



Composition of Finnish company boards 2023

27.9.2023

Survey and methodology

INFORMATION ABOUT THE RESEARCH

Orbis data from Bureau van Dijk was used. Since the financial statements are not published until the following year, the latest data for most of the companies is from 2022.

26,800



Finnish companies

83,900



Members in the boards of Finnish companies 2023

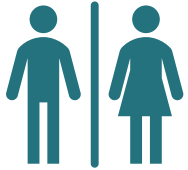
VARIABLES STUDIED

1. Gender distribution of boards of directors
2. International members in boards
3. Age of board members
4. Duration of board membership

POINTS TO NOTE ABOUT THE SURVEY

- The survey does not include micro companies (i.e. companies employing fewer than five people).
- The survey only looks at the boards of Finnish parent companies. This means that the survey does not cover:
 - The board compositions of foreign companies' subsidiaries operating in Finland.
 - The board compositions of Finnish companies' subsidiaries operating in Finland.

Executive Summary



29%

of the board members of Finnish companies are women

- Gender diversity in the boards of Finnish companies has not changed significantly in the big picture.
- Differences between industries in terms of gender diversity have increased in recent years. The highest increase in the proportion of women among new board members has been in administration and support services.
- The proportion of women chairing boards is still small, with only 15% of board chairs being women.



7% of the board members of Finnish companies are foreign nationals

- The proportion of international board members among new board members has steadily increased over the long term. Currently, approximately 13% of new board members are international.
- International board members are especially prevalent in large companies, growth-oriented companies, and in the field of information and communication.
- The most common nationalities among international board members are Estonian, Swedish, and German.



47 is the average age of a current board member

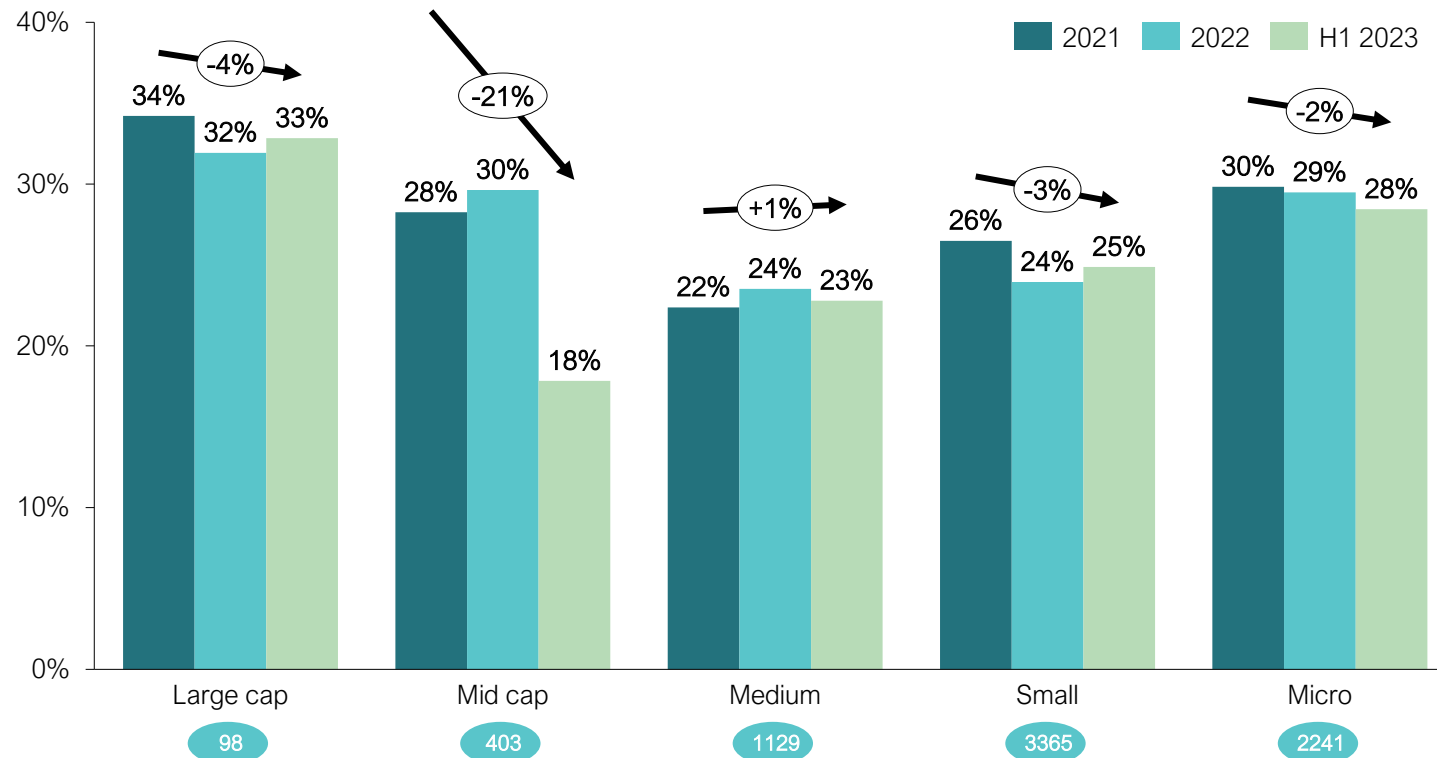
- The average age of Finnish board members is approximately 47 years old. The age distribution is very similar for both men and women.
- The median age has remained quite consistent over time for new board members.
- The age of board chairs is generally higher than that of other board members, with the average age of a board chair being around 51 years old.

Percentage of women as new board members

- In companies of most sizes, the percentage of women of new board members has been in slight decline since 2021 apart from medium-sized companies where a small increase has been experienced (+1%). The greatest decrease has occurred in mid cap companies (-21%).
- The greatest number of female board members are appointed in large cap companies (33%) and micro companies (28%). The appointment of women has been smallest in mid cap companies (18%).
- The appointment of new female board chairs has been in decline since 2021 (-14%).

