



REPORT TO THE BOARD OF GOVERNORS ON GENDER DIVERSITY AT THE ADB BOARD OF DIRECTORS

Annual Meeting 2023

The ADB Board of Directors (the Board) recognizes that progressing diversity at Board level will ensure decision-making better reflects the perspectives of our shared society and collective interests. As we emerge from the COVID-19 pandemic and begin to overcome the inequalities inflicted by the crisis, speaking with an inclusive voice is more important than ever.












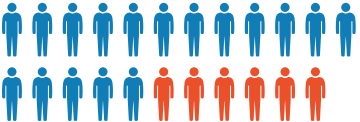
This is the Board's third annual report on gender diversity among its members. This year's report again presents the current state of affairs, a multiyear perspective, and comparison with peer international financial institutions (IFIs). It also includes updates on actions underway to respond to the findings of the Board's diagnostic exercise that identified constraints and barriers to greater gender diversity on the Board, which was the focus of last year's report to Governors. Encouragingly, gender balance on the Board of Directors has significantly improved over the last year, and the report offers some insights into this accomplishment.



“As ADB supports our developing member countries in empowering women as agents of change toward more equal and inclusive societies, we must make every effort to promote diversity, equity, and inclusion in our own workplace. Gender diversity on the ADB Board of Directors is contributing to an inclusive culture that will make ADB a stronger and more effective organization.”



Masatsugu Asakawa
ADB President

ADB Board Turnover in 2022

	End-2021	Total	Departures	Total	Arrivals	Total	End-2022	Total
Directors		11		3		4		12
Alternate Directors		12		5		5		12
Advisors		23		4		4		23

 1 Male
  1 Female

Momentum builds

Since establishing the Board Working Group on Gender Diversity (BWG-GD) in 2020, the Board has sought to improve gender diversity among its members, measured by the proportion of Board appointments at all levels (Directors, Alternate Directors, and Director’s Advisors).

The Board is composed of 12 Directors, elected by all 68 members. Each Director represents a single or multimember constituency. Directors are supported by 12 Alternate Directors and 24 Director’s Advisors (with two Director’s Advisors in each constituency office).

In 2022, the total number of women in Board roles increased from 7 to 13, comprising 6 Director’s Advisors, 6 Alternate Directors, and 1 Director. Significantly, this is the first time in ADB’s history that a fifty-fifty gender balance has been achieved at the Alternate Director level (or any level). Prior to 2022, the most women serving as Alternate Directors at any time was three (25%). In comparison with surveyed peer IFIs, ADB now has a substantially higher percentage of serving female Alternate Directors (Annex 1). The number of female Director’s Advisors also increased, from four to six.

Director Rachel Thompson from Australia joined the Board in January 2023. Although her appointment falls outside of the reporting period, it is noteworthy as it marks just the third time that two women have served as ADB Directors concurrently. Director Thompson’s appointment also reduces the number of constituencies that have never had a female Director from eight to seven.

While these upward trends are encouraging, a more granular analysis of historical data suggests there is a risk that gains made in 2022 could be temporary. Continued vigilance and action remain important to support consistent and sustainable female representation and to avoid backsliding. It should not be forgotten that as recently as 2017 there were no female Directors or Alternate Directors. In addition, of the five constituencies that have appointed a female Director, in only two of these have multiple women served in the role, and two of ADB’s 12 constituencies have still never had a female Alternate Director.

Reflecting on what has led to the significant improvements made over the last 2 years, two points stand out:

- Efforts by individual Board members to raise awareness, identify strong female candidates, and personally encourage them to pursue upcoming Board vacancies have been an important factor in increasing the selection pool.
- Awareness of this issue at appointing authorities of shareholders has increased since the first report to Governors was tabled at the ADB Annual Meeting in 2021. A key indicator of this is the large number of ADB Governors that have raised this issue during Annual Meetings, both formally in Governors' remarks during the business session and informally in meetings with Management and other shareholders.

Awareness raising and advocacy, primarily through regular reporting to Governors, will continue to be a key focus for the BWG-GD in enabling sustainable improvements in gender diversity at the ADB Board of Directors.

“Diversity helps ensure we collectively have the skills and capabilities we need to help ADB navigate a complex and changing world. Greater gender diversity is not a zero-sum game; we all win from the improved governance and operational performance that it facilitates.”



