



# Corporate Boards Are More Diverse Than Ever, But the Pace of Growth Is Slowing

*Updated 20 November 2023*

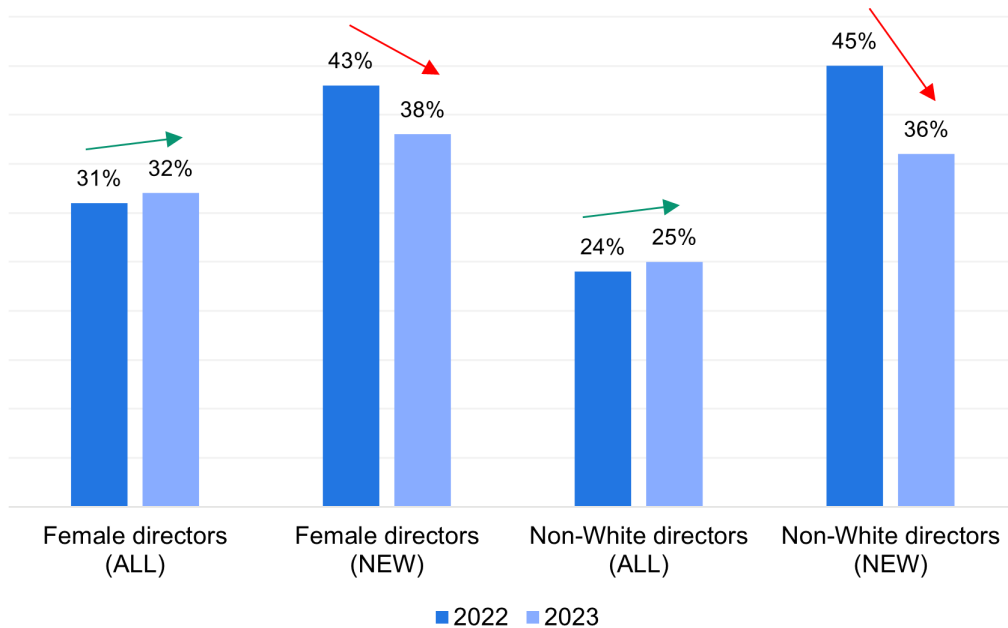
US boards have become significantly more diverse in recent years: the share of female S&P 500 directors increased from 23% (2018) to 32% (2023) and racially/ethnically diverse directors from 20% to 25%. But the pace has slowed, reflecting that the 2023 class of new directors is less diverse than the 2022 class.

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While the actual levels of racial/ethnic diversity may be higher than the reported levels given the reluctance of some directors to self-identify as part of a demographic group, the slowing pace of diversification can also be attributed to low board turnover in 2023.

[The 2023 class of new directors is less diverse than the 2022 class](#)

### Board diversity in terms of gender and race (S&P 500)

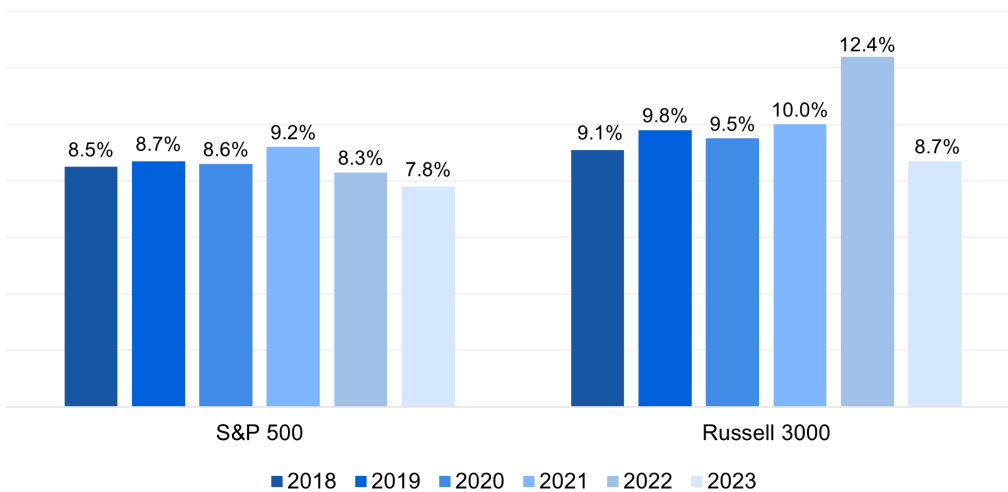


Note: Based on public disclosure data as of August 2023  
 Source: ESGAUUGE/The Conference Board, 2023

In the S&P 500, the share of new directors has fallen to 7.8% in 2023, down from 9.2% in 2021 and 8.3% in 2022. In the Russell 3000, the decline has been even more pronounced, dropping to 8.7% in 2023 from 12.4% in 2022.

### The share of newly elected directors is declining

#### New directors (aggregate rate)



Note: Based on public disclosure data as of November 2023  
 Source: ESGAUUGE/The Conference Board, 2023

There is tremendous value in board continuity, so there is a natural limit to the average

number of new directors that boards will want to add each year. Nonetheless, boards seeking to diversify their membership can do four things: 1) discuss whether the board is optimizing the benefits of its current diversity; 2) ensure board consensus about the benefits of diversity and how it will be factored into the director selection process; 3) consider what any new directors they recruit will add to the culture of the board, rather than focusing only on a cultural fit; 4) have mechanisms in place to [encourage board refreshment](#).

*Our latest report*—featuring data from analytics firm ESGAUGE, and produced with the support of Debevoise & Plimpton, the KPMG Board Leadership Center, Russell Reynolds Associates, and the John L. Weinberg Center for Corporate Governance—addresses the current state of diversity in boardrooms and provides insights on how to maximize the benefits of a diverse board.

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