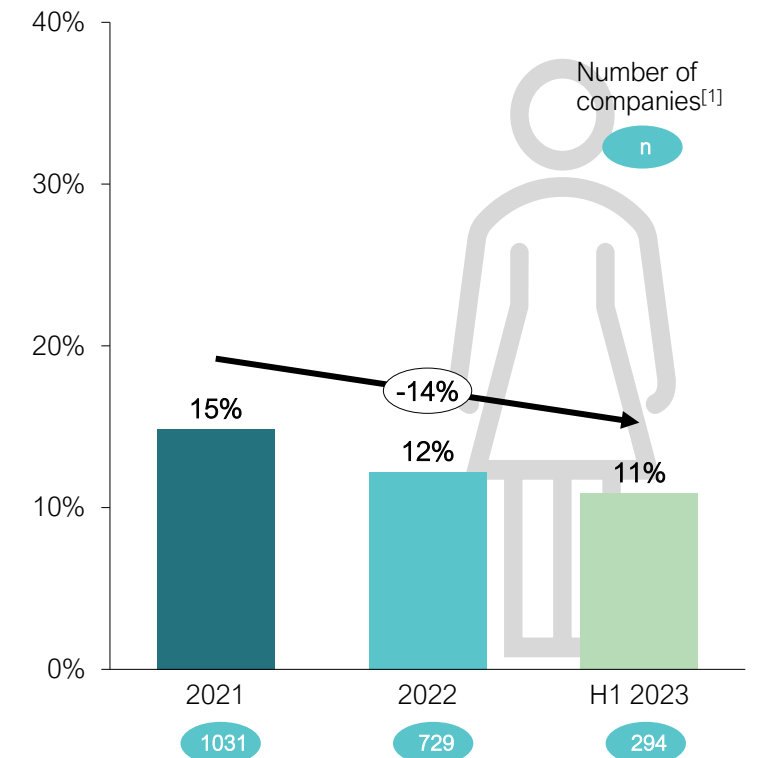
PERCENTAGE OF WOMEN AS NEW BOARD MEMBERS – BY COMPANY SIZE

% of new board members



PERCENTAGE OF NEW FEMALE BOARD CHAIRS

% of new female board chairs

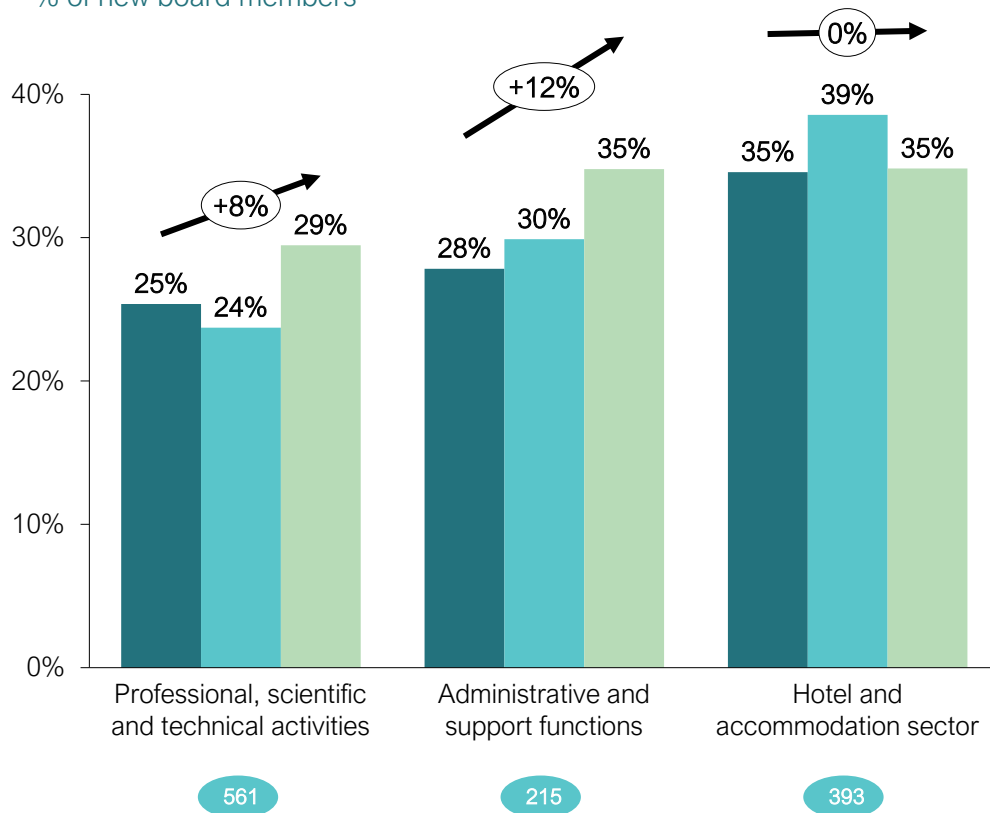


Differences between sectors have grown – women least likely to be appointed for boards in ICT, and wholesale and retail companies.

- When viewed sector by sector, the most female board members are appointed in hotel and accommodation sector (35%), and administrative and support functions operations (35%). In administrative and support functions operations the percentage of female appointments has risen sharply since 2021. The percentage of new female board member appointments is also relatively large in professional, scientific and technical activities.
- The fewest female board members are appointed in the information and communication sector (18%), wholesale and retail (20%) and construction (23%). In wholesale and retail, female board member appointments fell sharply in the first half of 2023.

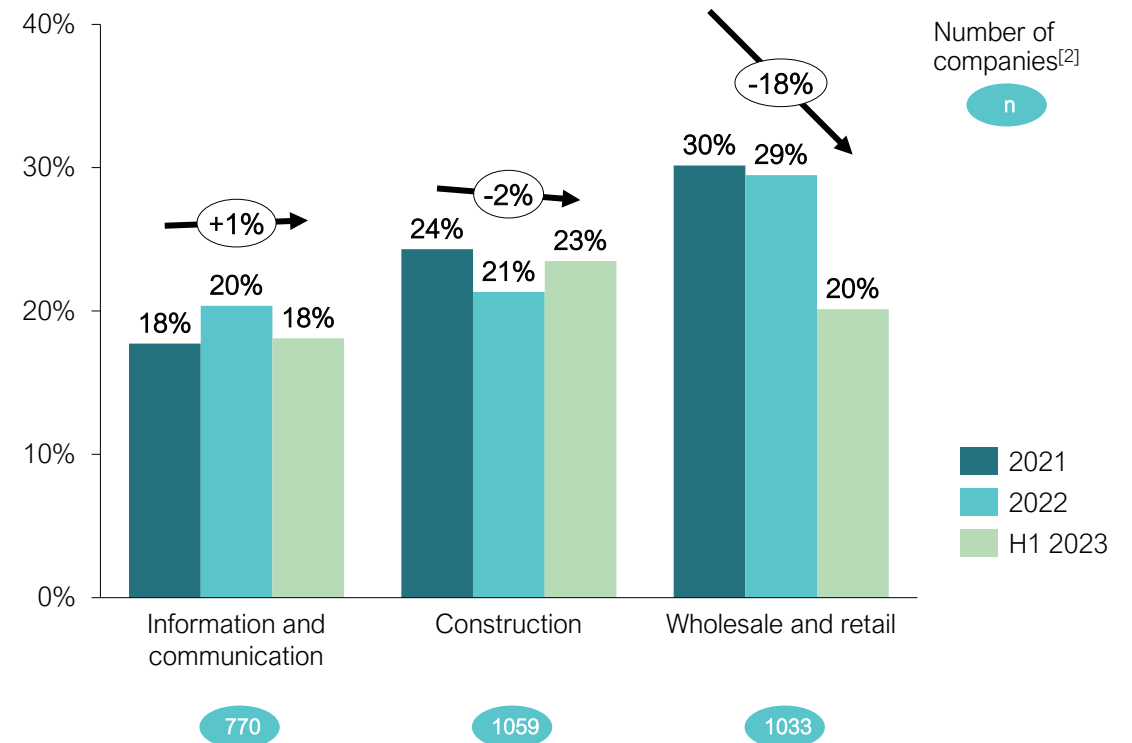
PERCENTAGE OF WOMEN AS NEW BOARD MEMBERS – TOP THREE SECTORS [1]

