



The Female FTSE Board Report **2012**
Milestone or Millstone?

Dr Ruth Sealy and Professor Susan Vinnicombe OBE
Cranfield International Centre for Women Leaders

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The Female FTSE board report 2012

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Female FTSE Report

Getting more women onto the boards of our top companies is good for our economy and good for women. There is growing evidence that companies with more diverse boards perform better: achieving higher sales, higher returns on invested capital and higher returns on equity. This report shows that more and more of our top companies are recognising the fresh perspectives, innovative ideas and experience that top women can bring. They know that a company board that better reflects its customers is better able to understand their needs. And, as this report shows, our best businesses are taking action.

Over the past year we have seen an unprecedented increase in the number of women on boards. If we continue to make such strong progress, by 2015 we could more than double the percentage of women on boards from when we started work in this area. That is hugely encouraging news.

I am also pleased to see that the number of all male boards in the FTSE 100 has nearly halved. In the modern world, there can be no excuses for having a male-only board. That is why it is also encouraging to see that the majority of FTSE 250 companies have at least one woman on their board for the very first time. That the increase of women on FTSE 250 boards has come equally from companies appointing the first woman to their board as companies appointing their second woman also provides us with reassurance that this is not mere tokenism.

There is no doubt that Lord Davies' tremendous work on this issue has been the key driving force. But I also want to thank the companies and organisations that have helped bring about the progress we have seen. The Financial Reporting Council's amendments to the Corporate Governance Code will strengthen the principle of boardroom diversity. The new code on diversity developed by the head-hunting industry will help bring forward a wider range of candidates. And the involvement of investors who are increasingly asking companies to demonstrate their commitment to this agenda is another welcome sign.

I also want to praise the companies involved and especially those who have set aspirational targets for the number of women on their boards. They are publicly demonstrating that they are the most forward thinking companies in this country. Every big business should follow their lead.

I am proud of the progress made by British business, but there is still a long way to go. So we will now be working with business, with Lord Davies and with other key organisations to maintain and accelerate momentum. In particular, I want us to look at how we improve the number of women holding senior executive positions as well as those holding non-executive directorships.

This report shows that a business-led approach can bring rapid, real and impressive results. It is now up to business to go further and faster. We will be supporting and encouraging business to continue achieving the positive change that is good for women, good for business and good for Britain's economy.

A handwritten signature in blue ink, appearing to read 'Theresa May'.

Rt Hon Theresa May MP

Home Secretary and
Minister for Women and Equalities



From The Chairman

When I talk to my fellow chairmen, I am heartened that they are prioritising gender balance in their organisations, not only because it is the right thing to do, but more importantly because they recognise the benefits for their businesses and for society of drawing from the widest talent pool available and of building the strongest leadership teams we can.

A year on from the spur of the Lord Davies report, we are already seeing positive measurable impact. Indeed the last year has seen the fastest pace of change since the inception of the Female FTSE Board Report, and the 2011 report also indicates that the momentum continues to grow.

There is still much to be achieved, however, and those of us who sit on FTSE boards must continue to drive this transformation purposefully within our organisations.

At Barclays, Citizenship is one of our four execution priorities, and creating an environment conducive to gender balance is at the heart of our diversity and inclusion agenda. Citizenship spans all elements of our business and incorporates colleagues, customers and clients, and the communities in which we operate. We work actively to recruit, retain, develop and promote the best people, and are keen to increase the number and proportion of women in leadership roles. Indeed, our commitment to ensuring that our board is made up of individuals with an appropriate range of skills and experiences recognises the benefit of diversity, in all senses of the word.

I am extremely proud of the work Barclays does within our organisation to meet our commitments in this area. Our support of the Female FTSE Board Report continues, because Cranfield's research helps to move the debate nationally and internationally. We are proud to play our part.

Marcus Agius
Barclays Chairman

Female FTSE Index and Report 2012

Ruth Sealy & Susan Vinnicombe

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Executive Summary

Female FTSE Board Report 2012 Milestone or Millstone?

2012 has seen a step change in the number of women appointed onto FTSE 100 companies following the publication of the Davies Report in February 2011. The number of women holding 163 FTSE 100 board seats is 141, an increase of 25 on the 2010 figures. There are now 20 female executive directorships and 143 female non-executive directorships. Overall the percentage of board directors who are female is 15%, an uplift of 2½% on what was a three year plateau. The number of companies with no women on the board has dropped to 11 and the number of companies with more than one woman on the board has increased to 50.

Table 13: FTSE 100 and FTSE 250 Comparison

At January 2012	FTSE 100	FTSE 250
Female-held directorships	163 (15%)	189 (9.4%)
Female executive directorships	20 (6.6%)	28 (4.6%)
Female non-executive directorships	143 (22.4%)	168 (11.4%)
Companies with female executive directors	17 (17%)	25 (10.0%)
Companies with at least one female director	89 (89%)	135 (54%)
Companies with multiple female directors	50 (50%)	47 (18.8%)

Top Ranking of Female FTSE 100

In top place of this year's ranking is Diageo with four women, comprising 44.4% of their board. One of the four is Chief Financial Officer and there are three non-executives (NEDs). In second place is Burberry, with three women out of eight directors, which is one of only three FTSE 100 companies that have two female executive directors (EDs). Burberry has both Chief Executive and Chief Financial Officer roles held by women. In third place is Pearson, who have also had two female EDs for a number of years and have recently added a second female NED, taking their total number of women to four (33.3%). Morrison Supermarkets, Whitbread and AstraZeneca all continue to do well with percentages of 28%, 27% and 27% respectively. Intercontinental Hotels have added a female ED and head a further group of nine companies who have already achieved the target of 25% set by Lord Davies. In joint 16th place are Royal Bank of Scotland and Marks & Spencer, each with three women out of 13 board members (23%).

Marks & Spencer is the third company with two female EDs and since taking the data for this report in January, they have added a fourth female director. This would have put them in joint 4th position, with 29%.

FTSE 250

Of the FTSE 250 companies, 135 (54%) now have women in their boardrooms, finally making those all-male boards a minority. This figure of 135 has increased from 119, but interestingly the number of companies with two female directors has also increased substantially from 25 to 40. This indicates that the overall percentage increase of women on FTSE 250 boards has come equally from companies placing their first and also their second woman on the board. There are now 10 female CEOs and seven finance directors on the FTSE 250 boards.

The New FTSE 100 Director Appointments 2012

The Davies Report 2011 requested that FTSE 350 companies set themselves targets for the percentage of women on boards they aimed to achieve by 2015. It recommended a minimum target of 25% for FTSE 100 companies. Based on the turnover figures from previous Female FTSE Reports (an average of 14% over six years), the Davies Report calculated that if one third of all new FTSE 100 board appointments were given to women between 2011 and 2015, then from a starting point of 12.5% female directors, a figure of 23.5% could be achieved across the FTSE 100 companies by 2015.

In the 12 months preceding January 2012, the percentage of new appointments going to women was almost 25%. Whilst this figure does fall short of the Davies target of 33%, there has been an increase in the turnover of board seats, which now stands at 17.5%, which will, of course, also affect the pace of change. In the year to January 2012, 47 new appointments were taken by women, so this is almost on the target of 50 set by Davies and shows a substantial turnaround of behaviour from those involved in the appointment process.

As a result we have made some changes to the underlying assumptions in our model predicting the percentage of women on FTSE 100 boards in the future. This now indicates that 26.7% of directors will be women by 2015 and 36.9% by 2020. These figures exceed the targets set in the Davies report, but will only be achieved if the momentum for changing the gender balance of boards continues.

The Female Pipeline

Thirty-four of the FTSE 100 companies provided the percentages of women in the workforce and at junior, middle, senior and executive level. Forty companies provided pipeline data from FTSE 250 companies. The picture across these companies in general is very varied. Clearly some companies are investing in their female talent pools and this is reflected in the numbers of women at senior and executive level, but there is still a huge amount to be done if management want to have more female executive directors.

