



# African American representation on Fortune 1000 boards

2022 edition



# Introduction

Board composition remains in sharp focus as boards continue efforts to increase their diversity amid ongoing calls for boardrooms to better reflect the diversity of the customers they serve, their employees, and the communities in which they operate. Unfortunately, studies of the racial and ethnic backgrounds of directors and executives have historically been limited by a lack of data.

However, the growing list of global regulations related to board diversity disclosures, including Nasdaq's Board Diversity Rule, as well as institutional investors' and proxy advisory firms' expectations for transparency reflected in their updated proxy voting policies have begun to have an impact. Despite this progress, thorough studies of the racial and ethnic background of corporate directors require laborious research and are rarely conducted. To fill this gap in the study of diversity of corporate leadership and American boardrooms, the KPMG Board Leadership Center (BLC) partnered with the African American Directors Forum (AADF) to publish our inaugural study examining African American representation on public Fortune 1000 boards in 2020.

The increased attention to systemic racism following the murder of George Floyd in May 2020 and subsequent widespread protests helped to bring attention to the underrepresentation of African Americans in U.S.

boardrooms. Numerous stakeholders acknowledged the need to increase the representation of African Americans in the boardroom and many companies added African American directors to their board after June 2020.

Our follow-up study in 2022 finds that although there is still work to be done, significant progress has been made, particularly since the social justice movement in the spring of 2020. Just over three-quarters (76 percent) of public Fortune 1000 companies had at least one African American director serving on their board as of September 2022, compared with 61 percent at the end of 2020. However, less than a quarter of those companies had more than one African American director. Additionally, our analysis finds that the pace of these additions has slowed since the notable increase in companies adding African Americans to their boards after the events of June 2020.

Misconceptions about a lack of "board-ready" African American candidates persist. This is not a supply pipeline issue. There is an impressively robust pool of qualified African American business leaders with expansive business experience ready and willing to contribute in the boardroom. We will continue to examine the prevalence of African American directors serving on the boards of large U.S. companies in order to highlight the progress being made and the need for continued action.



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**Senior Advisor**  
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**Darlene Motley, Ph.D**  
**Co-Founder**  
African American Directors Forum

# Prevalence of African American directors on public Fortune 1000 boards

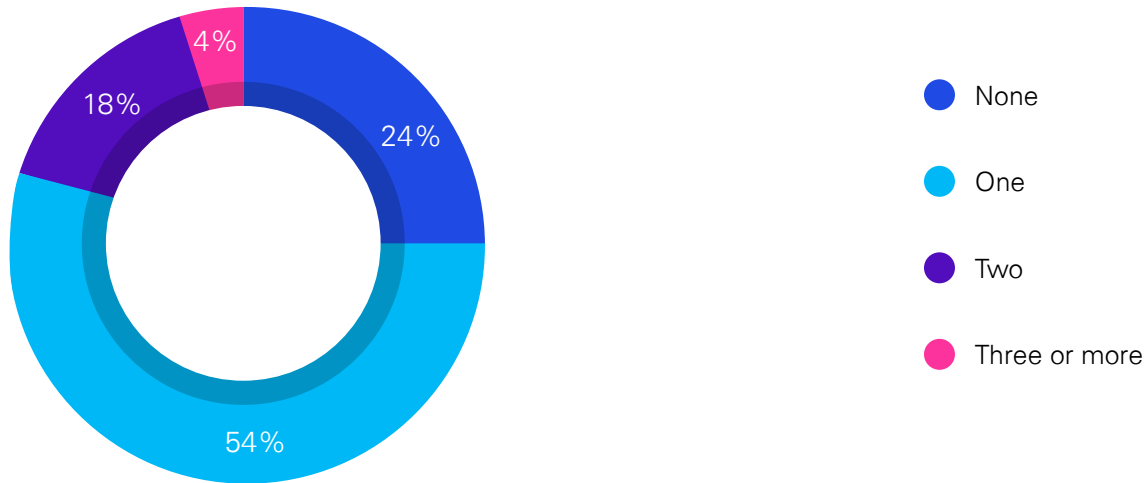
This is the second study of the representation of African American directors serving on boards of publicly traded Fortune 1000 companies (hereafter, referred to as public Fortune 1000 boards) conducted by the AADF and the KPMG BLC. The inaugural study, conducted in 2020, highlighted the need for more large U.S. companies to include African American directors in their boardrooms. While there has been some progress since 2020, our current research finds that 10 percent of public Fortune 1000 board seats were held by African American directors as of September 2022. In comparison, African Americans represent 14 percent of the U.S. population.<sup>1</sup>

<sup>1</sup> U.S. Census Bureau QuickFacts, population estimates as of July 1, 2021.

Although African Americans are still underrepresented in the boardrooms of public Fortune 1000 companies, there has been a significant increase in the proportion of these companies with at least one African American in the boardroom. Just over three-quarters (76 percent) of the companies studied had at least one African American director as of September 2022, compared to only 61 percent in 2020. However, it is still uncommon for public Fortune 1000 companies to have multiple African American directors; less than a quarter (22 percent) of these companies had more than one African American serving on their board.