% of new board members



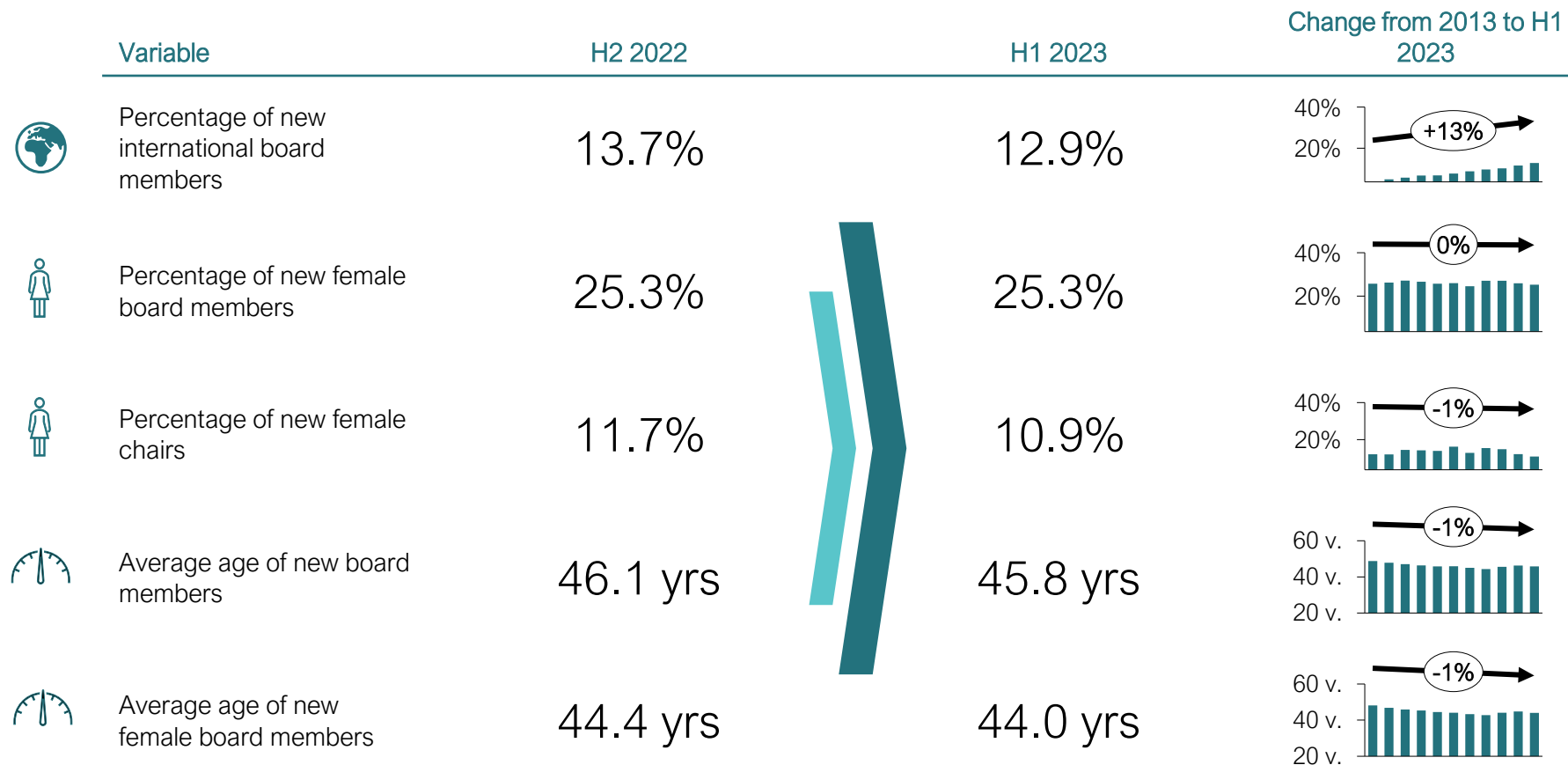
PERCENTAGE OF WOMEN AS NEW BOARD MEMBERS – BOTTOM THREE SECTORS

% of new board members



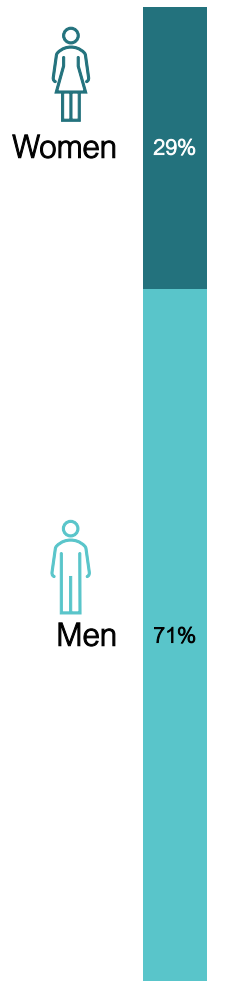
No major changes in composition of boards in the past year

- Compared to the second half of 2022, the number of international appointments fell somewhat in the first half of 2023. In the long term, however, the percentage of international appointments of board members is rising steadily.
- During the same period, the percentage of new female board members remained the same, while the percentage of new female chairs fell a little. However, in long-term trends, there is no major change.

