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The missing pieces: Making an impact on board diversity and inclusion

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While there is a steady trend in increasing diversity on boards, there is still much work to do.

The number of Fortune 500 companies with greater than 40 percent diversity has tripled since 2010 (from 54 to 145 companies)

Total minority representation increased to 16.1 percent from 12.8 percent in 2010, the first year Fortune 500 data was captured.

While there have been gains for some demographic groups, the pace is measured

African American/Black women saw an increase in seats of **26.2 percent** in 2018

Asian/Pacific Islander women saw an increase of **38.6 percent**

2024

Year when, at the current rate of progress, we predict that we would see the number of women and minorities increase to 40 percent\(^1\)

In the *Fortune* 100, Minority men have made almost as much progress in the last 2 years as they did in the 12 years before that

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\(^1\) This year is calculated assuming that the percentage of Caucasian/White men on boards continues to decrease by 1 percent per year. While this is a simple straight-line trend, this metric provides a sense of the progress to expect in the next decade (while not accounting for the nuances of board terms and board member pipelines).

The percentage of minority directors holding board seats is slightly better for the *Fortune 100* vs. the *Fortune 500*

In the *Fortune 500*, 1,033 board seats were filled by directors new to *Fortune 500* boards.²

The percentage of minority directors holding board seats is *slightly better* for the *Fortune 100*.

- 80.7% of new directors were Caucasian/White
- 59.6% of that were Caucasian/White men

- 77.0% of new directors were Caucasian/White
- 51.1% of that were Caucasian/White men

The representation of *women and minorities* in the *Fortune 100* outpaces the broader *Fortune 500*, perhaps reinforcing that larger companies are more diverse.

² This number contains both directors who are new to board service and any board member on a board who was not in the *Fortune 500* in 2016 (the date of the last census).

Fortune 500: Progress has been made but there is room for more improvement

Fortune 500 number and percentage of board seats by gender and minority status

- Minority women: 261 (4.6%)
- Minority men: 651 (11.5%)
- Caucasian/White women: 1,017 (17.9%)
- Caucasian/White men: 3,741 (66.0%)

Fortune 500 total board seats by race/ethnicity, 2018

- Asian/Pacific Islander: 209 (3.7%)
- Hispanic/Latino(a): 213 (3.8%)
- African American/Black: 486 (8.6%)
- Caucasian/White: 4,758 (83.9%)
- Other: 4 (0.1%)

Russell 3000 is making strides towards boardroom equality

The percentage of new female directors surpassed 35% in 2018

The percentage of women on Russell 3000 boards increased in Q3 2018 from 17.7% to 18.0%. This acceleration moved the needle for a fourth straight quarter, pushing the Gender Diversity Index to 0.36.

Source: Equilar Q3 2018 Gender Diversity Index published December 12, 2018.

504
Boards with zero women directors

37
Boards that have reached gender parity
### 2018 Gender Diversity Index Analysis: Trends in adding female directors

<table>
<thead>
<tr>
<th></th>
<th>2018 Q3</th>
<th>2018 Q4</th>
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</thead>
<tbody>
<tr>
<td>Prevalence of women directors</td>
<td>18%</td>
<td>18.5%</td>
</tr>
<tr>
<td>Percentage of boards with zero women</td>
<td>17%</td>
<td>15.8%</td>
</tr>
<tr>
<td>Percentage of new female directors</td>
<td>35.6%</td>
<td>43.5%</td>
</tr>
<tr>
<td>Percentage of companies adding a female (over R3K)</td>
<td>0.8%</td>
<td>1.4%</td>
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<tr>
<td>Percentage of Companies Adding a Female (over Boards with Previously 0 Females)</td>
<td>4.6%</td>
<td>8.0%</td>
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<tr>
<td>Boards with Between 40% and 50% Women (#)</td>
<td>68</td>
<td>75</td>
</tr>
<tr>
<td>Boards with At Least 50% Women (#)</td>
<td>37</td>
<td>41</td>
</tr>
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Source: Equilar Q4 2018 Gender Diversity Index raw data to be published March 2019.