## Number of African American directors on public Fortune 1000 boards

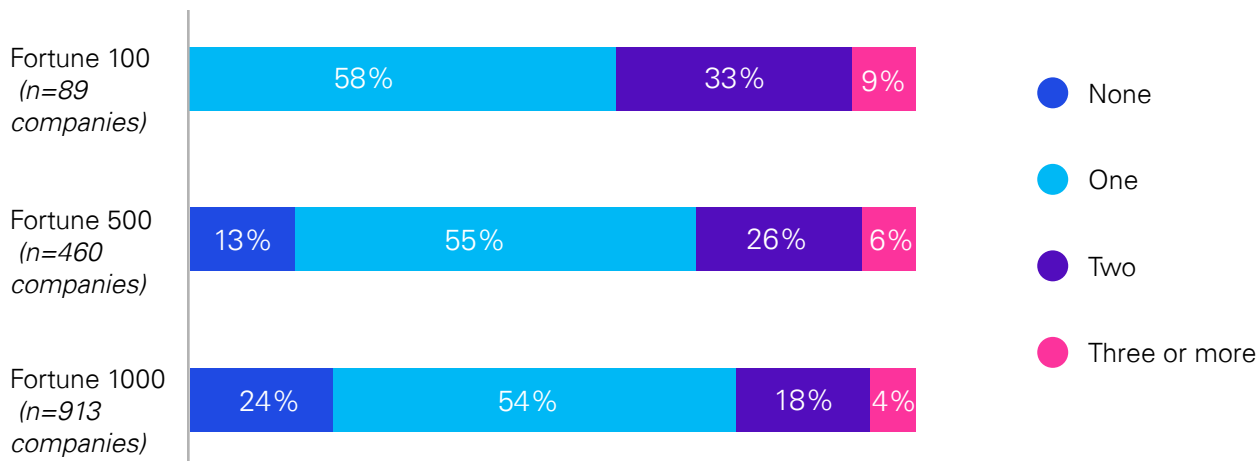
*n=913 companies*



Larger companies are more likely to have African American directors than smaller companies. For the first time, all of the largest U.S. public companies—those on the Fortune 100 list—have at least one African American director. In fact, nearly one in ten (9 percent) of these companies have three or more African Americans on the board.

## Number of African American directors on public Fortune boards

*Comparison by company size (Fortune rank)*

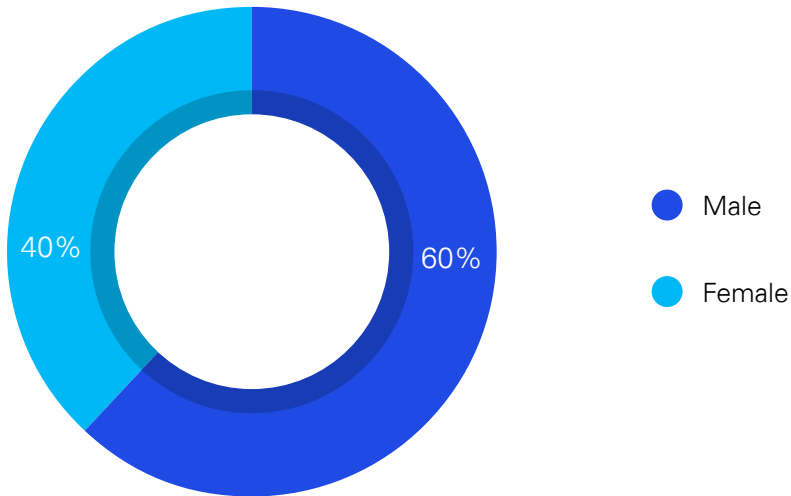


## Director gender

While the focus on board diversity has expanded to include directors' racial and ethnic background, as well as other aspects of diversity, gender diversity in the boardroom remains an important topic. In 2022, more than one quarter (28 percent) of the directors serving on public Fortune 1000 companies were women. Gender diversity was higher among African American directors studied, as 40 percent were women.

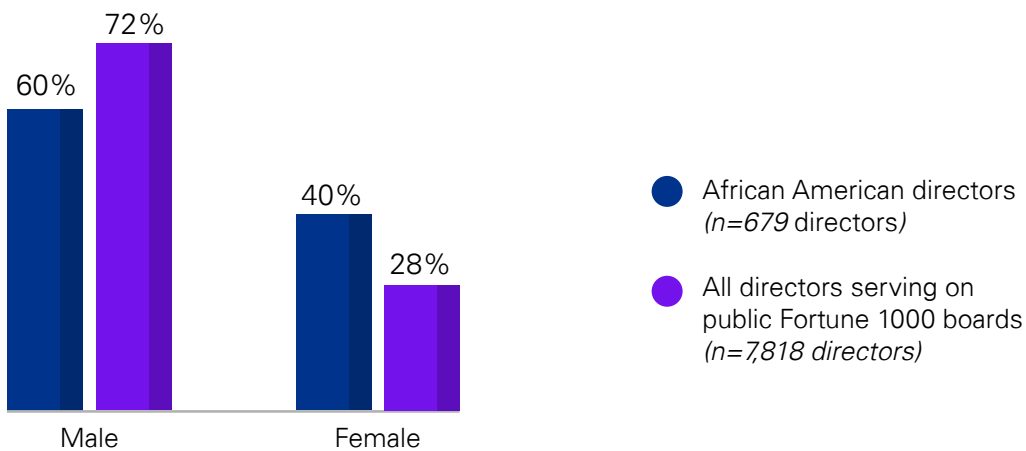
### Gender of African American directors serving on public Fortune 1000 boards