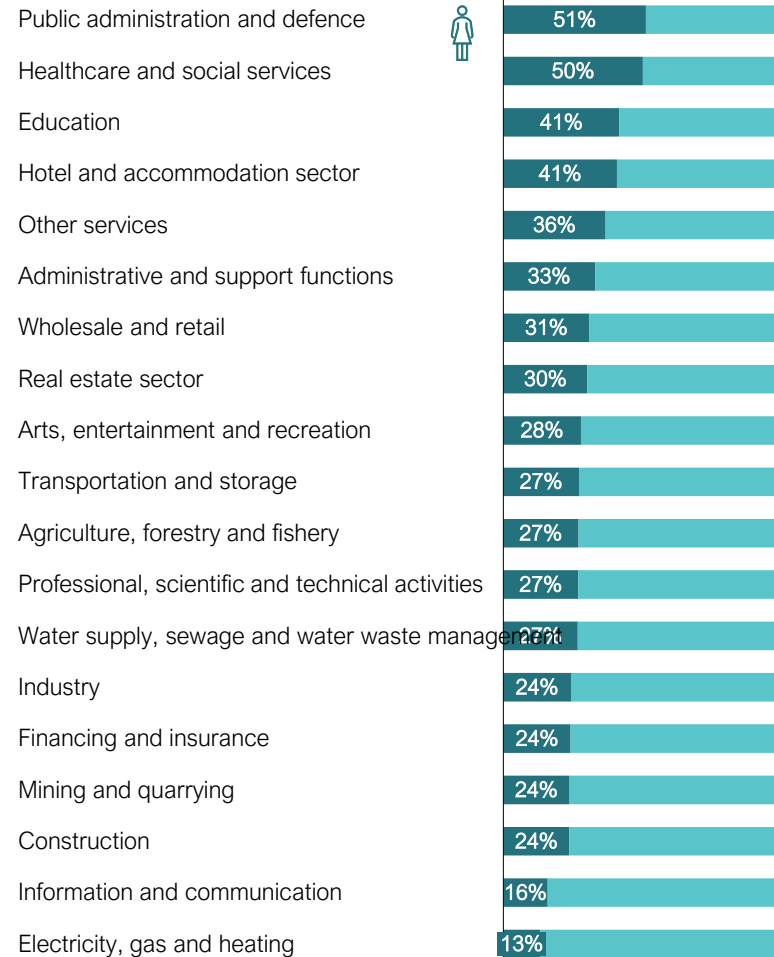


Around a third of female board members, only 15% of chairs

GENDER DISTRIBUTION^[1]



GENDER DISTRIBUTION BY SECTOR % of companies' board members



OBSERVATIONS

- Only 29% of Finnish companies' board members are women.
- There are great differences in the gender distribution between sectors. The highest percentage of female board members are found administration and defence (51%) and healthcare and social services (50%)
- The fewest female board members are in the electricity, gas and heating sector (13%) and information and communication (16%).
- Only 15% of board chairs are women.

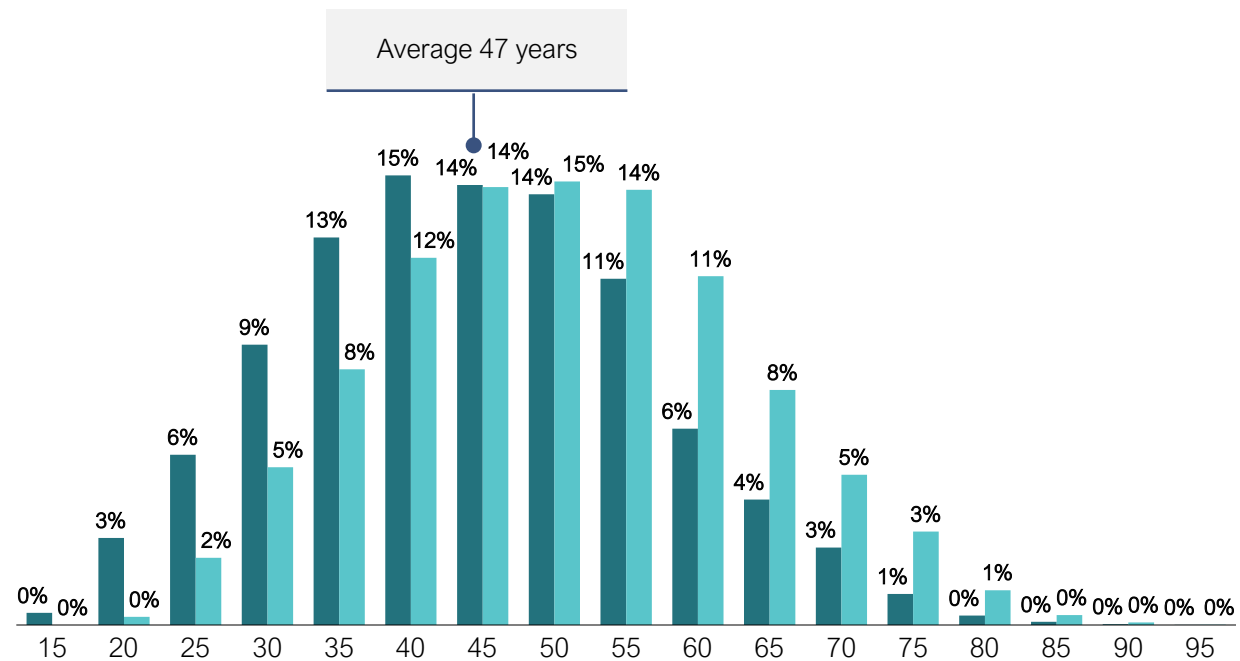
GENDER DISTRIBUTION OF BOARD CHAIRS % of female board chairs



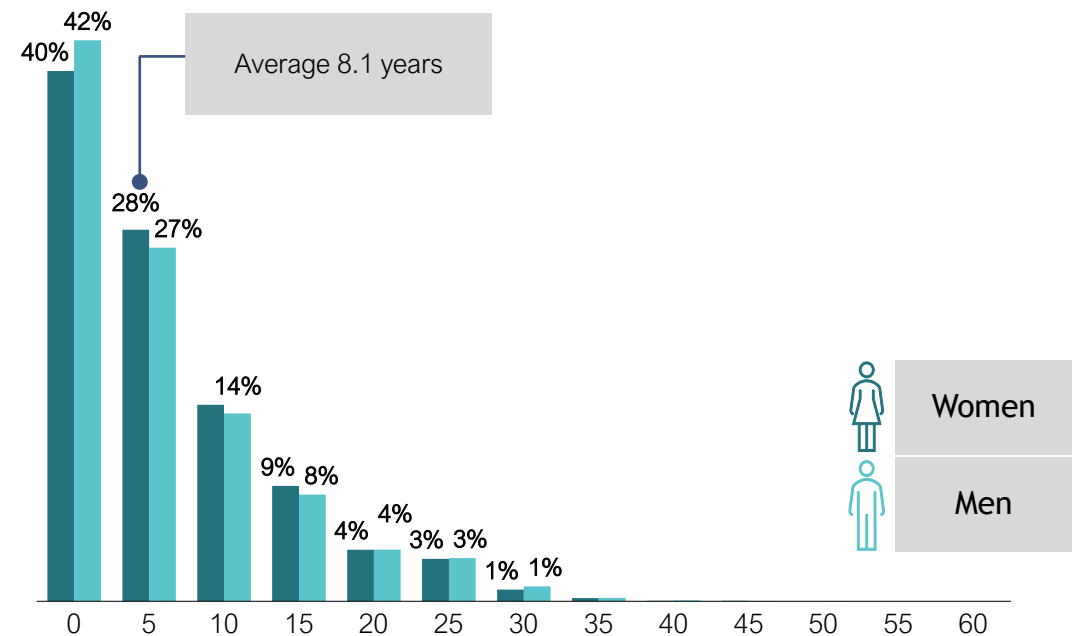
The average age of current board members is 47 years, with an average term of 8 years as board member.