FTSE 100 Ranking

Rank	%age of Women	No. on Board	No. of Women	Company	Female Directors	Chairman
1st	44.44	9	4	DIAGEO PLC	Deirdre Mahlan , Peggy Bruzelius, Laurence Danon, Betsy DeHaas Holden	Dr Franz Humer
2nd	37.50	8	3	BURBERRY GROUP PLC	Angela Ahrendts , Stacey Cartwright , Stephanie George	John Peace
3rd	33.33	12	4	PEARSON PLC	Dame Marjorie Scardino , Rona Fairhead , Vivienne Cox, Professor, Dr Susan Fuhrman	Glen Moreno
4th	28.57	7	2	MORRISON(WM.) SUPERMARKETS PLC	Penny Hughes, Johanna	Sir Ian Gibson
5th	27.27	11	3	WHITBREAD PLC	Wendy Becker, Susan Hooper, Susan Martin	Tony Habgood
5th	27.27	11	3	ASTRAZENECA PLC	Michele Hooper, Dame Nancy Rothwell, Baroness Shriti Vadera	Dr Louis Schweitzer
7th	25.00	12	3	INTERCONTINENTAL HOTELS GROUP PLC	Tracy Robbins , Jennifer Laing, Ying Yeh	David Webster
7th	25.00	8	2	SAGE GROUP PLC	Tamara Ingram, Ruth Markland	Tony Hobson
7th	25.00	12	3	NATIONAL GRID PLC	Linda Adamany, The Rt. Hon. Ruth Kelly, Maria Richter	Sir Peter Gershon
7th	25.00	12	3	CENTRICA PLC	Margherita Della Valle, Mary Francis, Lesley Knox	Sir Roger Carr
7th	25.00	12	3	BT GROUP PLC	The Rt. Hon. Patricia Hewitt, Karen Richardson, Jasmine Whitbread	Sir Mike Rake
7th	25.00	12	3	BRITISH AMERICAN TOBACCO PLC	Dr Karen de Segundo, Ann Godbehere, Christine Morin-	Richard Burrows
7th	25.00	12	3	STANDARD LIFE PLC	Jackie Hunt , Baroness Margaret McDonagh, Sheelagh Whittaker	Gerry Grimstone
7th	25.00	12	3	UNILEVER PLC	Professor Louise Fresco, Ann Fudge, Hixonia Nyasulu	Michael Treshchow
7th	25.00	12	3	BAE SYSTEMS PLC	Linda Hudson , Doctor Harriet Green, Paula Reynolds	Dick Olver
16th	23.08	13	3	ROYAL BANK OF SCOTLAND GROUP PLC	Alison Davis, Penny Hughes, Baroness Sheila Noakes	Sir Philip Hampton
16th	23.08	13	3	MARKS & SPENCER	Kate Bostock , Laura Wade-Gery , Martha Lane Fox	Robert Swannell
18th	22.22	9	2	WOLSELEY PLC	Tessa Bamford, Karen Witts	Gareth Davis
18th	22.22	18	4	HSBC HLDGS PLC	Safra Catz, The Hon. Laura Cha, Rona Fairhead, Rachel Lomax	Douglas Flint
18th	22.22	9	2	KINGFISHER PLC	Clare Chapman, Dr Janis Kong	Daniel Bernard
18th	22.22	9	2	CAIRN ENERGY PLC	Jann Brown , Jackie Sheppard	Sir Bill Gammell
22nd	21.43	14	3	AVIVA	Mary Francis, Euleen Goh, Gay Huey Evans	Lord Sharman of Redlynch
22nd	21.43	14	3	TESCO PLC	Lucy Neville-Rolfe , Karen Cook, Jacqueline Tammenoms Bakker	Sir Richard Broadbent
24th	20.00	10	2	EXPERIAN PLC	Fabiola Arredondo de Vara, Judith Sprieser	John Peace

FTSE 100 Ranking (cont'd)

Rank	%age of Women	No. on Board	No. of Women	Company	Female Directors	Chairman
24th	20.00	10	2	G4S PLC	Winnie Fok Kin, Dr Clare Spottiswoode	Alf Duch-Pedersen
24th	20.00	10	2	CAPITA PLC	Maggi Bell , Martina King	Martin Bolland
24th	20.00	10	2	SHIRE PLC	Susan Kilsby, Anne Minto	Matt Emmens
24th	20.00	10	2	SAINSBURY(J) PLC	Anna Ford, Mary Harris	David Tyler
24th	20.00	10	2	IMPERIAL TOBACCO GROUP PLC	Alison Cooper , Susan Murray	Iain Napier
24th	20.00	10	2	SSE PLC	Katie Bickerstaffe, Susan Rice	Lord Smith of Kelvin
24th	20.00	15	3	GLAXOSMITHKLINE PLC	Dr Stephanie Burns, Stacey Cartwright, Judy Lewent	Sir Chris Gent
24th	20.00	10	2	RECKITT BENCKISER GROUP PLC	Liz Doherty , Judith Sprieser	Adrian Bellamy
24th	20.00	10	2	MAN GROUP PLC	Alison Carnwath, Nina Shapiro	John Aisbitt
34th	18.75	16	3	WPP PLC	Esther Dyson, Orit Gadiesh, Lubna Olayan	Ambassador Philip Lader
35th	18.18	11	2	ANGLO AMERICAN PLC	Cynthia Carroll , Dr Mamphela Ramphele	Sir John Parker
35th	18.18	11	2	ADMIRAL GROUP PLC	Margaret Johnson, Lucy	Alastair Lyons
35th	18.18	11	2	LAND SECURITIES GROUP PLC	Stacey Rauch	Alison Carnwath
35th	18.18	11	2	RSA INSURANCE GROUP PLC	Noël Harwerth, Johanna	John Napier
35th	18.18	11	2	SMITH & NEPHEW PLC	Professor, Dr Geneviève Berger, Dr Pam Kirby	Dr John Buchanan
40th	17.65	17	3	SABMILLER PLC	Lesley Knox, Dambisa Moyo, Helen Weir	Dr Jacob Kahn
41st	16.67	12	2	LEGAL & GENERAL GROUP PLC	Dame Clara Furse, Julia Wilson	John Stewart
41st	16.67	12	2	BHP BILLITON PLC	Carolyn Hewson, Baroness Shriti Vadera	Jac Nasser
41st	16.67	12	2	BARCLAYS PLC	Alison Carnwath, Dambisa Moyo	Marcus Agius
41st	16.67	6	1	ASHMORE GROUP PLC	Melda Donnelly	The Hon. Michael Benson
45th	15.38	13	2	BRITISH LAND CO PLC	Lucinda Bell , The Hon. Dido Harding	Dr Chris Gibson-Smith
45th	15.38	13	2	ROYAL DUTCH SHELL PLC	Christine Morin-Postel, Linda	Jorma Ollila
45th	15.38	13	2	ARM HLDGS PLC	Kathleen O'Donovan, Janice Roberts	Doug Dunn
48th	14.29	14	2	RIO TINTO PLC	Vivienne Cox, Ann Godbehere	Jan Du Plessis
48th	14.29	14	2	VODAFONE GROUP PLC	Renee James, Anne Lauvergeon	Dr Gerard Kleisterlee
48th	14.29	7	1	SERCO GROUP PLC	Angie Risley	Alastair Lyons
48th	14.29	7	1	UNITED UTILITIES GROUP PLC	Dr Catherine Bell	Dr John McAdam
48th	14.29	7	1	ITV PLC	Lucy Neville-Rolfe	Archie Norman
53rd	12.50	8	1	HAMMERSON PLC	Judy Gibbons	John Nelson
53rd	12.50	8	1	SMITHS GROUP PLC	Anne Quinn	Donald Brydon
53rd	12.50	8	1	BUNZL PLC	Eugenia Ulasewicz Labbancz	Philip Rogerson
53rd	12.50	8	1	TATE & LYLE PLC	Liz Airey	Sir Peter Gershon

FTSE 100 Ranking (cont'd)

Rank	%age of Women	No. on Board	No. of Women	Company	Female Directors	Chairman
53rd	12.50	8	1	ASSOCIATED BRITISH FOODS PLC	Emma Adamo	Charles Sinclair
53rd	12.50	8	1	ICAP PLC	Diane Schueneman	Charles Gregson
53rd	12.50	8	1	MEGGITT PLC	Brenda Reichelderfer	Sir Colin Terry
53rd	12.50	8	1	REXAM PLC	Noreen Doyle	Peter Ellwood
61st	11.76	17	2	STANDARD CHARTERED PLC	Val Gooding, Ruth Markland	John Peace
61st	11.76	17	2	PRUDENTIAL PLC	Ann Godbehere, Kathleen	Harvey McGrath
63rd	11.11	9	1	REED ELSEVIER PLC	Lisa Hook	Tony Habgood
63rd	11.11	9	1	HARGREAVES LANSDOWN PLC	Tracey Taylor	Mike Evans
63rd	11.11	9	1	EVRAZ PLC	Olga Pokrovskaya	Alexander Abramov
63rd	11.11	9	1	NEXT PLC	Christine Cross	John Barton
63rd	11.11	9	1	JOHNSON MATTHEY PLC	Dorothy Thompson	Tim Stevenson
63rd	11.11	9	1	COMPASS GROUP PLC	Susan Murray	Sir Roy Gardner
63rd	11.11	9	1	PETROFAC LTD	Dr Roxanne Decyk	Norman Murray
63rd	11.11	9	1	POLYMETAL INTERNATIONAL PLC	Marina Grönberg	Bobby Godsell
71st	10.00	10	1	GKN PLC	Shonaid Jemmett-Page	Roy Brown
71st	10.00	10	1	RESOLUTION LTD	Denise Mileham	Mike Biggs
71st	10.00	10	1	IMI PLC	Anita Frew	Roberto Quarta
74th	9.09	11	1	SEVERN TRENT PLC	Baroness Sheila Noakes	Andy Duff
74th	9.09	11	1	WEIR GROUP	Melanie Gee	Lord Smith of Kelvin
74th	9.09	11	1	EURASIAN NATURAL RESOURCES CORP PLC	Dr Zaire Zaurbekova	Dr Johannes Sittard
74th	9.09	11	1	OLD MUTUAL PLC	María Sanz	Patrick O'Sullivan
74th	9.09	11	1	TULLOW OIL PLC	Ann Grant	Simon Thompson
79th	8.33	12	1	CRH PLC	Maeve Carton	Kieran McGowan
79th	8.33	12	1	LLOYDS BANKING GROUP PLC	Anita Frew	Sir Win Bischoff
81st	7.69	13	1	INTERNATIONAL POWER PLC	Isabelle Kocher	Dirk Beeuwsaert
81st	7.69	13	1	SCHROEDERS PLC	Merlyn Lowther	Henry Miles
83rd	7.14	14	1	BG GROUP PLC	Baroness Sarah Hogg	Sir Robert Wilson
83rd	7.14	14	1	BRITISH SKY BROADCASTING GROUP PLC (BSKYB)	Dame Gail Rebuck	James Murdoch
83rd	7.14	14	1	CAPITAL SHOPPING CENTRES GROUP PLC	Lady Louise Patten	David Burgess
83rd	7.14	14	1	CARNIVAL PLC	Laura Weil	Micky Arison (Executive)
83rd	7.14	14	1	INTERNATIONAL CONSOLIDATED AIRLINES GROUP SA (IAG)	Baroness Denise Kingsmill	Antonio Vazquez Romero
88th	6.67	15	1	BP PLC	Cynthia Carroll	Carl-Henric Svanberg
88th	6.67	15	1	ROLLS-ROYCE HOLDINGS PLC	Dame Helen Alexander	Sir Simon Robertson
90th	0.00	6	0	VEDANTA RESOURCES PLC		Anil Agarwal (Executive)
91st	0.00	7	0	INTERTEK GROUP PLC		David Reid