*n=679 directors*



## Director gender

### Comparison of African American directors to all public Fortune 1000 directors



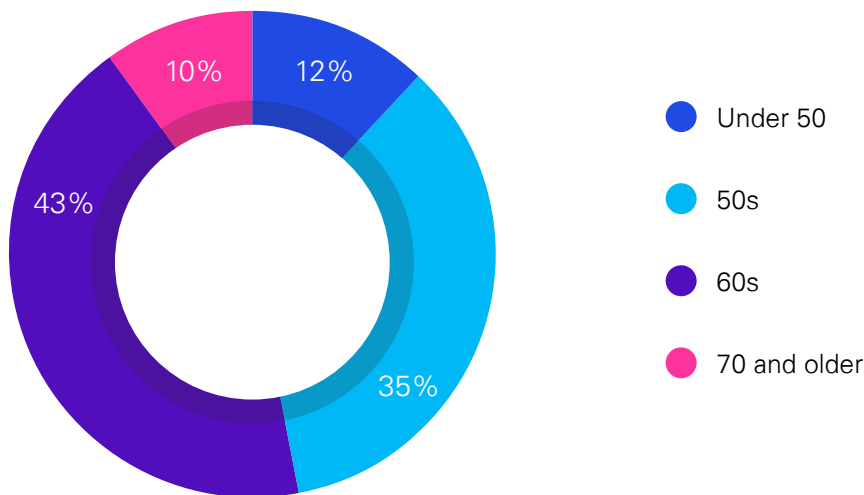
## Director age

Boards are increasingly looking beyond CEO and CFO experience when seeking new director candidates. Expertise in technology, cybersecurity, human capital management, and climate risk are sought by many boards as they are looking to gain greater oversight of today's risks, opportunities, and challenges. Younger directors in particular may be able to offer expertise in these emerging areas of board oversight.

In general, the African American directors studied are younger than all public Fortune 1000 directors. Nearly half (47 percent) are under 60 years old, compared to 36 percent of all public Fortune 1000 directors. In addition, only 10 percent of the African American directors studied are 70 or older, compared to 20 percent of all public Fortune 1000 directors. The average age of the African American directors is 59, compared to 62 for all public Fortune 1000 directors.

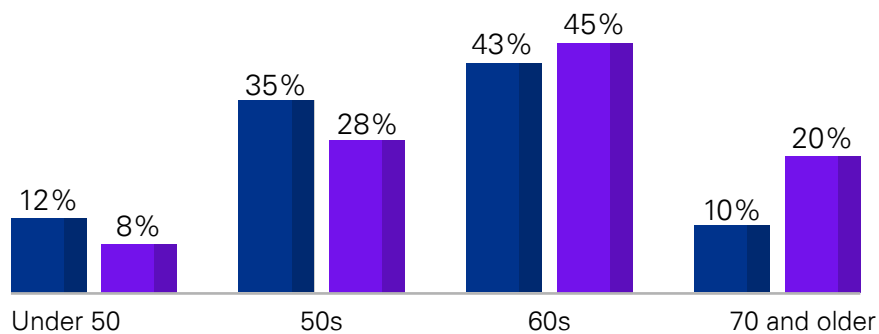
### Ages of African Americans serving on public Fortune 1000 boards

*n=673 directors; ages not available for 6 directors*



## Director ages

### Comparison of African American directors to all directors serving on public Fortune 1000 boards



● African American directors  
(*n=673 directors; ages not available for 6 directors*)

● All directors serving on public Fortune 1000 boards  
(*n=7,725; ages not available for 93 directors*)

Note: Does not equal 100% due to rounding.

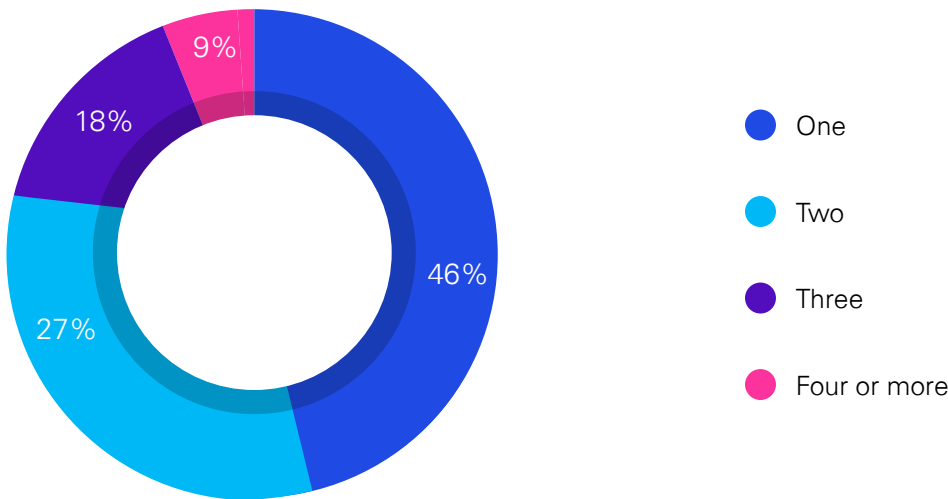
## Board service

There are pros and cons to serving on multiple public company boards. The benefits include the ability to bring the experience and governance practices learned from one board to the others. However, concerns about the time commitment that board service requires, especially in times of crisis, have increased scrutiny of the number of public company board seats held by directors—though policies regarding overboarding vary.

Despite concerns that diverse directors in particular might become “overboarded” (i.e., serving on too many boards) as a result of the recent push for board diversity, this study does not find these concerns to be realized when it comes to African American directors. While a majority (54 percent) of the African American directors studied serve on more than one public company board, and just over a quarter (27 percent) serve on more than two, most institutional investors and other observers do not consider a director (who is not a public company CEO or executive) to be overboarded unless they serve on more than four or five public company boards. There are only four African American directors in this study who serve on five or more boards.