- The average age of current board members is around 47 years. The men's average age is 47.4 years and women's 46.4. In terms of the age distribution, there is no major difference, although in the age group between 60 and 74 years, men are represented somewhat more than women.
- The average duration of the term of board membership in Finnish companies is 8.1 years. Women's board memberships are on average somewhat longer (8.1 years) than those of men (8.0 years).

GENDER DISTRIBUTION OF CURRENT BOARD MEMBERS
in years



DURATION OF MEMBERSHIP OF CURRENT BOARD MEMBERS BY GENDER
in years

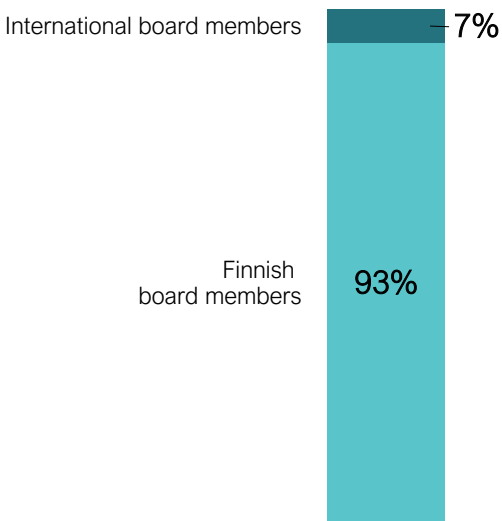


7% of Finnish companies' board members are foreign nationals.

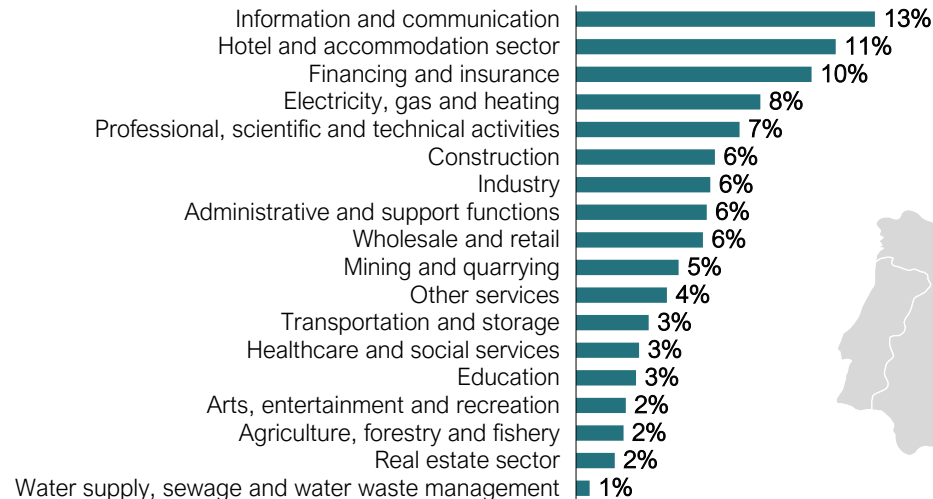
- Only 7% of Finnish board members are from outside Finland.
- The size of the company has a major bearing on the number of international board members. Larger companies have a considerably higher percentage of international board members than smaller companies. Some 24% of the board members of large cap companies have an international background.
- The sector in which the company operates also affect the number of international board members. The highest percentage of board members are found in the information and communication sector.

INTERNATIONAL BOARD MEMBERS IN FINNISH COMPANIES [1]

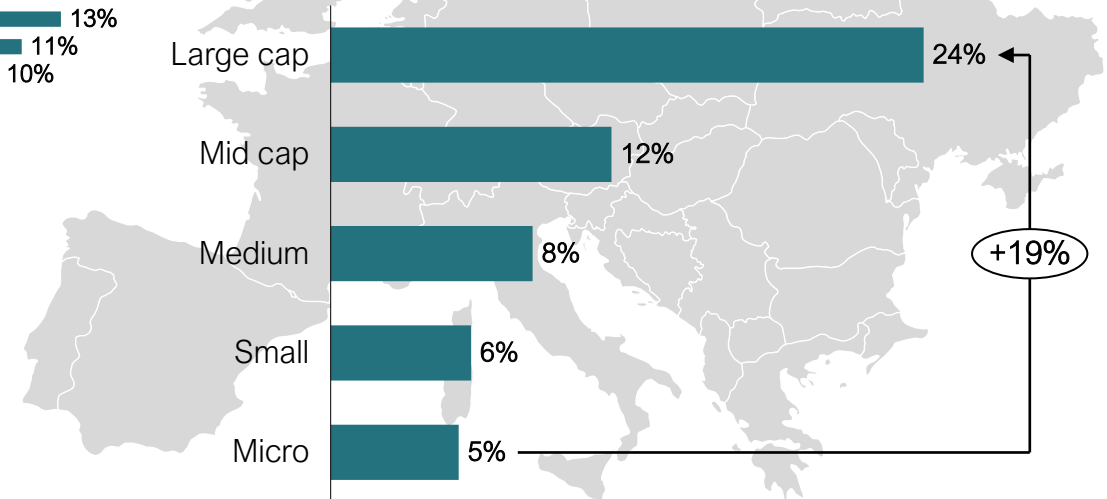
% of board members



BY SECTOR



BY COMPANY SIZE

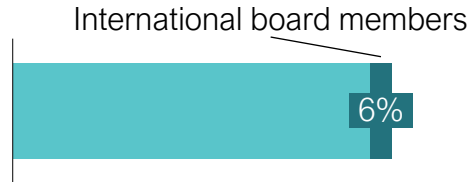


Board chairs

- Compared with all board members, the majority of board chairs are men, they are older and their terms in the board are longer.
- Of the international board members in Finnish companies, there are proportionally fewer chairs than among all board members.

PERCENTAGE OF INTERNATIONAL BOARD CHAIRS

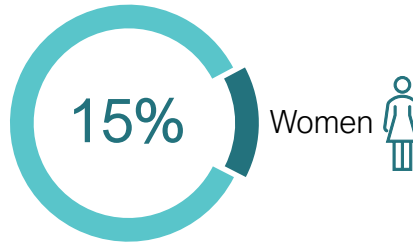
% of female board chairs



6% of the board chairs in companies in Finnish ownership are from abroad.