FTSE 100 Ranking (cont'd)

Rank	<u>%age of Women</u>	No. on Board	No. of Women	Company	Female Directors	Chairman
92nd	0.00	8	0	AMEC PLC		John Connolly
92nd	0.00	8	0	ESSAR ENERGY PLC		Prashant Ruia
92nd	0.00	8	0	GLENCORE INTERNATIONAL PLC		Simon Murray
95th	0.00	9	0	ANTOFAGASTA PLC		Jean-Paul Fontbana (Executive)
95th	0.00	9	0	KAZAKHMYS PLC		Dr Vladimir Kim (Executive)
95th	0.00	9	0	RANDGOLD RESOURCES LTD		Philippe Lietard
98th	0.00	10	0	AGGREKO PLC		Philip Rogerson
98th	0.00	10	0	FRESNILLO PLC		Dr Alberto Bailleres Gonzalez
100th	0.00	13	0	XSTRATA PLC		Sir John Bond

1. Introduction

Will FTSE companies voluntarily increase the numbers of women on their boards to set up a milestone on the road to gender equality in line with the recommendations of the Lord Davies report, or will the Government be compelled to enact enabling legislation to achieve gender equality at board level, creating what many will see as a burdensome responsibility, a millstone? The questions are urgent.

This is the thirteenth year of our Female FTSE Report¹. When we began the annual report in 1999, we analysed only the women directors on the FTSE 100 boards and even that was a challenging task as there were no established data bases for the information we required. The advent of BoardEx has made the names and the numbers of women board members easy to access. We at Cranfield University's School of Management, however, pride ourselves that we go beyond the figures to analyse the trends and drill down to bring rich interpretations of the data to the surface, using the latest international academic research. We hope to provide what one global TV network calls "the back story" to our census.

This has been a tremendously challenging year. Lord Davies published his report on women on boards in March 2011. We were commissioned to produce a six-month monitoring report for him by October 2011 in which we gauged the initial responses of the FTSE 350 companies to the Davies report recommendations, presenting our findings to the Prime Minister at No. 10 Downing Street.

Now our Female FTSE Board report 2012 serves as another marker — one year after the publication of Lord Davies' "Women on Boards." In this report we focus on the jump in the number of women being appointed to the top corporate boards and explain why we are optimistic about this development. We also examine the female talent pipeline to boardroom positions - another reason for optimism.

When we initiated our research we focused instinctively on women in executive directorships as they represent the female talent that has been nurtured and developed in their own organisations — the direct pipeline to the board. Sadly, over the past 13 years, this number of women executive directors in the FTSE 100 companies has increased from only 13 in 1999 to 20 this year. This compares with a figure of 285 male executive directors. The reason for this is partly down to the Higgs Report in 2003 that changed the face of UK public boards by recommending an increase in the number of non-executive directors (NEDs) while diminishing the number of executive directors (EDs). But this alone does not excuse the lack of progress made by CEOs in promoting women to these top positions.

When we speak about a target of 25%, as in the Davies report recommendations, or the 40% quota in Norway, we mask the increasingly wide chasm between the numbers of women NEDs (143 women - 22.4%) compared with the numbers of women EDs (20 women — 6.6%). As Andrew Hill wrote recently in *The Financial Times*, "endlessly batting the boardroom quota question back and forth distracts companies from the scarcity of women in their executive ranks."

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In this report, our feature on the female pipeline presents a mixed picture. Many companies seem to struggle to identify the women they employ at junior, middle and senior levels! Others vary dramatically in the numbers of women at senior executive level. It is clear now that many major corporations are successful at attracting women at entry level, at developing them and retaining them after maternity leaves, but are still spectacularly unsuccessful at promoting them to executive level. Like many other researchers, we have written about the importance of social capital and the link between “old boys” networks, power and promotion to the top. It is surely time that management takes this research more seriously.

On a positive note, we are happy to announce our trajectory for the increase in the number of women on FTSE 100 boards, which is 26.7% by 2015. We have never doubted the existence of a considerable female pipeline of talent available for (particularly) NED positions. There is no glass ceiling here. Rather it is a bottleneck of talent from not only the corporate sector, but also the public sector, the voluntary sector, unquoted companies, private equity companies, and significant entrepreneurs. Our “100 women to watch” section this year includes a number of women holding CEO roles in the voluntary sector. We hope that Jasmine Whitbread’s recent appointment to the BT board paves the way for many other women.

2. Methodology

We accessed data on each company from many sources, including the Boardex database, annual reports and corporate websites. The FTSE 100 and FTSE 250 listings were taken as at January 10th 2012 and most of the data for the main study were taken from the public domain. Where we have looked at time period data (e.g. percentage of new appointments) we have used the 12 months from January 2011, not the 15 month period to our last report in 2010. We contacted FTSE 350 Company Secretaries to request information on stated board targets, pipeline gender metrics and some of the featured Case Studies. We would particularly like to thank Julie Bamford and Sheila Doyle of the Institute of Chartered Secretaries and Administrators for their assistance in this matter.

We used SPSS software for correlation analyses to examine relationships between variables, using t-tests to see if means were significantly different.

Following two years' success of our "100 Women to Watch" supplement, we have updated the list for this year's report. The data were predominantly taken from the public domain. Ten women from last year's list have gone on to obtain FTSE 350 board directorships.

We would like to thank Helen Bruce, Doctoral Researcher, who helped with the data gathering.

3. FTSE 100 Companies 2012

3.1 FTSE 100 Companies with Female Directors 2012

In the 12 months preceding January 2012, there was a significant amount of activity around increasing the percentage of women on boards in the UK as well as the rest of the world. After a decade of incremental increases, we are pleased to be reporting improvements that are a little more substantive. As at January 2012, we now have 163 female held directorships in 89 of the FTSE 100 boardrooms. This means the percentage of women on FTSE 100 boards in January 2012 has increased to 15.0% and the percentage of female Executive Directors has risen to 6.6%. Ten more companies have women on their boards than in 2010 and 50% of companies now have more than one woman on the board, demonstrating that we are moving away from tokenism. At the time of going to press (March 1st 2012) the headline figure had risen again to 15.6%.

Table 1: Female FTSE Index 2009-2012

Female FTSE 100	2012 (15 mths)	2010	2009
Female held directorships	163 (15.0%)	135 (12.5%)	131 (12.2%)
Female executive directorships	20 (6.6%)	18 (5.5%)	17 (5.2%)
Female NEDs	143 (22.4%)	117 (15.6%)	114 (15.2%)
Women holding FTSE directorships	141	116	113
Companies with female executive directors	17	16	15
Companies with at least one female director	89	79	75
Companies with multiple female directors	50	39	37
Companies with no female directors	11	21	25

In top place of this year's ranking is Diageo with four women, comprising 44.4% of their board (see Executive Summary Table). One of the four is Chief Financial Officer and there are three non-executives (NEDs). In second place is Burberry, with three women out of eight directors; one of only three FTSE 100 companies that have two female executive directors (EDs). Burberry has both Chief Executive and Chief Financial Officer roles held by women. In third place is Pearson, who have also had two female EDs for a number of years and have recently added a second female NED, taking their total number of women to four (33.3%). Morrison Supermarkets, Whitbread and AstraZeneca all continue to do well with 29%, 27% and 27% respectively. Intercontinental Hotels have added a female ED and head a further group of nine companies who have already achieved the target of 25% set by Lord Davies. In joint 16th place are Royal Bank of Scotland and Marks & Spencer, each with three women out of 13 board members (23%).

Marks & Spencer is the third company with two female EDs and since taking the data for this report in January, they have added a fourth female director. This would have put them in joint 4th position, with 29%. Also during February 2012, and so not included in the Executive Summary table, Lloyds Banking Group, BP, Admiral, BG Group, Tesco and United Utilities have all added another female NED. For Tesco and United Utilities, this addition means they have reached the 25% target.

A further 15 companies have at least 20% female directors – Wolseley, HSBC, Kingfisher, Cairn Energy, Aviva, Experian, G4S, Capita, Shire, Sainsbury, Imperial Tobacco, SSE, Glaxosmithkline, Reckitt Benckiser and Man Group. Particular **congratulations go to Wolseley** who have moved from 90th position in 2010, with no women on the board to joint 18th with two women among their nine board members.

The 11 FTSE 100 companies who remain entirely-male boards are:

- **Vedanta Resources***
- **Intertek Group**
- **AMEC**
- **Essar Energy**
- **Glencore International**
- **Antofagasta***
- **Kazakhmys***
- **Randgold Resources**
- **Aggreko**
- **Fresnillo**
- **Xstrata**

*It is interesting to note that three out of only four FTSE 100 companies with Executive Chairmen roles are among these eleven. This demonstrates disregard for another element of the UK Governance Code.