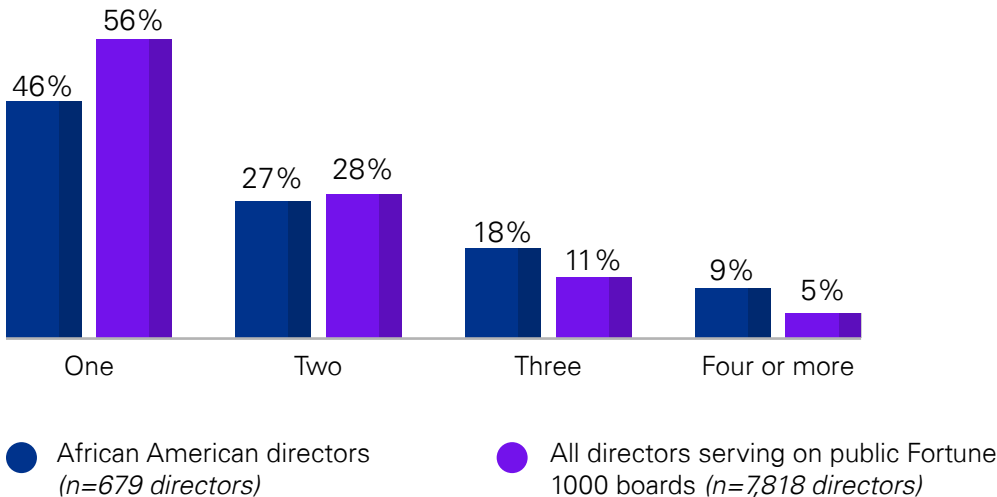
### Number of public company boards on which African American directors serve

*n= 679 directors*



### Number of public company boards on which directors serve

*Comparison of African American directors to all directors serving on all public Fortune 1000 boards*

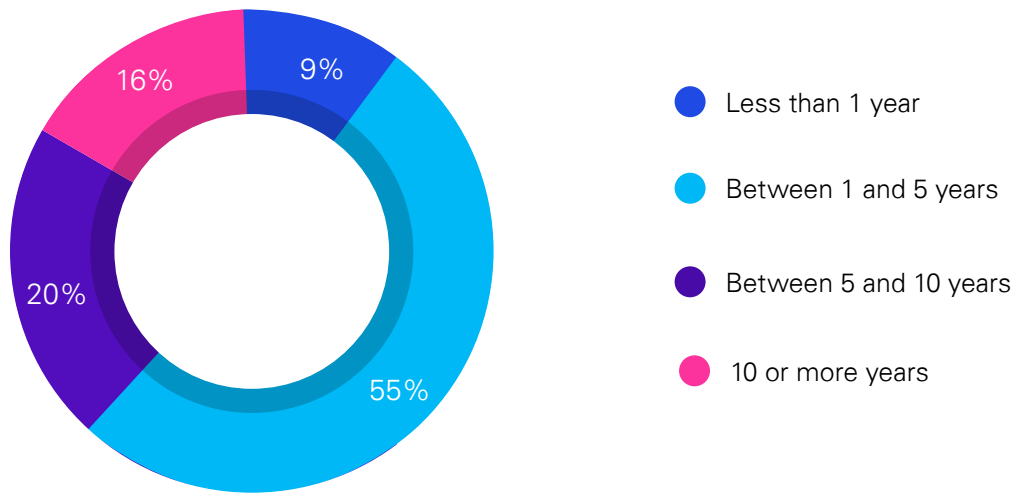


## Board tenure

While there has been progress in the representation of African Americans in Fortune 1000 boardrooms since our last study, an analysis of director tenure shows that much of that progress was made in the years following the murder of George Floyd in May 2020, which prompted even more scrutiny of the diversity of corporate leadership. Forty percent of the African American directors in this study joined their boards after June 1, 2020. A year-over-year comparison shows that 28 percent of the African American directors in this study joined their boards between September 2020 and September 2021. Nine percent joined their boards between September 2021 and September 2022, potentially indicating that recruitment of African American directors has begun to return to pre-2020 levels.

### Tenure of African American directors serving on public Fortune 1000 boards

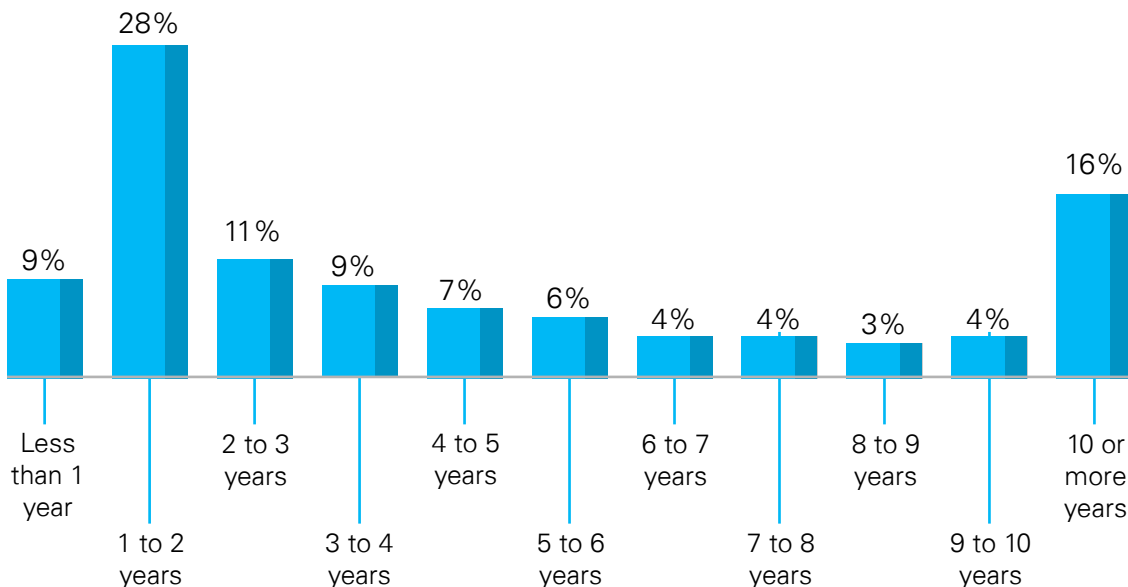
As of September 1, 2022; n=936 board seats



