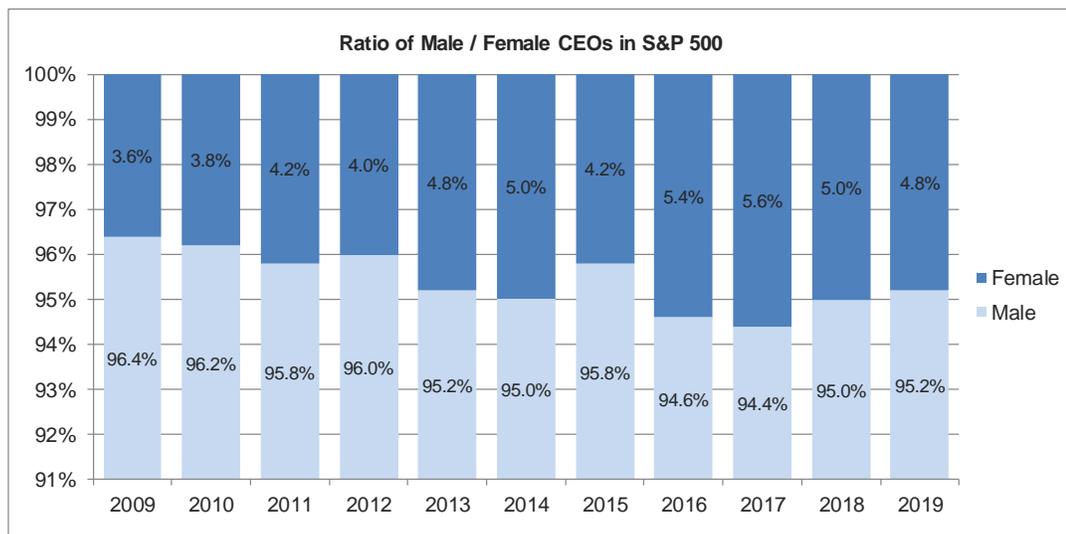
Progress: How the Gender Gap Has Changed for S&P Euro 350 & S&P 500 Companies over the Last Eleven Years

The companies of S&P Euro 350 have increased women representation in leadership positions from six in 2009 to fifteen in 2019. Over the last eleven years, the growth rate is 0.8 new women CEOs every year. From having 1.7% women leadership in 2009, the proportion of women leaders has grown to 4.3% in 2019. Therefore, the proportion is slowly growing and at its highest, eleven years after.



Source: S&P Global Market Intelligence data as of March 29, 2019.

The companies of S&P 500 have lower women representation since our previous report. Although lower, the past eleven years shows that the number of women CEOs increased from eighteen in 2009 to twenty four in 2019. Therefore, over eleven years the growth rate is 0.5 new women CEOs every year. From having 3.6% women representation in leadership positions in 2009, S&P 500 has grown to 4.8% in 2019.



Source: S&P Global Market Intelligence data as of March 29, 2019.

Note: If a female CEO appeared in any given year of an S&P Euro 350 Company - for example if they served as co-heads with a man - and even if they served as an interim CEO, we counted that as a female CEO for that company and year. If two men were co-CEOs, we used the CEO with the longest tenure.

Conclusion:

During a time when companies are under increasing pressure to diversify the demographics of their employee base, especially to increase the number of women at the helm, we have not seen the statistics change dramatically. However, progress is being made. As stated, the number of women running S&P Euro 350 companies has been slowly increasing by 0.8 every year since 2009, with the current number of women CEOs standing at fifteen. The gender gap at the S&P 500 has contracted with twenty four women CEO's in the index, the growth rating being 0.6. Therefore, since our last report in 2016 we have seen positive signs in increasing gender diversification of companies namely the tenure increasing at S&P 500 and number of women CEO's at S&P Euro 350.

Appendix – Methodology:

The analysis was conducted using the S&P Euro 350 and S&P 500 constituents as of October 9 for 2009-2018, and March 29 for 2019. S&P Global Market Intelligence People Data and Key Development Data were used to populate the CEOs for each company as of this date going back eleven years from 2019. Where multiple CEOs existed for a company, for example a CEO change or interim CEO within the year, we would take the longest serving CEO. For years other than 2016, if multiple male and female CEOs existed for a company, for a given year, we would count that as a female CEO. Where there was no acting CEO, we used the highest ranking board member as a proxy (usually from the board of directors/supervisory board). In the study we did not look at any companies outside of the S&P Euro 350 or S&P 500. For the tenure data we looked at the CEOs of S&P Euro 350 and S&P 500 companies as of March 29, 2019 and counted how many continuous years they had served as the CEO of the company. If a break existed in the tenure, for example a CEO leaving for three years and then returning, we would take the most recent tenure as the number of years served. Finally the difference between the years of analysis for the gender gap (2009 to 2019) and tenure data of current CEOs is due to the gaps found in the index constituent data for companies in the S&P Euro 350 and S&P 500 prior to 2009.

Endnotes:

- (1) Source: <http://us.spindices.com/indices/equity/sp-europe-350>.
- (2) This study only covers S&P Euro 350 and S&P 500 companies. We have not taken into account or analyzed Small to Medium Enterprises (SMEs) or privately own institutions whose leadership composition could vary significantly.
- (3) To get access S&P Global Market Intelligence People Data and Key Development Data please follow the link for trial: <https://www.spglobal.com/marketintelligence/en/client-segments/professional-services>.
- (4) Industry sectors are classified by the Global Industry Classification Standards code (GICS).
- (5) We traced back the data of S&P Euro 350 & S&P 500 CEO's to their start date to have full tenure data.
- (6) We used median in our calculations and removed the bias of significantly long tenures skewing the results.

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