3.1.1 FTSE 100 Companies with Women in Top Roles

There are 17 FTSE 100 companies who have women in top executive roles on the corporate board. Burberry, Pearson and Marks & Spencer all have two such women. It is encouraging that FTSE 100 companies with female executive directors represent a spread of sectors, some of which would not historically be considered 'female-friendly' (such as oil & gas, mining, construction & building, aerospace & defence) and yet they lead the way with women in their most senior executive posts.

There are four female CEOs of FTSE 100 companies: Angela Ahrendts (Burberry), Dame Marjorie Scardino (Pearson), Alison Cooper (Imperial Tobacco), Cynthia Carroll (Anglo American).

There are four new female Chief Financial Officers in the FTSE 100 index this year. They are Liz Doherty (Reckitt Benckiser) and Lucinda Bell (British Land), both new appointments, and Maeve Carton (CRH) and Tracey Taylor (Hargreaves Lansdown), whose companies are new to the FTSE 100. They join Deirdre Mahlan (Diageo), Stacey Cartwright (Burberry), Jackie Hunt (Standard Life), Jann Brown (Cairn Energy), Dr Zaur Zaubekova (Eurasian Natural Resources), to make a total of nine female CFOs.

It is, however, a disappointment that there is only one FTSE 100 company with a woman holding the position of Chairman. This is Alison Carnwath at Land Securities.

Table 2: Profile of 17 companies with female executive directors

Rank Female FTSE	Company	% Female Board	No. of Female Directors	No. Female Executive Directors	Executive Roles	Sector	Women in Executive Roles
1st	DIAGEO	44.4%	4	1	Chief Financial Officer	Beverages	Deirdre Mahalan
2nd	BURBERRY GROUP	37.5%	3	2	Chief Executive Officer, Chief Financial Officer	Food, Drug & General Retailers	Angela Ahrendts, Stacey Cartwright
3rd	PEARSON	33.3%	4	2	Chief Executive Officer, Divisional CEO	Media	Dame Marjorie Scardino, Rona Fairhead
7th	INTERCONTINENTAL HOTELS GROUP PLC	25.0%	3	1	Global HR & Operations	Leisure & Hotels	Tracy Robbins
7th	STANDARD LIFE PLC	25.0%	3	1	Chief Financial Officer	Life Assurance	Jackie Hunt
7th	BAE SYSTEMS PLC	25.0%	3	1	Chief Operations Officer	Aerospace & Defence	Linda Hudson
16th	MARKS & SPENCER	23.1%	3	2	ED General Merchandise, ED E-Commerce	Food, Drug & General Retailers	Kate Bostock, Laura Wade-Gery
18th	CAIRN ENERGY PLC	22.2%	2	1	Managing Director & Finance Director	Utilities, Oil, Gas & Electricity	Jann Brown
22nd	TESCO PLC	21.4%	3	1	Corporate/Legal Affairs	Retail	Lucy Neville-Rolfe
24th	CAPITA PLC	20.0%	2	1	Business Development	Support Services	Maggi Bell
24th	IMPERIAL TOBACCO GROUP	20.0%	2	1	Chief Executive Officer	Tobacco	Alison Cooper
24th	RECKITT BENCKISER GROUP PLC	20.0%	2	1	Chief Financial Officer	Clothing, Leisure & Personal Products	Liz Doherty
35th	ANGLO AMERICAN	18.2%	2	1	Chief Executive Officer	Mining	Cynthia Carroll
45th	BRITISH LAND CO PLC	15.4%	2	1	Finance Director	Real Estate	Lucinda Bell
63rd	HARGREAVES LANSDOWN PLC	11.1%	1	1	Group Finance Director	Speciality & Other Finance	Tracey Taylor
74th	EURASIAN NATURAL RESOURCES CORP PLC	9.1%	1	1	Chief Financial Officer	Mining	Dr Zaur Zaurbekova
79th	CRH PLC	8.3%	1	1	Group Finance Director	Construction & Building Materials	Maeve Carton

3.1.2 Trends in Board Composition

Following the 2003 Higgs Review recommending better balance between NEDs and EDs on FTSE boards, there has been a year-on-year decrease in the numbers of executive directorships. Once again the number of EDs is at its lowest since 1999, and now 72% of companies have only one, two or three EDs on their board. Contradicting this trend, the number of NEDs increased by 30 this year, taking it to a new high of 781 and taking the total number of FTSE 100 directorships to 1086.

Table 3: Composition of Boards 2012

Female FTSE 100	2012	2010	2009	2008	2004	1999
Total FTSE 100 NEDs	781	751	748	763	712	610
Total FTSE 100 Executive Directors	305	325	330	353	418	645
Total FTSE 100 Directorships	1086	1076	1078	1116	1130	1255

Since 1999 we have seen a year-on-year decrease in the total number of directors on the FTSE 100 boards...until this year. The increase of ten extra directorships on the 100 boards may not seem a significant increase, but it is the first in a decade. In the 2010 report we did note that the numbers appeared to have stabilised and suggested that seven years after the Higgs Review on boards² recommended a rebalancing of the ED/NED ratio, boards had found their optimal composition.

However, in order to pre-empt any questions about whether having more women on boards is the cause of this increase (although there is no evidence that that in itself is a negative outcome), we have investigated the changing numbers since the 2010 report.

Companies move in and out of the FTSE 100 and FTSE 250 listings according to their rankings in size, based on market capitalisation. There has been an increase in between-listings movement over the past few years, probably due to economic turbulence. In addition, there has been quite a sharp reduction in the total number of executive board directorships, with an increase in NEDs. This may also be a response to tough economic climes or a redefinition of an 'effective' board.

Of the 100 companies in the 2012 FTSE 100 listing, 89 had been on the list from the 2010 Female FTSE Report. Of these 89 companies, 30 have not changed their board size. Of the 59 companies that have changed their board size, 39 increased their board size (adding 56 new directorships), but simultaneously 20 reduced their board size (eliminating 31 directorships). Several of the boards adding women also added men. These gave a total net increase of 25 directorships amongst those 89 companies who have remained in the FTSE 100.

The 11 companies who left the FTSE 100 during that period took a total of 115 directorships with them, whereas the 11 new companies brought a total of 100 directorships into the FTSE 100.

Therefore, the overall increase in total directorships from 1,076 to 1,086 is due to a combination of an additional 25 directorships and a net reduction of 15 directorships lost through firms leaving the index.

3.1.3 Characteristics of FTSE 100 Companies with Female Directors

As in previous years, we report on any significant differences between companies with and those without female directors. For the first time, market capitalisation is not significantly higher in companies with women on the board, nor do firms with female directors have significantly larger workforces. This demonstrates that size of companies cannot be used as an excuse for a lack of gender diversity. Board size is higher ($p = 0.001$), averaging 11.1 directors for companies with female directors compared to 8.8 directors for all-male boards. However, just using averages hides a wide variance, for example, board sizes range from 6 to 18 across the FTSE 100.

² Higgs Review, 2003

3.2 FTSE 100 Female Directors

3.2.1 Women holding Multiple Directorships

On FTSE 100 boards, 141 women hold 163 directorships. Since the Norwegian quota on women on boards, much has been made of “The Golden Skirts” – those women who apparently hold a large number of NED positions. However, research by Tiegen & Heidenreich (2010), from the Institute for Social Research in Oslo, dispels this myth by clearly demonstrating that the percentage of women with multiple directorships is lower than that of men. We can report that in the UK there is no significant difference between the number of directorships held by women and men, nor has this situation changed with the recent increases of female representation.

Table 4: Multiple Directorships

FTSE 100 Boards	Total Directors	1 seat	2 seats	3 seats	4 seats
Male Directors	820	88.7% (727)	10.1% (83)	1.2% (10)	0
Female Directors	141	85.8% (121)	12.8% (18)	1.4% (2)	0

3.2.2 Female FTSE 100 Directors' Age and Tenure

Overall, the female directors in 2012 are 3 years younger ($p=0.001$) than their male peers, with an average age of 55.1, compared to 58.1 for male directors (based on 1,055 directors for whom we had ages). The difference between the ages of male and female executive directors was not significant. The women have significantly shorter tenure ($p=0.001$). See table 5.

Table 5: Age and Tenure

2012	AGE			TENURE		
	All	Execs	NEDs	All	Execs	NEDs
Men	58.1	52.4	60.7	5.2	6.2	4.7
Women	55.1	51.7	55.5	3.5	4.1	3.4

Case Study - DIAGEO Women as Leaders

“Diageo supports diversity within its board of directors, including gender diversity. Currently there are four female directors, out of a total of nine board members. We believe that all four bring a wealth of international business experience and are an asset to the company and the board. Without seeking to set a specific goal for female representation on the board, it remains our aspiration to maintain a high level of diversity, including gender diversity, within the boardroom, appropriate to and reflecting the global nature of the company and the strategic imperatives the board has agreed upon.

Diageo has set itself a goal to increase the number of women in leadership positions in the company and is making good progress towards this objective. Globally, women comprise 35% of our total workforce with 27% currently filling the most senior leadership positions. In addition, women represent 35% of mid-level management. Moreover, women comprise approximately 50% of all graduates and a significant percentage of Diageo’s new hires and managers.