Rachel Thompson
Director, ADB

Kick-starting a virtuous cycle: Developing an action plan

In 2021, the BWG-GD led a diagnostic analysis by the Board on gender diversity. This collected valuable information on capitals' nomination processes for Board members and Director's Advisors, barriers to the nomination of women, and gender-related trends in employment. It identified three spheres that can be influenced to varying degrees over a range of time frames by different stakeholders to improve gender diversity:

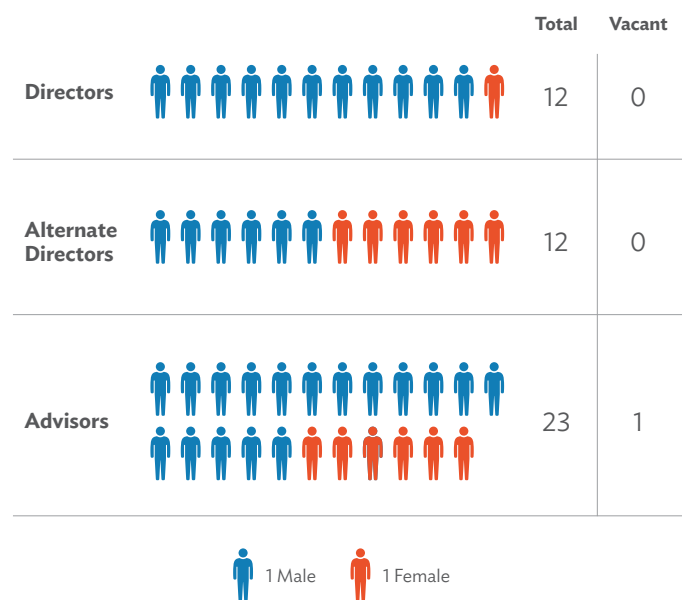
- the wider institutional context of appointing authorities,
- factors associated with the location of ADB's headquarters (e.g., few job opportunities for spouses), and
- awareness raising and better sharing of information by Board members (and Governors).

To address the findings, in 2022 the BWG-GD developed an action plan to sustainably improve gender representation on the Board. Many of the actions will benefit candidates of any gender. The plan focuses initially on the following areas:

- The BWG-GD will develop materials that constituency offices can share with appointing authorities to support their appointment processes. Such materials could help to create a stronger pipeline of applicants by ensuring they are more familiar with the institution and with what is expected as part of the various Board roles.
- The working group will continue discussions with Management to understand and alleviate challenges in attracting women to Board roles—for example, spousal employment and family-targeted benefits.
- The BWG-GD will establish a Board alumni group to support networking opportunities and the informal orientation of new Board members when requested.
- Finally, through consistent data collection and analysis, and the building of informal networks with peer IFIs, the working group will continue to raise awareness on all issues related to gender diversity at the ADB Board and find ways to address constraints.

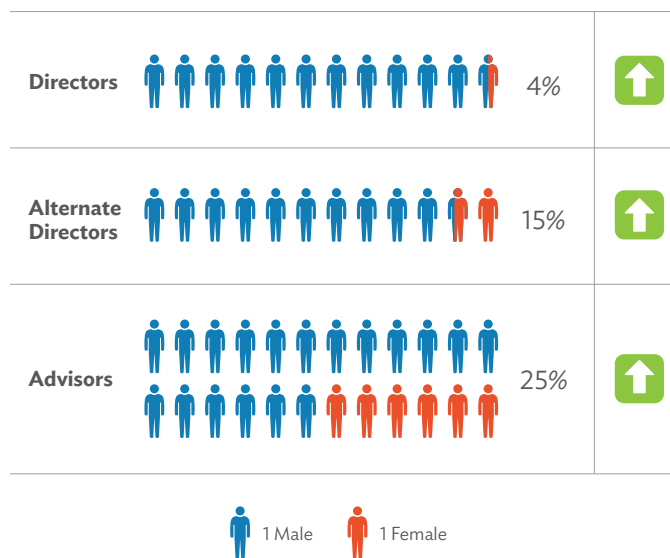
Current State of Gender Diversity at the ADB Board

(as of 31 December 2022)



Historical Average Female Representation at the ADB Board

(2000–2022)



Note: The arrows show the direction of the slight movement between the 2000–2021 historical average and that of 2000–2022.