### Tenure of African American directors serving on public Fortune 1000 boards

#### Breakdown by year

As of September 1, 2022; n=936 board seats



Note: Does not equal 100% due to rounding.





# African American board leaders

African American directors served as board chair at

**13**

public Fortune 1000 companies.

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**1**

of these African American board chairs also held the CEO role of the company.

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African Americans served as lead independent director on

**18**

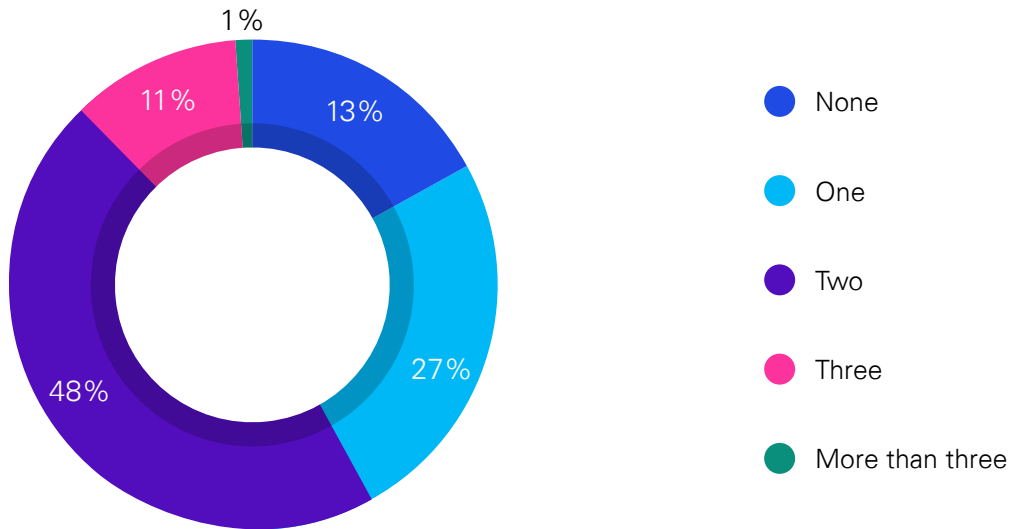
public Fortune 1000 boards.

## Committee service

Much of the important work of the board is conducted by its committees and it is common for directors to serve on more than one committee. Similar to all public Fortune 1000 directors, the vast majority of the African American directors studied serve on at least one board committee, and they most commonly serve on two committees.

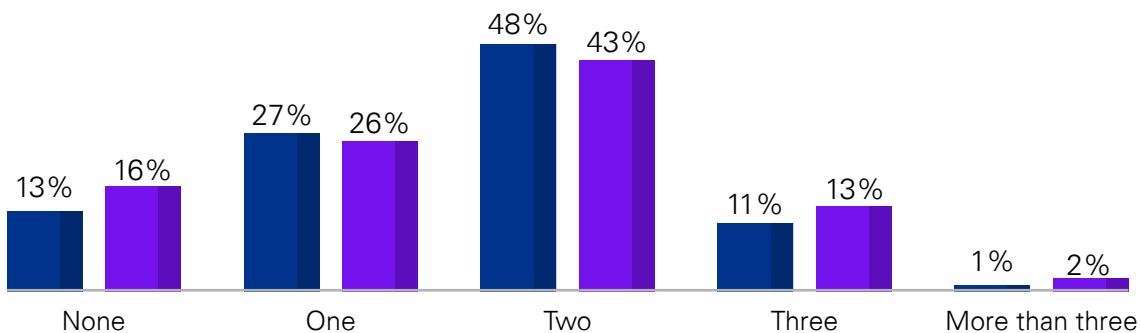
### Number of board committees on which African American directors directors serve

*n=936 board seats*



### Number of board committees

*Comparison of board seats held by African American directors to those held by all public Fortune 1000 directors*