PERCENTAGE OF FEMALE BOARD CHAIRS

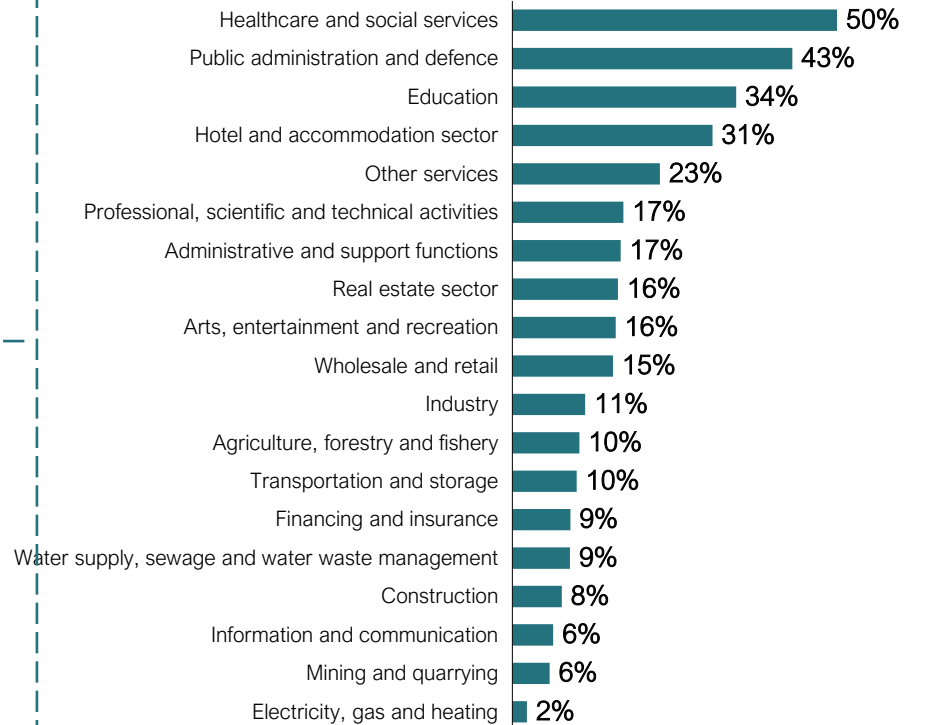
%



15% of the board chairs in Finnish companies are women. (Cf. 29% of all board members are women.)

PERCENTAGE OF FEMALE BOARD CHAIRS BY SECTOR

% of female board chairs



The highest proportion of women as board chairs is found among healthcare and social services and public administration and defence.

LENGTH OF TERM OF BOARD CHAIRS

years

8.6 years

Cf. the average duration of 8.1 years of all board members

AVERAGE AGE OF BOARD CHAIRS

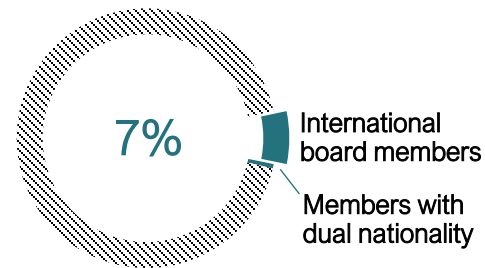
years

51 years

Cf. the average age of all board members (47)

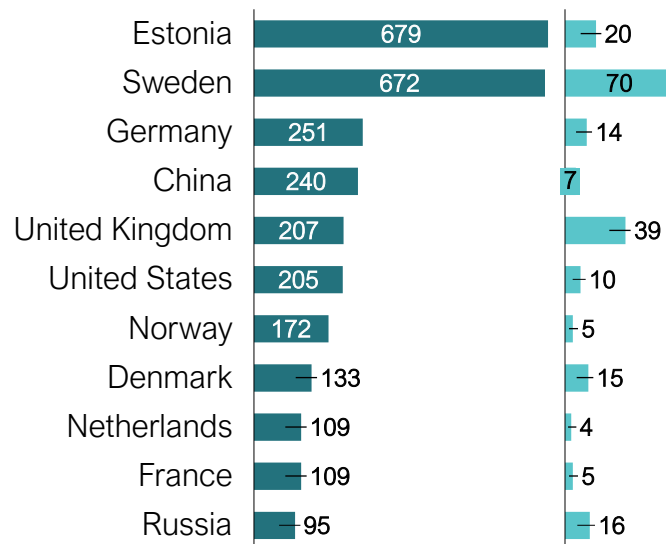
The highest percentage of the international board members are Estonian, with Swedes rising fastest.