We recognize that women and men often face different challenges, and this is especially true for women who are building a career while raising a family. We encourage flexibility of career paths, with the ability to step on and off the fast track, and multiple opportunities to connect with diverse role models. We are committed to retaining and developing our women for leadership roles and sustaining an inclusive culture, and that includes creating a work environment that supports our people throughout their careers. At Diageo, workplace flexibility is about working innovatively to manage our lives at work and at home. It could be as informal as shifting a few hours to accommodate a doctor’s appointment, or as formal as a reduced schedule. We also have an internal networking and affinity group, *Spirited Women* that connects women across the globe. Through a series of formal and informal sessions, we encourage women to expand their ambitions and aim even higher in their careers.”

3.2.3 FTSE 100 Directors’ Nationality and Ethnicity

With 62 directorships held by individuals coming from non-European ethnic backgrounds (up from 53 last year), the overall proportion of ethnic minority male and female directors in the FTSE 100 has increased slightly to 5.7%.

There has been little change in the number of female directors from minority ethnic groups. There are 14 women (9.9% of female directors), and all but one are non-executives. Zaire Zaurbekova, a Kazakh national at Eurasian Natural Resources, is the only executive director. At WPP, Lubna Suliman Olayan is a Saudi national, and Orit Gadiesh is American. Michele Hooper of AstraZeneca is African-American, as is Ann Fudge at Unilever. Hixonia Nyasulu at Unilever and Dr. Mamphela Ramphela at Anglo American are both South African nationals. Ying Yeh at Intercontinental Hotels, Safra Catz and the Hon. Laura Cha at HSBC, Winnie Kin Wah Fok of G4S and Euleen Goh at Aviva are of Chinese descent and Dambisa Moyo at SabMiller and Barclays is Zambian. Baroness Shriti Vadera, NED at BHP Billiton and AstraZeneca is the only British national among this group of female directors.

The largest minority groups of non-European descent amongst the men are from the Indian sub-continent (21 men), and from Africa (10 men). There are four male directors of Middle-Eastern origin, eight of Chinese/Japanese/Korean origin and five male directors from Central Asia. Seven of the 48 men are known to have British nationality.

Examining the nationality of directors (74% reported), we find that 65% of all male directors compared to 55% of all female directors hold British nationality. Interestingly, a further 12% of males but only 9% of females hold EU citizenship. North Americans (USA and Canada) hold 11% of the male directorships, but 29% of the female directorships.

Case Study - ROLLS-ROYCE HOLDINGS Reverse Mentoring

“Rolls-Royce has disclosed the proportion of women on the board, in senior executive positions and female employees in the whole organisation in the 2011 annual report (due out March 2012). Overall female representation across the global workforce is 15%, 7% at the senior executive level, 6% in our Group Leadership Team and 7% in our Board of Directors. Approximately two thirds of the workforce is in Engineering or Manufacturing roles where female representation has been historically low. Rolls-Royce counters this through active involvement in education outreach and has found female graduate recruitment has steadily increased over recent years. 25% of participants on their graduate development programmes are female and this increases significantly in functions outside of Engineering and Manufacturing.

Rolls-Royce’s global governance framework for diversity includes a senior executive Global Diversity Steering Group that provides leadership and shapes strategic direction. In support of executive succession planning process Rolls-Royce participates in the FTSE 100 Cross Company Mentoring Programme, the objective of which is to increase the pool of eligible senior female candidates for UK Board positions. Its Chairman is a mentor and three of its female executives have participated to date.

During 2011, Rolls-Royce’s most senior executives have been reverse mentored by a colleague who is junior to them in the organisation. The reverse mentors are a diverse group in terms of gender, nationality, business, function and their working location. The aim is to give senior executives a different perspective from a colleague who can share diverse experiences and ideas whilst increasing the visibility of diverse talent; 12 of the 17 reverse mentors are female.”

3.3 The New FTSE 100 Director Appointments 2012

For two years in the Female FTSE Report we have researched the appointment process to FTSE 100 board directorships. In the 2010 Report, we recounted “Conversations with the Chairmen” regarding the role that they played in the process. In the Davies Report of 2011, the role of Executive Search Firms (ESFs) was highlighted in encouraging best practice in board recruitment and later this year we will publish some research, commissioned by the Equality & Human Rights Commission (EHRC), into the impact of the new Voluntary Code for ESFs. Without legislative intervention, the natural turnover of directors is the mechanism through which any change in the demographic composition of boards will occur and therefore, in addition to the status quo, we also monitor the pace of change.

The Davies Report 2011 requested that FTSE 350 companies set themselves targets for the percentage of women on boards they aimed to achieve by 2015. It recommended a minimum target of 25% for FTSE 100 companies (see section 3.4 below for results). Based on the turnover figures from previous Female FTSE Reports (an average of 14% over six years), the Davies Report calculated that if one third of all new FTSE 100 board appointments were given to women between 2011 and 2015, then from a starting point of 12.5% female directors, a figure of 23.5% could be achieved across the FTSE 100 companies by 2015. However, ensuring that only two thirds of all new appointments go to men would signify quite a change in behaviour, as the annual percentage of new appointments going to women over the decade 2001-2010 was on average 14.2% — hence the very incremental changes made over that period.

We are, therefore, very pleased to report that in the 12 months preceding January 2012, the percentage of **new appointments going to women was almost 25%**.

Table 6: New Appointments

Female FTSE 100	2012	2010	2009	2008
New female appointments	47	18	23	16
New male appointments	143	117	133	133
Total new appointments	190	135	156	149
Female % of new appointments	24.70%	13.3%	14.7%	11%

"Given the significant lead times to placing board directors, I am pleasantly surprised at how much progress has been made in increasing the numbers of women on boards in the past 12 months. We are on the right course, we should hold fast and push for more success this coming year."

Sir John Parker - Chairman Anglo American

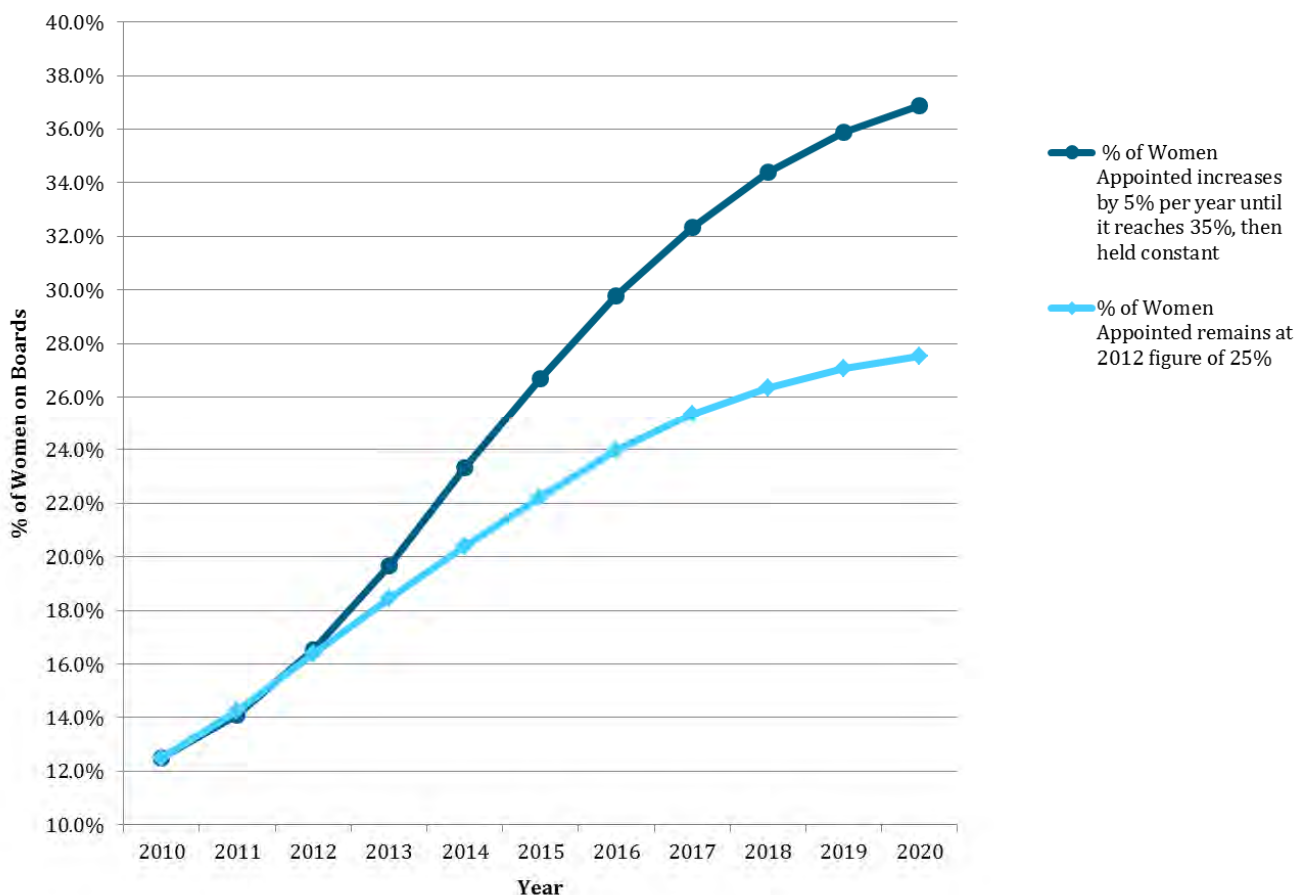
Whilst this figure does fall short of the Davies target of 33%, it is important to realise that this is the largest increase in numbers and the fastest pace of change since we began measuring these data in 1999. Interestingly, over and above the increase in the percentage of new appointments going to women, in the year to January 2012 there has been an increase in the turnover of board seats, which now stands at 17.5%, which will, of course, also affect the pace of change. In the original model shown in the Davies Report, with a predicted turnover of 14%, a male/female split in new appointments of two thirds/one third was going to produce 50 new women directorships in the following year. In the year to January 2012, 47 new appointments were taken by women, so this is almost on the target of 50 and a substantial turnaround of behaviour from those involved in the appointment process.