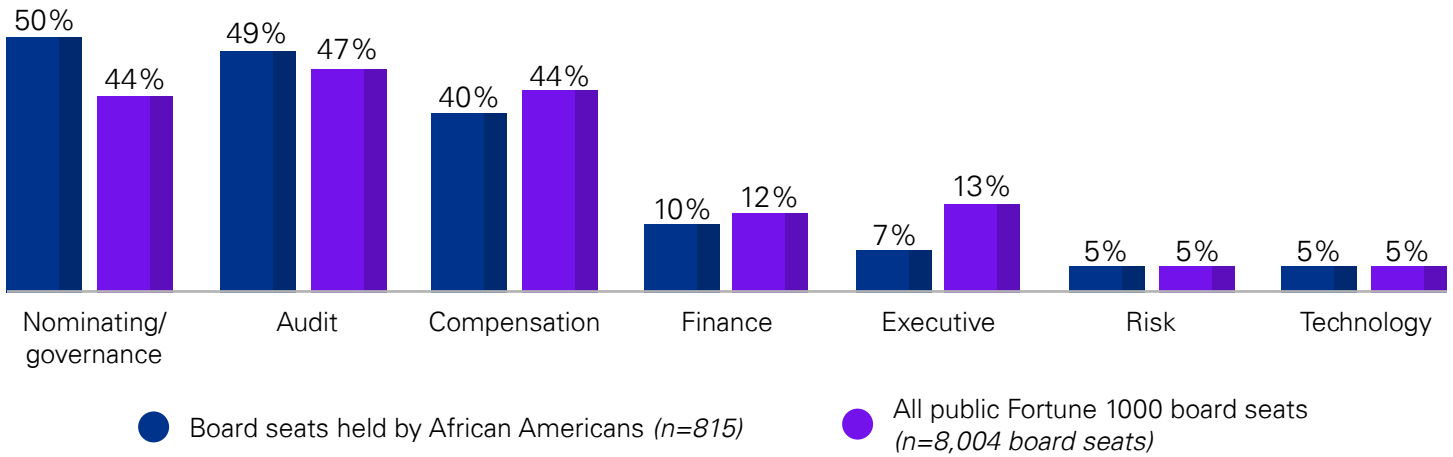
● Board seats held by African American directors (*n=936* board seats)

● All public Fortune 1000 board seats (*n=9,512* board seats)

The African American directors studied who serve on board committees most commonly serve on the nominating and governance committee and/or the audit committee. African American directors are slightly more likely to serve on these committees compared to all public Fortune 1000 directors. It is notable that half of the African Americans who serve on board committees serve on the nominating/governance committee.

## Board committees on which African American directors serve

*Multiple committees possible*

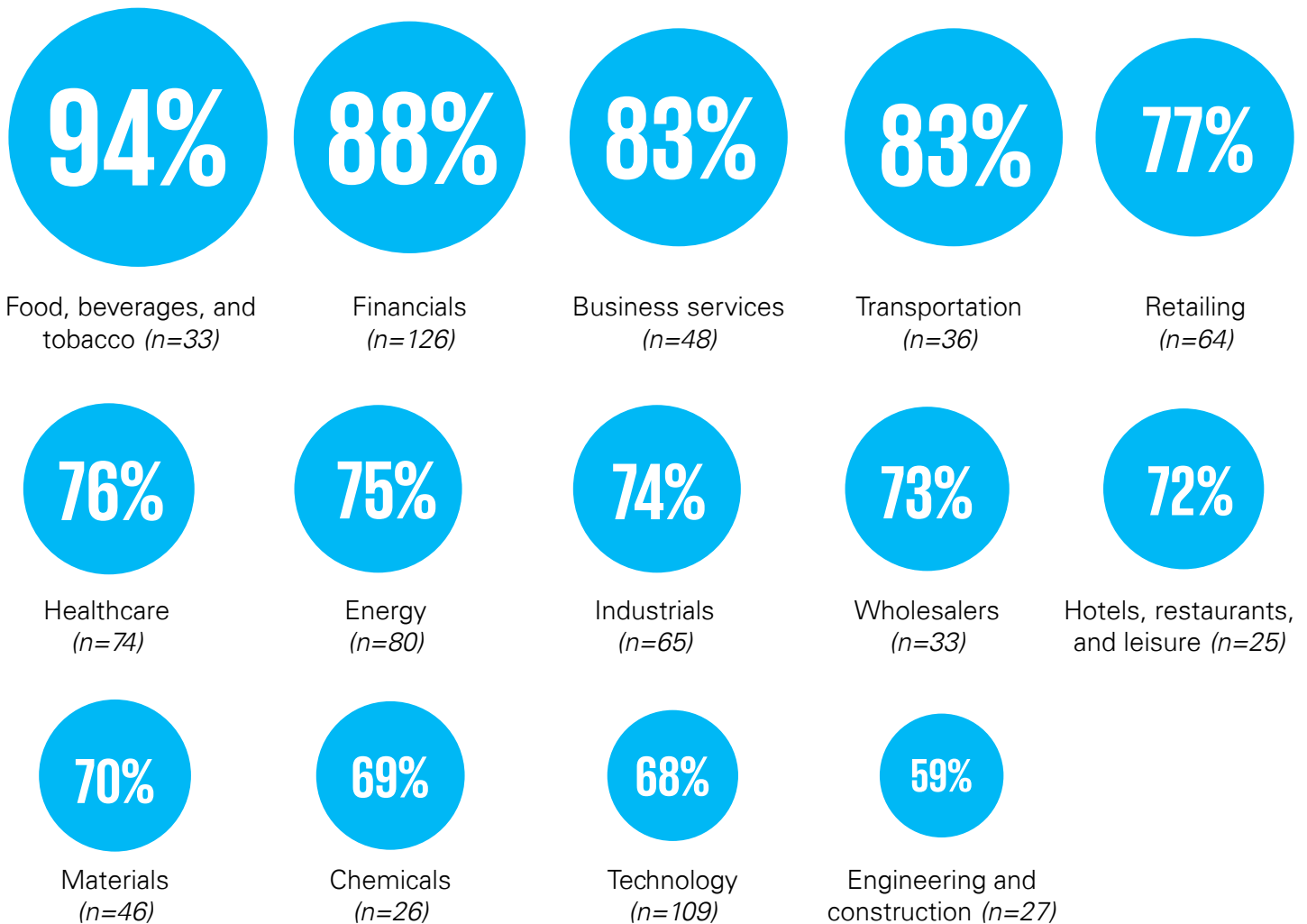


## Comparison by industry<sup>2</sup>

Companies in different industries have needs for different expertise and perspectives in the boardroom. Examining board composition by industry provides insight into the extent that diverse perspectives are considered during deliberations in the boardroom.