PERCENTAGE OF INTERNATIONAL BOARD MEMBERS IN BOARDS OF FINNISH COMPANIES



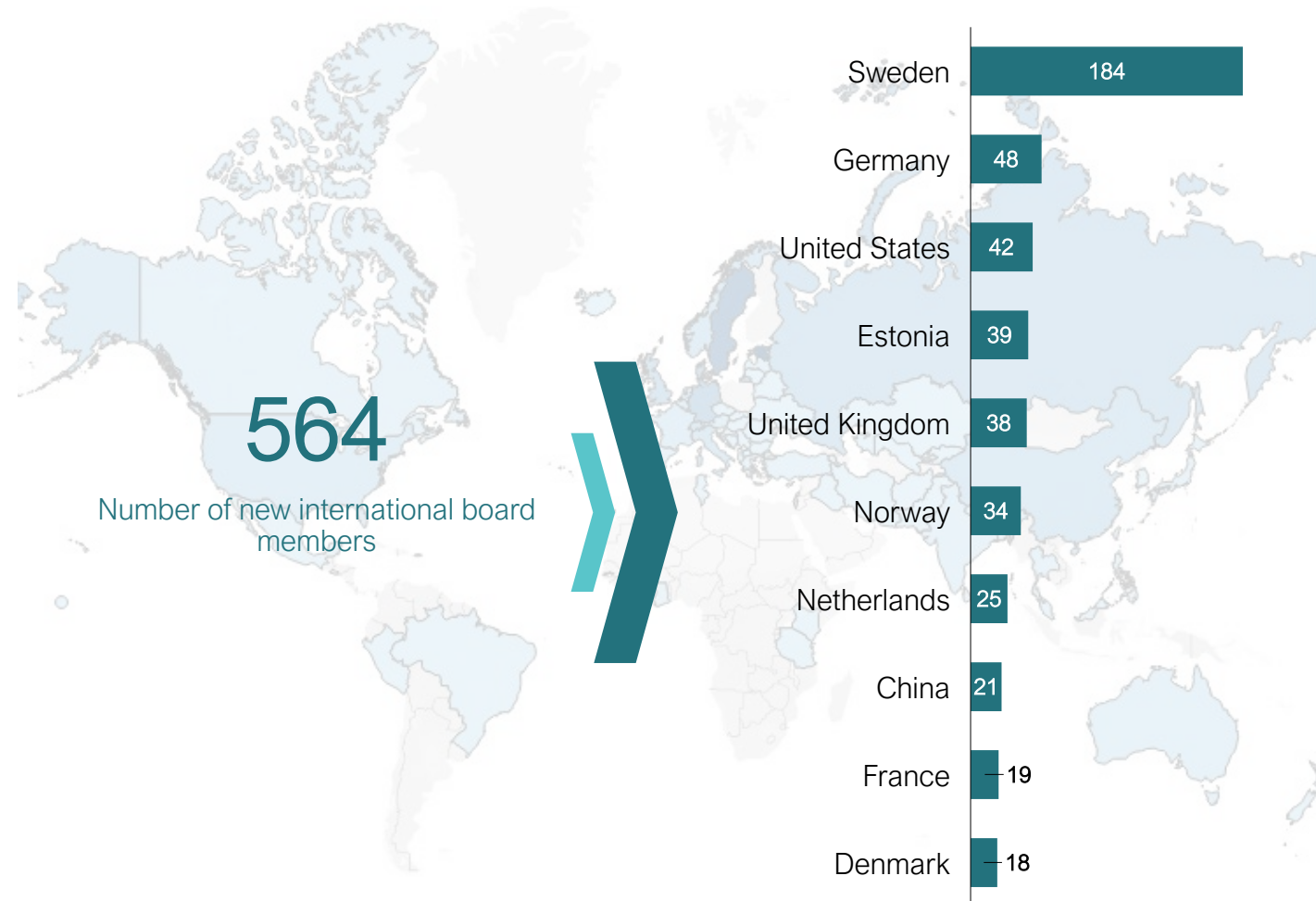
THE MOST COMMON NATIONALITIES OF INTERNATIONAL BOARD MEMBERS

Number of board members



International board members People with dual nationality^[1]

NATIONALITY OF NEW (H2 2022 → H1 2023) INTERNATIONAL BOARD MEMBERS

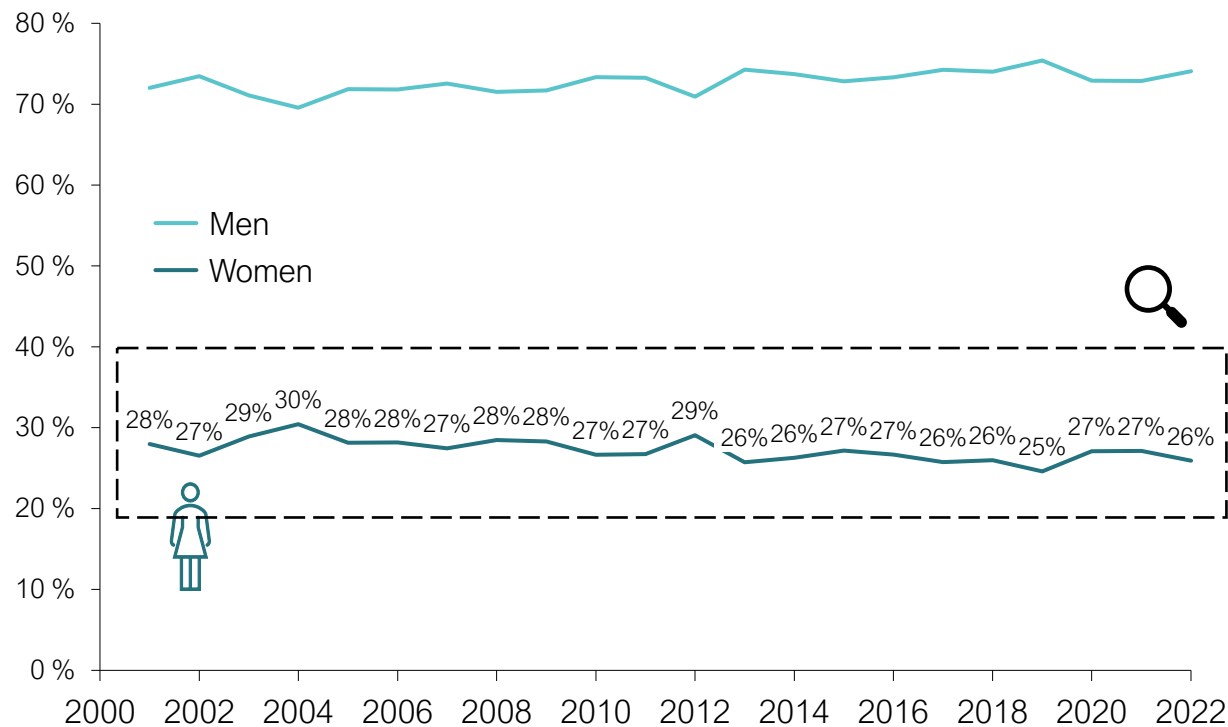


The gender distribution has remained relatively even

- The gender distribution of new board members has remained relatively even. The percentage of new female board members has ranged between 25 and 30% in the 21st century.
- There are no major differences between companies of different sizes.
- In large cap and mid cap companies, the percentage of new female board members, however, seems to have varied more than in companies of other sizes, explained by the smaller number of observations.