ADB Board of Directors as of 31 December 2022. *Front, left to right:* Directors Sangmin Ryu, Chantale Wong, Arif Baharudin, Sergio Lugaresi, Anthony McDonald, President and Chairperson of the Board Masatsugu Asakawa, Takahiro Yasui, Sameer Kumar Khare, Noor Ahmed, Wan Farisan bin Wan Sulaiman, Philip Rose, Donald Bobiash. *Back, left to right:* Alternate Directors Damien Horiambe, Karen Murray, Xia Lyu, Alberto Cerdán, David Cavanough, Keiko Takahashi, Md. Azizul Alam, Justine Diokno Sicat, San Thida, Ernesto Braam. *Insert photos, left to right:* Director Weihua Liu; Alternate Directors Roger Fischer, Moushumi Khan.





ANNEX 1

ADB BOARD OF DIRECTORS GENDER PROFILE

Overall, the gender profile of the ADB Directors, Alternate Directors, and Director’s Advisors has been relatively static since 2000. One noteworthy exception has been the steep increase in female Alternate Directors, reaching an all-time high of 50% in 2022 (Figure A.1). Across all three roles, women have filled 18% of positions over the entire period. This proportion has varied between 12.5% and a high point of 27% in 2022, driven by the number of female Alternate Directors (six out of 12) and Director’s Advisors (six out of 24).

Female representation among Directors has been consistently low, at just 4% on average since 2000. Against this backdrop, the Board was pleased to welcome Rachel Thompson in January 2023: her appointment as a second female Director raises the proportion of women in this role to 16%, which was achieved previously only in 2000 and 2016.

Despite the recent increase in female representation at the Alternate Director level, the average percentage of women in this post since 2000 is still relatively low at 15%. In only 5 of the past 23 years has the proportion of women Alternate Directors been 25% or higher; in the other 18 years, women occupied no more than two out of 12 of these posts. In 2 years—most recently in 2017—there were zero female Alternate Directors.

Women have held an average of 25% of Director’s Advisor positions, but the number of women in this post has fluctuated significantly. It is unclear if the current upward trend to 25% female representation can be maintained. The Director’s Advisor role provides important experience for potential future Directors and Alternate Directors at ADB and other IFIs and for future senior officials in relevant ministries. It is therefore important to build on recent momentum to ensure the candidate pool continues to expand.

Figure A.1: 23-Year Profile of Gender Diversity in the ADB Board of Directors
(percentage female; data as of December 2022)