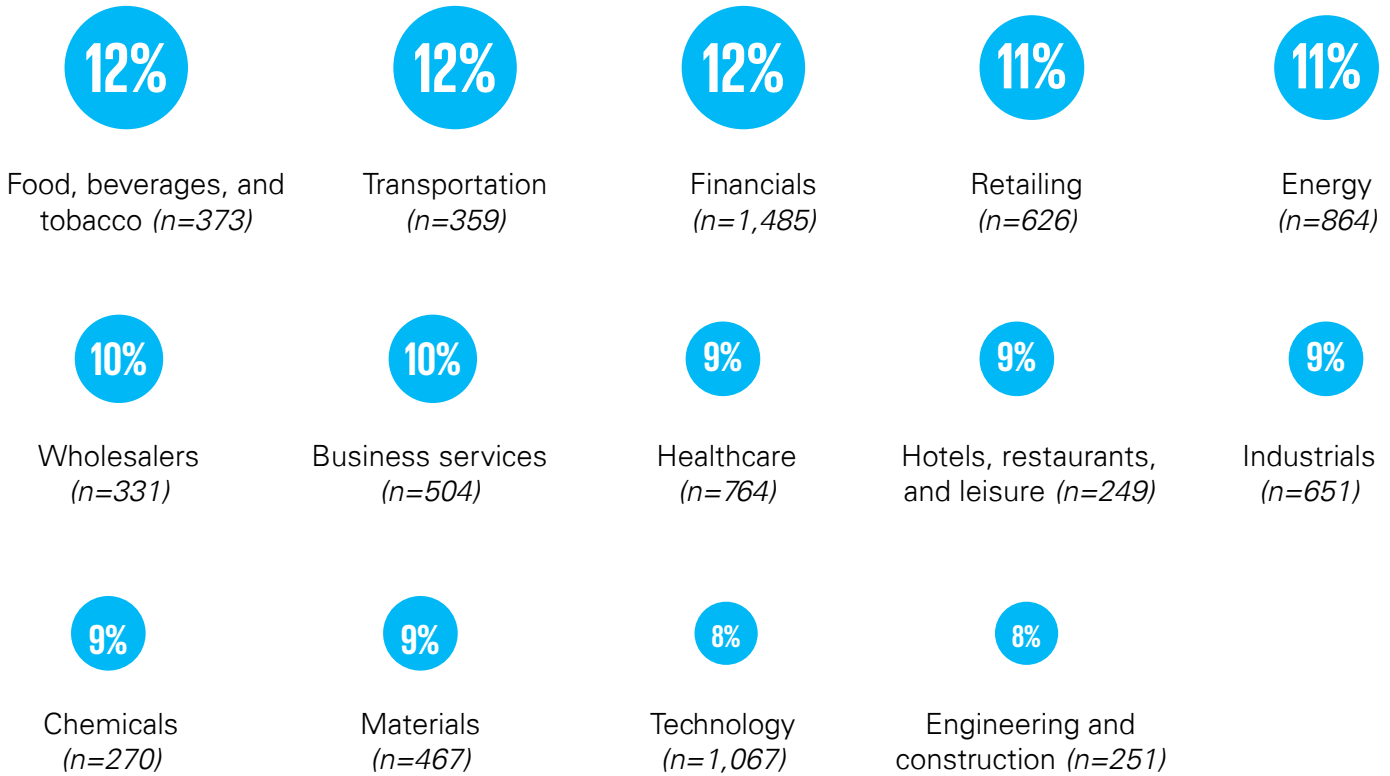
Among public Fortune 1000 companies, those in the food, beverages, and tobacco industry are most likely to have at least one African American director on their board. In fact, nearly all (94 percent) companies in this industry have an African American director. Companies in the financials, business services, and transportation industries are also among the most likely to include an African American director on the board. On the other hand, engineering and construction companies are the least likely to have at least one African American on the board and nearly one-third (32 percent) of public Fortune 1000 technology companies have no African American directors. It is notable a majority of the companies in each industry analyzed now have at least one African American director.

### Percentage of public Fortune 1000 companies with at least one African American director Comparison by industry



<sup>2</sup> Only those industries with more than 25 public companies on the 2021 Fortune 1000 list were analyzed.