Much has been made of the predicted trajectories in the press recently and so it is important to be as accurate as possible. The forecasts from the Davies Report were based on two assumptions: Firstly, that the number of directorships available on the FTSE 100 boards stays constant – however, this is never the case and as reported above after a number of years of declining numbers, this report records an increase of 10 additional directorships. Secondly, the model assumed that the male/female split of the directors coming off boards mirrored the current percentages on the boards. However, when directors take up their roles on boards there is an expectation that they will serve two three-year terms. Therefore, we can reasonably expect that it will be six years before the increased figure of women going onto the boards would be coming off. Six years ago (2006) the percentage of women on boards was just over 10%, rising only to 12.5% by 2010. If we conservatively suggest that from now until 2016 the percentage of women coming off boards each year is 12.5% and from then it reflects the increased percentage of women on boards, this should give a more accurate picture. We have kept the percentage of new appointments going to women at today's level of 25%. This predicts a total percentage of women on boards of 22.0% by 2015 and 27.5% by 2020.

However, we have previously suggested that increases in the number of women on boards are unlikely to be linear, but will gather momentum. This is what we have started to see in the past year. In 2010, the percentage of new appointments going to women was 13.3%. In the Interim Davies Report of October 2011³ we recorded women taking 22.5% of new appointments and by January 2012 this had risen to 25%. At the time of going to press (March 1st 2012) this had risen again to 26.7%. Therefore, in the second trajectory below (dark blue), this gathering of momentum is demonstrated with the percentage of appointments going to women increasing at a rate of 2.5% every six months until it reaches 35% at the end of 2014 and is then held constant until 2020. Here we see a ‘wave’ effect which is currently being supported by leading Executive Search Firms and other stakeholders in the area. In both trajectories the annual turnover going forward has been held constant at the current 17.5%. This predicts a total percentage of women on boards of 26.7% in 2015 and 36.9% by 2020.

Figure 1 – Trajectory of Increase 2011-2020

Future % of Women on Boards



Assumptions for both trajectories:

- turnover held constant at 17.5%
- 6 year time-lag from percentage women on to women off boards

³ Sealy, Doldor, Singh & Vinnicombe, 2011 “Women on Boards: 6 month monitoring report”, Cranfield, UK.

Case Study - ROYAL BANK OF SCOTLAND The 'future talent' pipeline from Graduate Recruitment

"When in 2009 RBS Global Banking & Markets assessed key steps to support gender advancement, one critical element they focused on was graduate recruitment. A full review of the global graduate proposition was undertaken in conjunction with Diversity and Inclusion consultants Brook Graham Ltd to ensure that diverse talent was not unintentionally being 'filtered' out due to structural, cultural or attitudinal factors.

The deep-dive analysis highlighted that while male and female candidates were equally successful at application stages, the assessment process resulted in a disproportionate number of male recruits. Considering gender culture, they concluded it was possible that terminology and testing methods were supporting an unconscious bias towards more typically male patterns of behaviour. Furthermore, assessment panels typically did not have strong female representation, nor had assessors potentially received sufficient training into unconscious bias or gender behaviours to equip them to judge candidates objectively. Additionally, a lack of KPI's meant no checks were in place to ensure graduate recruitment was matching organisational inclusion and diverse talent aspirations. All of this had an impact on the gender balance of recruitment offers.

A comprehensive engagement programme was instigated to ensure female candidates saw RBS Global Banking & Markets as a compelling career choice. With more than 800 applications, a 2010 'Women in Banking' event was five-times over-subscribed. The 2011 innovative dinner series 'Moveable Feast' held at key universities provided an informal setting for students to learn more about banking from industry female role-models and encouraged 600 female applications.

Since 2009, graduate applications from women in the US and Europe have increased by 28%. Female intern hiring has improved to over 45%, and female graduate hires increased by 5% in EMEA and 32% in the US. Industry awards have recognised this positive impact.

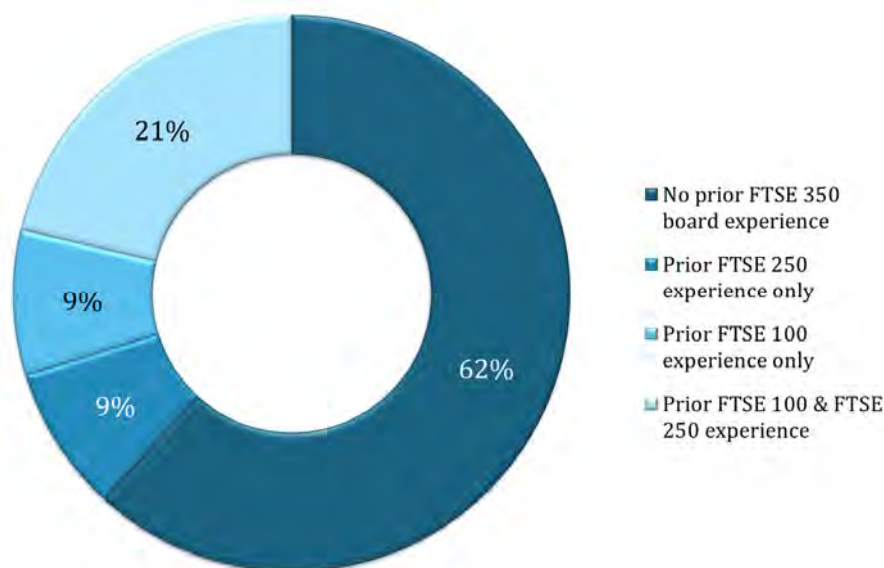
To ensure progress continues, aspirational gender balance targets within succession planning will help to leverage the increased female pipeline; gender demographics at vice-president level are already being positively influenced by the focus on graduate recruitment in 2009."

3.3.1 The New Female Directors

"Women on boards has moved up the business agenda but still has some way to go. Only by chairmen, recruitment firms and shareholders collectively focussing on the benefits of gender balance, will we see the pace accelerated and the risk of quotas avoided. It should be viewed as a priority — not an optional extra".
Sir Roger Carr, Chairman Centrica,
President Confederation of British Industry

In the 12 months to January 2012, **47 women took up new roles on FTSE 100 boards**. Of these 47, we can report that **29 women (62%) have had no prior FTSE 350 board** experience. This represents a good addition to the talent pool, suggesting that the appointment process is beginning to open up to new women and Chairmen and ESFs are being a little more creative with their selection of candidates. However, most of these new women do have experience on a range of other boards, including some on charitable sector boards.

Figure 2: FTSE 100 New Appointments in 12 months to January 2012



One particularly interesting appointment this year is that of Jasmine Whitbread, the CEO of Save the Children. She has taken up an NED position at BT Group. Since 1999, Ms Whitbread has worked solely in the charitable sector – first as a director for Oxfam and then taking up her position at Save the Children in 2010. As leader of a significant organization and handling a major budget, she clearly has a lot to add to any board, regardless of the sector. A forthcoming report by former Director of Opportunity Now, Norma Jarboe (*Women Count: Charity Leaders 2012*) indicates that female chairs, chief executives and trustees within the charities sector offer a rich talent pool for FTSE 350 companies seeking to diversify their boards. According to her report:

“Many of the organisations they lead have substantial national and international operations and are sizeable employers. The women leaders often have substantial experience in the public, government, academic and/or private sectors and can bring new expertise and perspectives to FTSE companies. Women leaders in the charity sector have a much higher rate of participation than their private sector counterparts. In the United States leading companies have sourced both male and female board members from government and the charity sector for several decades.”

Table 7: From *Women Count: Charity Leaders 2012*, figures for the private sector from *Female FTSE Report*.

Sector	% Women Directors	% Women Chairs	% Women Chief Executives
FTSE 100	15.00%	1%	4%
FTSE 250	9.40%	2.40%	4%
Charity 100 (by funds)	28%	10%	17%
Charity 100 (by income)	32%	17%	25%

A small number of women with substantial experience in the charities sector have also been included in this year’s 100 Women to Watch list.

Case Study - Christine Tacon CBE One woman's strategy towards a portfolio career of directorships

Christine is a high profile board executive in the Agricultural and Food sector, known for her strategic leadership of the Co-operative Group's 50,000 acre farming business (the largest in the UK) and her contribution to the farming industry on committees, taskforces and the Agricultural and Food sector. Her opinion is regularly sought by the media and she chairs the BBC Rural Affairs Advisory Committee. Christine is a Cambridge engineering graduate, has an MBA from Cranfield and was awarded a CBE for services to agriculture in 2004.

Her strategy for building a portfolio career is as follows:

- farming NEDs to keep her hand in on the farming side. She has already accepted one such position.
- government committees. She is currently on a Defra committee and has been shortlisted for the Food Standards Agency and the Seafish Board - the latter of the two was a back-up plan.
- charitable concerns. She has a position as Governor of Harper Adams University College and is on the Business Advisory Board of Living with Environmental Change, overseeing the work of the government Research Councils. This is an unpaid role.
- FTSE, or similar, NEDs. This is her current focus. She has written to the chairmen or directors of four FTSE 100 businesses in food and engineering and has had an interview with one chairman so far. She purposefully started by targeting companies who currently have no women on the board.