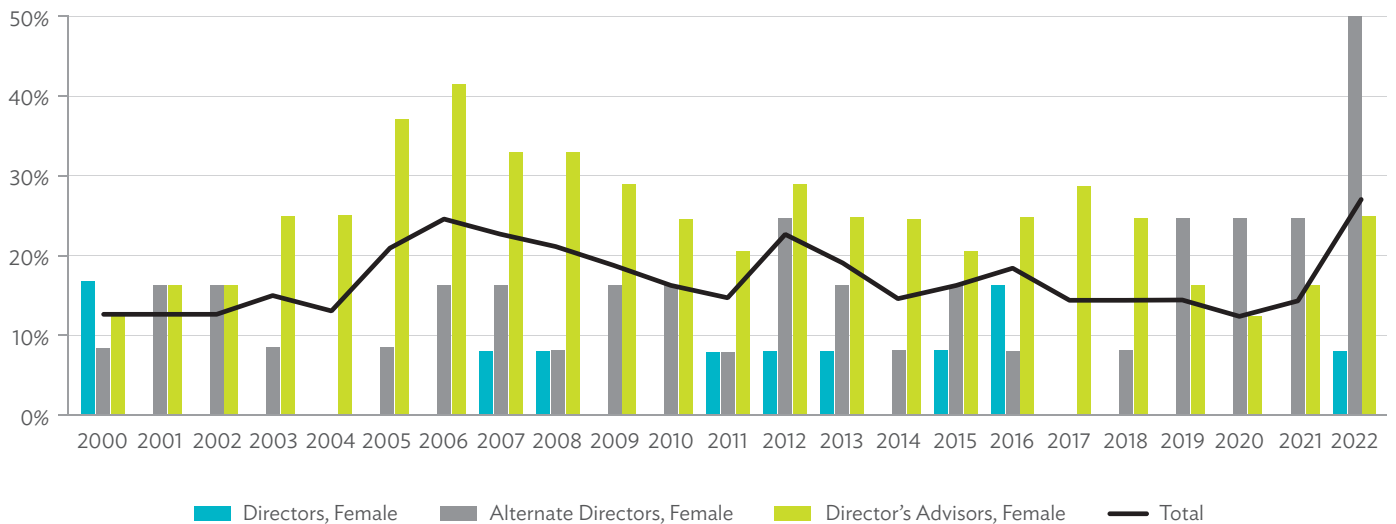
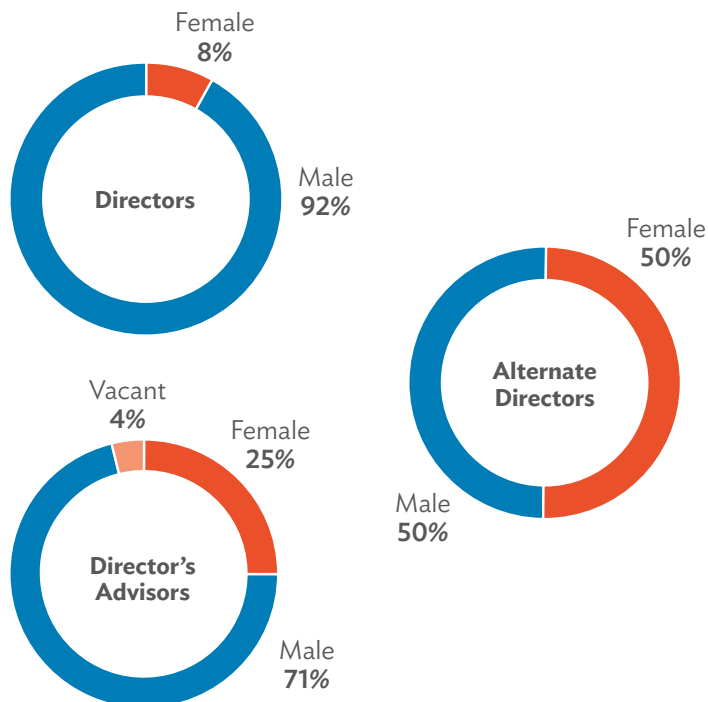


Figure A.2: ADB Board Gender Diversity Profile: 2022 Snapshot

(percentages as of 31 December 2022)



How does the Board profile as of 31 December 2022 compare with its average profile during 2000-2022?

- ↑ At 27% overall **across all roles**, representation of women on the Board in 2022 was higher than the historical average of 18%.
- ↑ With one female **Director**, the proportion of women in this role rose slightly above the historical average of 4%—which represents less than one person.
- ↑ The proportion of female **Alternate Directors**—6 out of 12—reached its highest point in 2022, well above the historical average of 15%.
- = The proportion of women serving as **Director's Advisors** increased marginally from 2021, equaling the historical average of 25%.

Comparison of the ADB Board's gender profile with the World Bank and other international financial institutions

ADB's 2022 gender profile at Director level is compared with regional multilateral development banks, the World Bank, and the International Monetary Fund (IMF) in Figure A.3. This year the Asian Infrastructure Investment Bank is included. Unlike other surveyed IFIs, it has a complete nonresident Board.