## Percentage of board seats held by African American directors Comparison by industry

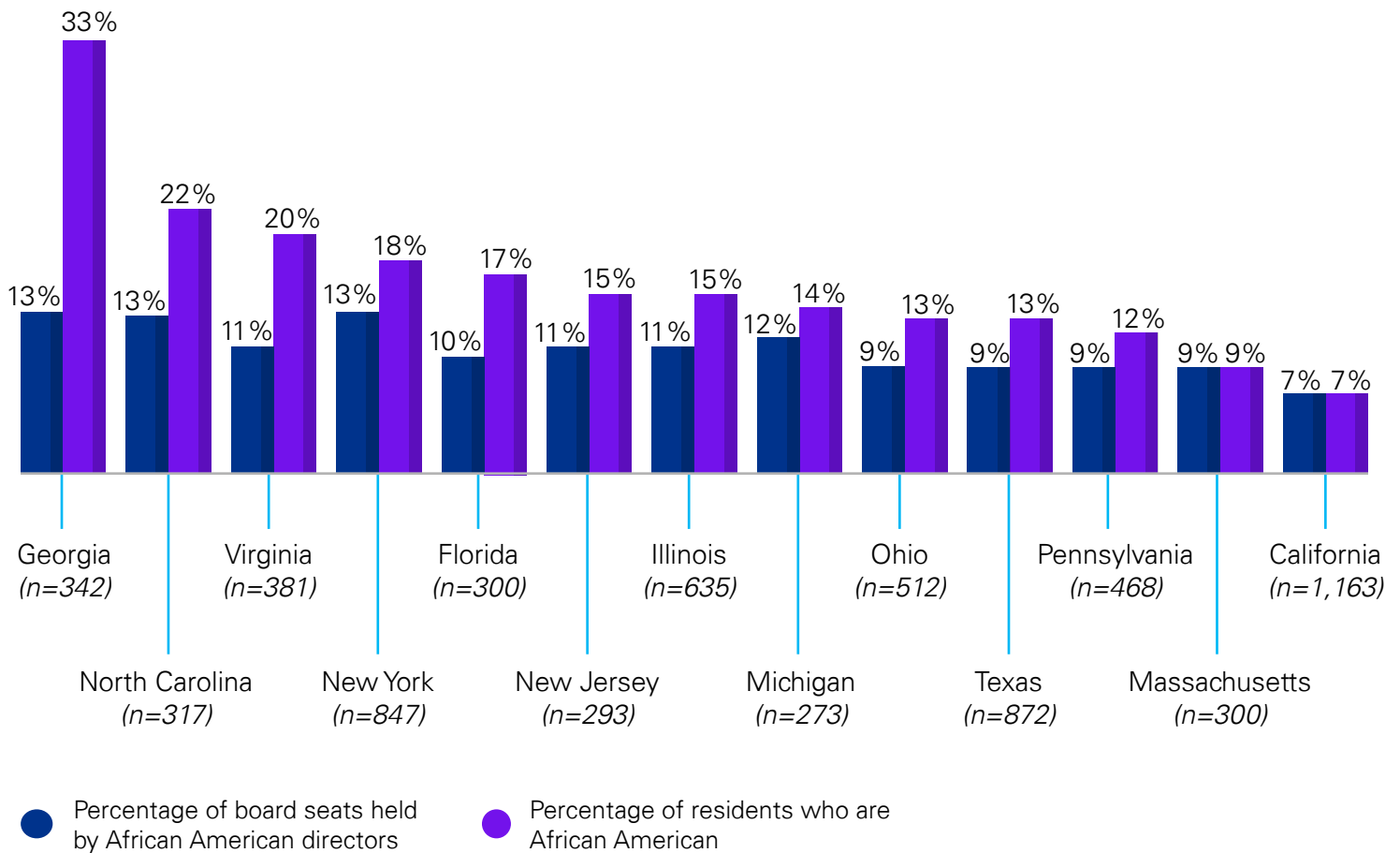


## Comparison by state of corporate headquarters

In most of the states in which at least 25 public Fortune 1000 companies are headquartered, the percentage of residents who are African American is higher than the percentage of board seats held by African Americans among the companies headquartered in the state. The biggest difference is in Georgia, where 33 percent of the residents are African American, but only 13 percent of the board seats of the public Fortune 1000 companies headquartered in Georgia are held by African American directors.

### African American population compared to percentage of board seats held by African American directors

*n=number of board seats*



# Methodology

This report presents analyses of the African American directors serving on the boards of the 913 publicly traded companies in the 2021 Fortune list that were also on the 2021 Russell 3000 Index list (“public Fortune 1000 companies”). These companies have 9,512 board seats. Since many directors serve on more than one of these boards, 7,818 unique individuals serve in these board seats. The director universe is used when the analysis is related to the individual director (e.g., age, gender, number of public company boards), while the board seat universe is used when the analysis relates to the features of board service unique to each board on which the director serves (e.g., tenure, committee service).

In most cases, the director and governance data for the public Fortune 1000 companies were provided by Equilar, Inc., a corporate leadership data firm, and pulled from the companies’ most recent proxy statements. In some cases, the data was collected by the KPMG BLC from company proxy statements or Form 8-K filings.

African American directors serving on public Fortune 1000 company boards were identified by AADF—based on personal knowledge of the individuals, directors’ self-reported information in proxy statements, and other publicly available company documents—or from the Equilar Diversity Network available from Equilar’s BoardEdge platform, which includes self-reported race and ethnicity for thousands of corporate directors. Using this process, 679 African American directors were identified as serving in 936 public Fortune 1000 board seats as of September 2022.



## About the author

Annalisa Barrett is a senior advisor with the KPMG Board Leadership Center, where she leads research projects and develops thought leadership, in addition to providing insights to corporate boards on emerging trends in corporate governance.

## About the African American Directors Forum

The African American Directors Forum (AADF) has established itself as one of the country's most respected forums for African American board directors. It hosts forums across the country that focus on knowledge sharing, community-building board placements, and preparing for leadership roles on boards. Now in its eighth year, the AADF community includes many of the most prominent African American executives and the most iconic companies in the country supporting these efforts.

## About the KPMG Board Leadership Center

The KPMG Board Leadership Center (BLC) champions outstanding corporate governance to drive long-term value and enhance stakeholder confidence. Through an array of insights, perspectives, and programs, the BLC—which includes the KPMG Audit Committee Institute and close collaboration with other leading director organizations—promotes continuous education and improvement of public and private company governance. BLC engages with directors and business leaders on the critical issues driving board agendas—from strategy, risk, talent, and ESG to data governance, audit quality, proxy trends, and more.

Learn more at [kpmg.com/us/blc](https://kpmg.com/us/blc).

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