Interestingly Christine falls into the category of not having either city or previous FTSE NED experience. However, she believes she has a lot to offer in terms of her understanding of sustainability, communication, leadership and government relations.

Christine commented that she has been struck at how helpful other senior women she has contacted have been. She has devoted considerable time and energy to meeting with senior women, with a number of the executive search firms and with former male director contacts. One head-hunter she has spoken with said they liked engineers for the way they treat everything as a project!

Of the 47 new appointments, four were Executive Director positions, the rest being NEDs. The four were:

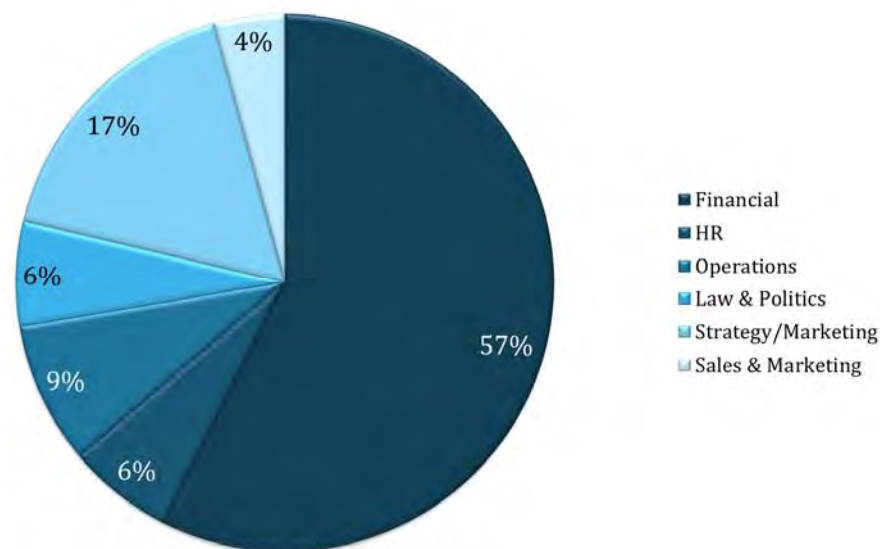
- Liz Doherty, Chief Financial Officer at Reckitt Benckiser
- Laura Wade-Gery, ED in E-Commerce at Marks & Spencer
- Lucinda Bell, Financial Director at British Land
- Tracy Robbins, ED in Human Resources at Intercontinental Hotels Group

For Lucinda Bell and Tracy Robbins, this is their first FTSE 100 board position and they were internal promotions. Liz Doherty and Laura Wade-Gery were both external hires and had had previous FTSE 350 board experience.

We have looked at the backgrounds of the 47 recently appointed women, in terms of their roles (as opposed to industry sectors) and found that the majority (29) have financial backgrounds. Fifteen of the 29 women with no prior FTSE 350 experience have financial backgrounds. This is interesting as historically there has been a belief that financial backgrounds are a prerequisite for women to achieve significant directorships. Instead, their backgrounds are strategy, marketing, operations, sales and HR. As noted in the Davies interim Report (October, 2011) three female directors have HR backgrounds. Previous research (Female FTSE Report 2008) has found that aspiring female directors felt that their HR or legal backgrounds or roles jeopardised their chances of getting a corporate directorship. This stereotype is finally being broken.

Figure 3: Backgrounds of FTSE 100 New Appointees

Of the 27 women with financial backgrounds, five had mixed experience in Law & Politics and one also had Strategy & Marketing experience.



3.3.2 The Context of Appointment

There is much public discussion about the impact of appointing more women onto corporate boards. As part of a separate piece of research, we have had several discussions with leading Executive Search Firms recently⁴. One outcome suggested by some of them was that boards will simply increase in size as organizations will place additional women rather than replace some of their male directors. Indeed, this was a suggestion in a previous Cranfield Report⁵, in response to the lack of progress in increasing female director numbers.

However, we have found that of the 47 new female appointments made, more than half of them (26) were simply replacing current board directors (4 replaced departing women and 22 replaced departing men). The majority of the latter were NEDs who were leaving boards as a result of having completed two terms in office, as is the recommended good governance best practice. They included two female finance directors replacing outgoing male finance directors and an additional female ED replacing an outgoing male ED.

⁴ "Gender diversity on boards: The appointment process and the role of executive search firms", Report commissioned by the Equality & Human Rights Commission, forthcoming, to be published March 2012.

⁵ Cranfield Female FTSE Report 2008

Fifteen (32%) of the new female appointments did not appear to be replacing departing directors, rather appearing as additional board members. In some of these companies the Chairmen were also adding male directors (Weir Group, Arm Holdings, Capital Shopping, Pearson) – so the increase in board size was not just due to women.

3.4 Reporting and Regulation

In October 2010, the coalition government, concerned about the lack of progress on the issue of women on boards in the UK, asked Lord Mervyn Davies (ex-Trade Minister and ex-Chairman of Standard Chartered Bank) to set up a review. The remit was *“to identify barriers preventing more women reaching the boardroom and to make recommendations regarding what government and business could do to increase the proportion of women on corporate boards”*⁶. At an EU level, European Commissioner, Viviane Reding had given companies and governments across Europe until March 2012 to take actions to improve gender balance in leadership. She had stated that if insufficient progress had been made by that time, she was prepared to push for European-wide legislation. A number of countries across Europe have already introduced either legislation or recommendations regarding the proportion of women on boards. At the time of going to press for this report, it was not clear whether Ms. Reding was going to propose a directive or a recommendation on March 8th — International Women’s Day.

⁶ Davies Report – Women on Boards, February 2011, p.6

Case Study - SAGE Annual Gender Diversity Reviews

“Sage’s workforce is currently 44% female, with just 11% at Executive Committee level, but 25% women on the board. Sage has begun by undertaking an Annual Gender Diversity Review in June 2011. The ambition in Sage is to ensure that our people leading our business represent both the employee and customer gender profile. This is important so that their needs are understood and to create a more inclusive culture. In order to achieve this, Sage aims to:

- Annually review and monitor at Board level, our gender diversity profile as part of our talent management review
- Review achievements of female Executives such as promotions, change in job roles and appointments to Non-Executive Director roles (externally)
- Proactively encourage coaching and mentoring of female executives to aspire to top leadership roles
- Proactively encourage successful female Executives to coach younger female talent
- Insist on a diverse slate of candidates from head hunters for all Senior Executive appointments
- Publish the percentage of women in top leadership roles in our Annual Report, number of female Executive appointments made and percentage of female promotions during the period of review. (This was already achieved in the 2010 and 2011 reports.)

The review looked at various aspects such as: current gender composition, including a breakdown into commercial and functional roles; key data points within Sage’s top 100 talent pool, such as coaching, promotions, and movements; customer and employee profiles; viewpoints of female Senior Executives and their suggestions to increase diversity; and finally a review of Women in Technology which found a drop in the IT profession in Western countries and an increase in Asian.

Some highlights from the review include:

- One of the operating companies has set a target of shifting its number of females at senior levels from 25% to 30% over the next 18 months and establish an internal network for aspiring female leaders and professionals;
- Many of the female Executives appreciate the flexibility Sage offers in working patterns, frequently referenced in a recent survey conducted on the viewpoints of Senior Executives
- Finally, Sage has also been involved in the Mentoring Foundation which was built from the expanding FTSE 100 Cross-Company Mentoring Programme as a way of supporting the development of the female leadership pipeline.”

3.4.1 Setting Targets

The Davies Report set out how business and other stakeholders could act to ensure a sufficient, timely and sustainable increase in the proportion of women in leadership positions. Since then, the team at the International Centre for Women Leaders at Cranfield has collaborated and contributed to monitoring and reporting against the Davies recommendations. Recommendation No. 1 of the Davies Report (February 2011) was worded as follows:

All Chairmen of FTSE 350 companies should set out the percentage of women they aim to have on their boards in 2013 and 2015. FTSE 100 boards should aim for a minimum of 25% female representation by 2015 and we expect that many will achieve a higher figure.

The Davies Report required that Chairmen should *announce their aspirational targets by September 2011* and in the Interim Report, October 2011, we were disappointed to note that only 33 companies had set out their targets. We included in that report a number of the statements made by Chairmen regarding targets. In January 2012 we wrote to the Company Secretaries of all FTSE 350 companies asking for an update on a number of issues, including their targets. Seventy FTSE 100 companies responded. The number of FTSE 100 companies with declared aspirational targets has risen to 38. Of the 70 responding companies, nine have stated categorically that they will not be setting targets, the remaining 23 were supportive but non-committal. We congratulate the companies listed in Table 8. BskyB, Capital Shopping Centre, GKN, Lloyds Banking Group, Old Mutual, Rolls-Royce and Tullow Oil boldly aim to increase their representation by 15-20 percentage points. Anglo American, BP, Eurasian Natural Resources, Petrofac, Reed Elsevier, Rexam and Vodafone Group all aim to increase their female board representation by 10-15 percentage points. We commend the aspiration of these companies and look forward to the results of their labour.

A number of companies which have consistently had more than 25% of women on their boards (e.g. Diageo, Pearson, Burberry) have chosen not to respond on the issue of targets. And whilst we commend their current percentages, it is a shame they do not choose to show leadership in this area. It should be noted that 25% was never intended by the Davies Report to be an ultimate goal, merely an achievable stepping stone towards a more realistic balance.

Case Study - BAE Systems Aspirational Target of 25% of Executive Committee Set

“At the end of 2011, the company met its aspirational target of having at least 25% of the Board consisting of women, which is a level we aim to maintain. There are three women on the BAE Systems plc Board at present (25% of total membership) and two women on the Executive Committee (17% of total membership). Globally 20% of the workforce are women.