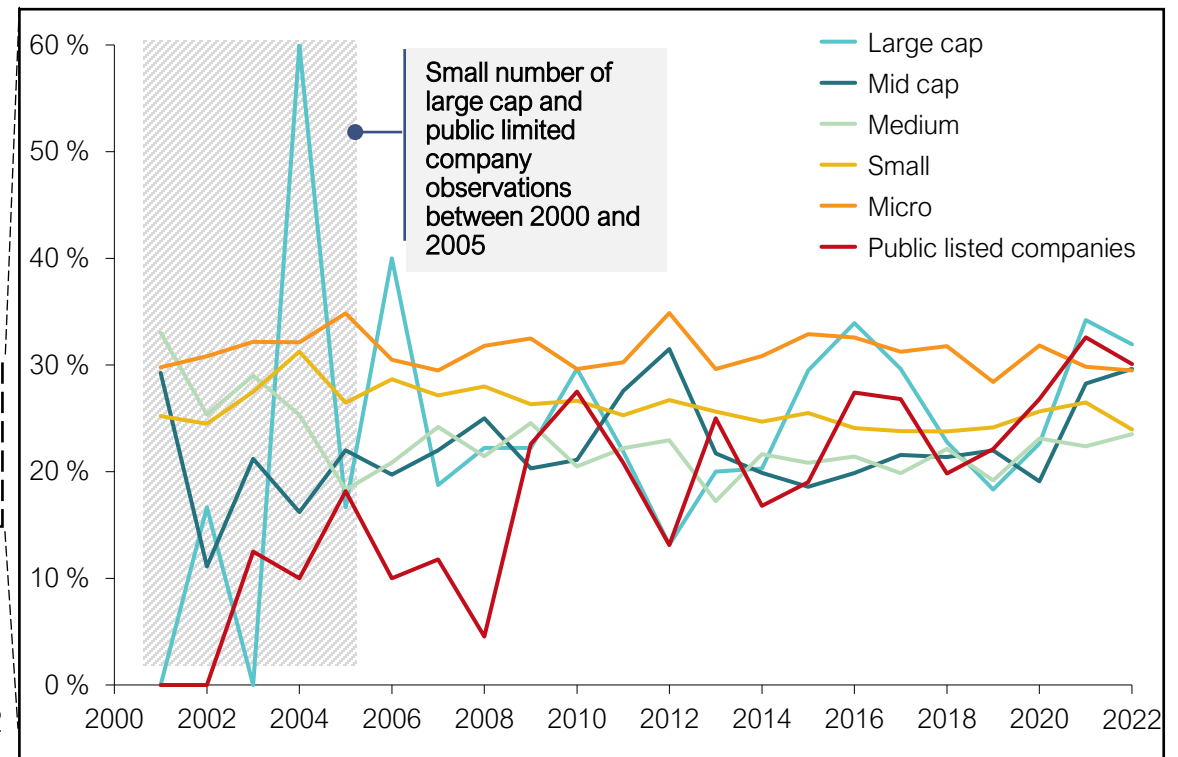
GENDER DISTRIBUTION OF NEW BOARD MEMBERS

% of new board members



PERCENTAGE OF WOMEN AS NEW BOARD MEMBERS – BY COMPANY SIZE

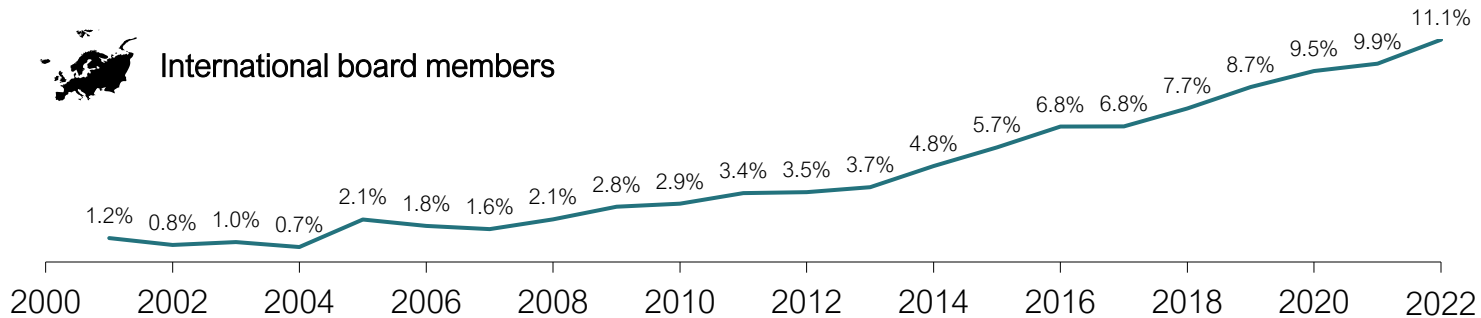
% of new board members



The percentage of international board members has risen in the 2000s.

PERCENTAGE OF INTERNATIONAL BOARD MEMBERS OF NEW BOARD MEMBERS

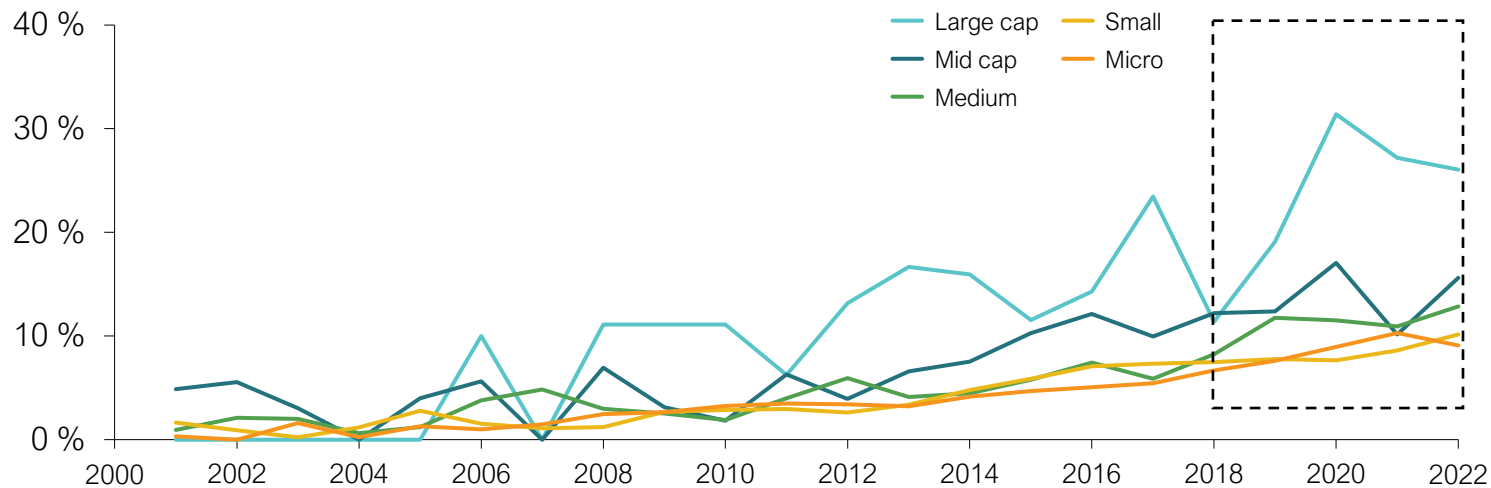
% of appointed board members



- The percentage of international board members has risen significantly in the 2000s. The percentage of international board members of new board members increased in the period in question from 1 to 11 per cent.
- The percentage of international board members within new board members has developed particularly positively since 2013 (+7 percentage points).
- The percentage of international board members of new board members has been rising steadily since 2007.

PERCENTAGE OF INTERNATIONAL BOARD MEMBERS OF NEW BOARD MEMBERS – BY COMPANY SIZE

% of appointed board members



- Between 2018 and 2022, the size categories diverged considerably. In large cap companies in particular, the number of international board members has risen sharply.
- It is also noteworthy that the size categories during the period are almost always in the order of biggest to smallest.
- This means that large companies in particular have increased the number of international board members since 2018.
- Development has been much more moderate in small companies, but nevertheless positive.



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