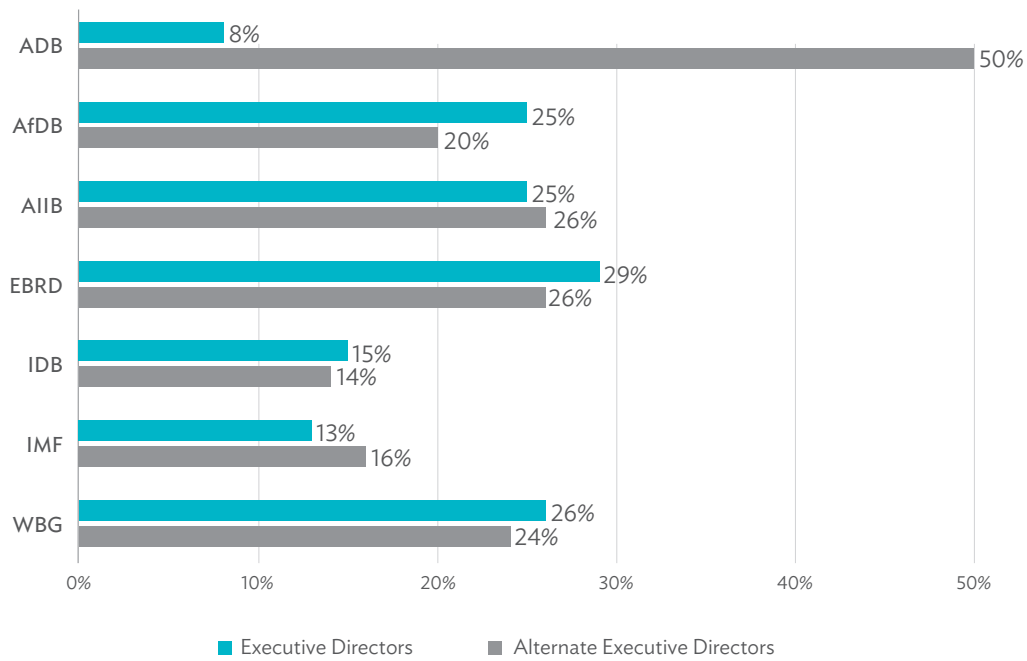
Across the wider IFI family, ADB still fell short in female representation among Executive Directors. However, in relation to Alternate Executive Directors ADB outperformed its peers by a significant margin because of a doubling of women in this role in 2022. (ADB uses the official titles Director and Alternate Director.)

Figure A.4 illustrates Board composition at ADB, the IMF, and the World Bank biennially since 2010. This comparison shows that, apart from in 2012 and 2016, ADB has consistently underperformed on gender representation at Executive Director level. While the World Bank and IMF have seen consistent or upward trends in the number of female Executive Directors, there appears to be far more volatility in such appointments at ADB.

At Alternate Executive Director level ADB achieved gender parity in 2022, placing it ahead of both the IMF (16%) and the World Bank (27%). This is the first time since 2010 that any IFI has reached a fifty-fifty gender balance in that role.

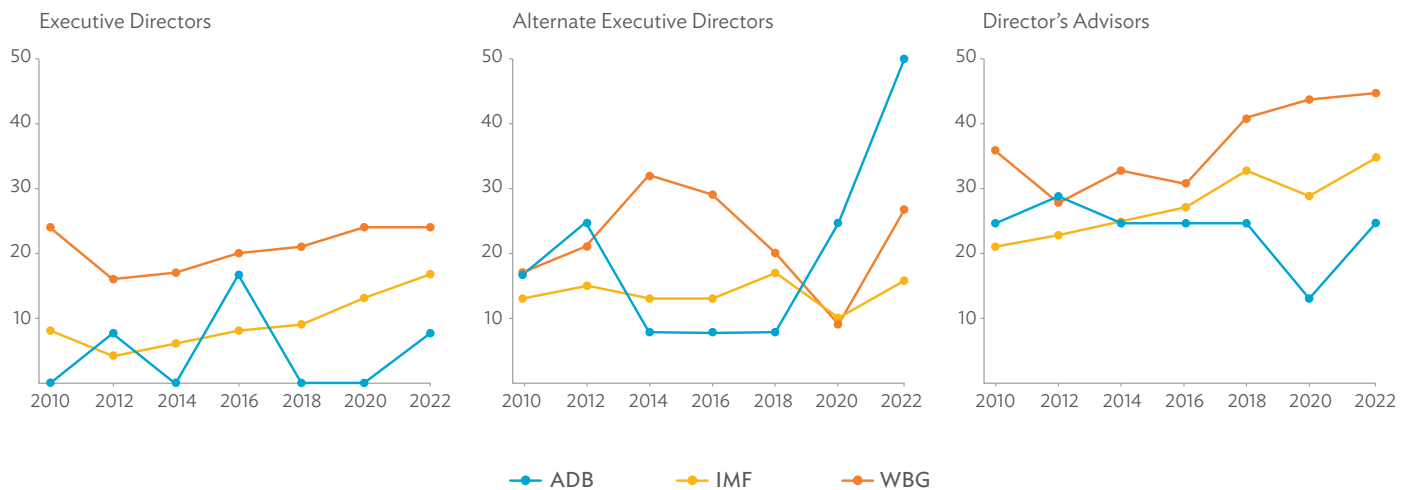
Finally, while 2022 saw a marginal increase in the number of female Director's Advisors at ADB, the bank still lagged behind its peers, some of which were close to reaching gender parity in 2022 (including the African Development Bank, European Bank for Reconstruction and Development, IMF, and World Bank).

Figure A.3: Gender Diversity of Board of Executive Directors at Multilateral Development Banks
(percentage female as of 31 December 2022)



ADB = Asian Development Bank, AfDB = African Development Bank Group, AIIB = Asian Infrastructure Investment Bank, EBRD = European Bank for Reconstruction and Development, IDB = Inter-American Development Bank, IMF = International Monetary Fund, WBG = World Bank Group.
Note: Alternate Executive Directors at the African Development Bank are, with rare exceptions, nonresident.

Figure A.4: Percentage of Female Board Members at ADB, IMF, and WBG since 2010



ADB = Asian Development Bank, IMF = International Monetary Fund, WBG = World Bank Group.
Note: ADB and IMF data as of December 2022, WBG data as of November 2022.



ANNEX 2

BOARD WORKING GROUP ON GENDER DIVERSITY: TERMS OF REFERENCE

Recognizing the strong evidence that Boards are more effective, inclusive, and productive if they are more representative of the diversity of the wider population, including in terms of gender diversity,

Noting the priority given to accelerating progress in gender equality in ADB's Strategy 2030 vision, and that ADB was the first international financial institution to earn EDGE Move, the second level certification for workplace gender equality from the Economic Dividends for Gender Equality, in recognition of its efforts to improve workplace gender equality,

Acknowledging that the importance of the Board of Directors modelling efforts that demonstrate its support for improved gender equality,

Drawing on the experience of gender equality initiatives at the Board of Directors at ADB peer institutions, including the International Monetary Fund and World Bank Group,

Appreciating that ADB Governors appoint Directors, with appointment procedures varying across constituencies,

Noting, that while Directors formally appoint Alternate Directors and nominate Director's Advisors for appointment by ADB, in practice these appointments are made by constituency member governments.

The Board of Directors has formed a standing Working Group on Gender Diversity to:

1. Develop and promote initiatives to improve gender diversity at the Board of Directors, including:
 - identifying constraints to improving gender diversity on the Board of Directors and possible measures to address these constraints;
 - encouraging well-qualified women to seek positions, including through raising awareness about ADB and the work of the Board, and mentoring; and

- working through Constituency Offices to encourage ADB member authorities who make Board appointments to take gender diversity of the Board as a whole into account in Board appointments.

2. Provide input to enable the Board of Directors to inform the Annual Meeting of the Board of Governors on progress on these initiatives and the state of play of gender diversity at the Board of Directors.

Membership

All ADB Directors, Alternate Directors, and Director's Advisors are eligible to be members of the Working Group.

Nominations for membership to the Working Group should be endorsed by the Director of the Constituency Office.

There is no limitation on the number of members of the Working Group from a Constituency Office.

The Working Group should comprise of two co-chairs, at least one of whom must be a woman and one of whom should be a Director, appointed by the Dean following consultation with the Board of Directors.

Decision-making

A quorum for a meeting of the Working Group shall be over 50% of the members of the Working Group, including at least one co-chair, and over 50% of Constituency Offices represented on the Working Group.

Decisions of the Working Group shall be made by consensus as far as possible, but if consensus is not possible on material to be provided to the Board of Directors or the Board of Governors, minority views should also be appropriately reflected.

Date effective: 8 September 2020

Photos: Members of the ADB Board Working Group on Gender Diversity: p. 1 (*back, left to right*): Alternate Director Karen Murray, Director's Advisor Peter Istjan-Hoelzl, Alternate Director Moushumi Khan, Director's Advisor H. Atheli; (*front, left to right*): Alternate Director Ernesto Braam, Director's Advisor Anne Marchal, Alternate Director Keiko Takahashi; p. 5, (*left to right*): Director's Advisor H. Atheli, Alternate Director San Thida, Director's Advisor Hsu-Juan Hou. p. 8 (*left to right*): Alternate Director Ernesto Braam; Director's Advisors Erdenetuya Darinchuluun, Peter Istjan-Hoelzl. Photo of Director Rachel Thompson (p. 3) © Luke Pegrum. Other photos by ADB.