Consistent with BAE Systems’ commitment to improve the diversity of its workforce, the Executive Committee has agreed a programme to improve gender diversity in leadership positions. The following actions will be taken to grow the female talent pipeline at senior management levels and to support the achievement of the aspirational target of 25% female membership of the Executive Committee by 2015:

Fostering a culture of inclusion:

- by investing in inclusive leadership education; and
- establishing a flexible work culture.

Accelerating the development of high potential women:

- through reciprocal mentoring by Executive Committee members; and
- increasing participation in global high potential programmes.

Hiring and selecting the top performing diverse talent:

- by ensuring leadership jobs have diverse candidate lists.

Measuring performance:

- through each business developing aspirational targets to increase significantly gender diversity in leadership ranks.

In addition, the company developed a Board Diversity Charter and revised Terms of Reference for the Nomination Committee. BAE Systems will report on progress against targets and action taken in the Annual Report and Accounts.”

Table 8: FTSE 100 Board Targets

Company	Current % of women on board	2013 Target	2015 Target
ADMIRAL GROUP PLC	18.2%		25%
ANGLO AMERICAN PLC	18.2%	30%	
AVIVA	21.4%	25%	
BAE SYSTEMS PLC	23.1%		25%
BARCLAYS PLC	16.7%	20%	25%
BHP BILLITON PLC	25%	25%	
BP PLC	12.5%	25%	
BRITISH SKY BROADCASTING GROUP PLC (BSKYB)	7.1%	25%	25%
CAPITAL SHOPPING CENTRES GROUP PLC	7.1%		25%
CENTRICA	25.0%		25%
EURASIAN NATURAL RESOURCES CORP PLC	8.30%		20%
G4S PLC	20%		25%
GKN PLC	10%		25%
GLAXOSMITHKLINE PLC	20%	25%	
HSBC HLDGS PLC	22.2%		25%
INTERCONTINENTAL HOTELS GROUP PLC	25%		25%
KINGFISHER PLC	22.2%		25%
LAND SECURITIES GROUP PLC	18.2%		25%
LLOYDS BANKING GROUP PLC	8.3%		25%
MARKS & SPENCER	23.1%	30%	30%
MORRISON (WM.) SUPERMARKETS PLC	28.6%		30%
NATIONAL GRID PLC	25%		25%
OLD MUTUAL PLC	9.1%	18%	27%
PETROFAC LTD	11.1%	15%	25%
REED ELSEVIER PLC	11.1%	22%	
REXAM PLC	11.1%		25%
ROLLS-ROYCE HOLDINGS PLC	6.7%		25%
ROYAL BANK OF SCOTLAND GROUP PLC	23.1%	25%	
ROYAL DUTCH SHELL PLC	15.4%		25%
SAGE GROUP PLC	25%	25%	25%
SAINSBURY(J) PLC	20%		25%
SMITH & NEPHEW PLC	18.2%		25%
TESCO PLC	21.4%		25%
TULLOW OIL PLC	9.1%		25%
UNILEVER PLC	25%		25%
VODAFONE GROUP PLC	14.3%		25%
WHITBREAD PLC	27.3%	27.3%	
WOLSELEY PLC	22.2%		25%

Case Study - The Mentoring Foundation

Barclays Bank plc, Founder Patrons of the FTSE 100 Cross-Company Mentoring Programme

After the Davies Report (*Women on Boards*) was published in 2011, a distinguished group of FTSE 100 Chairmen with a long commitment to participation in the FTSE 100 Cross-Company Mentoring Programme determined to expand it, to address the challenges set out by Lord Davies and his team. The Programme was subsequently established on an independent footing under the ownership of The Mentoring Foundation and its director, Peninah Thomson, was appointed Chief Executive. The Mentoring Foundation is a not-for-profit company limited by guarantee, with any surpluses reinvested in the company for the benefit of the FTSE 100 Programme.

The strategic intent of the FTSE 100 Cross-Company Mentoring Programme is to help companies to identify and develop a robust internal “pipeline” of talented women, and to help develop those women to be credible candidates for Board-level appointments – both as executive, and non-executive directors.

Group Chairman of Barclays Bank plc, Marcus Agius was one of the Chairmen who were instrumental in the expansion of the FTSE 100 Programme, and in February 2012 Barclays became a Founder Patron. Together with eleven other iconic UK organisations, Barclays has extended its commitment to the Programme by agreeing to nominate two senior female executives as Mentees, in 2012 and in each of the two following years.

Marcus Agius, together with Niall FitzGerald KBE, Chairman of Hakluyt & Co. Ltd., Sir Win Bischoff, Chairman, Lloyds Banking Group plc and Sir Philip Hampton, Chairman of The Royal Bank of Scotland Group plc, is a member of the Advisory Council of the FTSE 100 Cross-Company Mentoring Programme. They, and all the Chairman Mentors, have agreed to mentor a senior woman from another organisation, generously continuing to offer their commitment on a *pro bono* basis.

Barclays’ Chairman, working with the Group HR Director, Ms. Sally Bott, has nominated three of the bank’s senior female executives to be Mentees on the FTSE Programme. Each of the Mentees is working in a Mentoring Pair with the leader of another UK organisation from the non-banking sector (in order to avoid any potential conflict of interest).

Chairman Marcus Agius commented:

“The FTSE 100 Programme is delivering a double benefit. Not only is it preparing an emerging cadre of women to become non-executive Directors on the Boards of our larger companies, but it is also — through the mentoring process — helping them to develop in their current executive roles.”

3.4.2 Reporting on the Pipeline

Whilst the overall percentage of women on boards has begun to increase at an encouraging rate, it is hard to ignore the fact that most of the increase is occurring amongst NED directorships. Whilst the increase in the numbers of female NED positions is important, it is imperative to ensure that as much focus is placed on improving the female executive pipeline. This is requisite for better balanced boards and senior leadership going forward. Companies who are addressing this demonstrate a true commitment to changing organizational cultures and sustaining genuinely meritocratic environments.

In addition to Chairmen setting targets for the percentage of women on their corporate board, Recommendation 1 of the Davies Report stated:

Also we expect all Chief Executives to review the percentage of women they aim to have on their Executive Committees in 2013 and 2015.

This has proved to be an even more elusive exercise and very few Chief Executives have responded to this challenge. Any criticism levied at the focus on the numbers of women on boards has often pointed to the real crisis in the numbers of female executive directors (just 6.6% on FTSE 100 boards). Questions abound around how to increase these numbers and conversations with Chairmen and ESFs highlight this as an area of necessary focus.

Since 2006, in the Female FTSE Reports, we have been monitoring those women who are members of the Group Executive Team (often called Executive Committee or Group Management Team) from where future Executive Directors would naturally come. We have highlighted a number of them in previous "100 Women to Watch" lists and some have now gone on to ED roles. In the 2010 report, we obtained information on 99 of the then FTSE 100 companies (the one company who refused to respond was Antofagasta). However, in line with current best practice, we believe such companies should now be including this information on their corporate websites and within their annual reports.

"Board diversity is an important aspect of the wider topic of good corporate governance aimed at improving business decisions, reducing risk, sustaining profits growth and therefore higher long-term returns for shareholders. Today's event shows that investors are ready to hold companies to account on this issue and will encourage business-led change to reach our, and Lord Davies' targets for female representation on UK boards by 2015."

Helena Morrissey, CBE, CEO
Newton Investment Management
and founder of the 30% Club

The Investor Community has been very proactive in its response to the Davies Report. Recommendation 6 of that report stated that investors "*should pay close attention*" to the behaviours of companies in terms of the Davies recommendations, including company transparency around targets, reporting on proportions of women at various levels, the appointment process, boardroom diversity policies and measurable objectives. There has been a very positive response from a number of major investors expecting companies to comply – for example, Association of British Insurers, UK Sustainable Investment & Finance Association, Cooperative Asset Management, National Association of Pension Funds, Aviva Investors, L&G Investment Management, F&C Investments, Jupiter Asset Management, Blackrock, Aberdeen Asset Management, Hermes Equity Ownership Services, the Local Authority Pension Fund Forum, Newton Investment Management and RPMI Railpen. Investors need companies to report such information and increasingly the sense is that those that do not are at best ignorant (and therefore inactive) or at worst obstructive. We are aware that the majority of company annual reports are published between March and June and would encourage Chairmen and Company Secretaries to demonstrate best practice and leadership in this area.

Recommendation 2 of the Davies Report stated:

Quoted companies should be required to disclose each year the proportion of women on the board, women in senior executive positions and female employees in the whole organization.

Therefore, in our letter to Company Secretaries in January, we requested information on the proportion of women within their company:

- As a percentage of the whole workforce
- At junior management level
- At middle management level
- At senior management level, and
- At the level just below the board (e.g. Executive Committee/Management Committee)

We received 73 responses to our letter. It was interesting to note that whilst some companies could easily pull these data off various reporting tools, several organizations clearly did not routinely track this information (one company – Aggreko, advised us they were waiting for a new HR system to be implemented that would provide them this information in the near future). In addition to those companies listed in Table 9 below who did provide information, a further seven stated that some of what was requested will be reported in their forthcoming annual report. These companies are:

Anglo American, Essar, GKN, IMI, National Grid, Tate & Lyle and Tullow Oil.

We thank those companies who specifically reported these figures in response to our request, and would encourage them to monitor this information going forward. It is critical for companies in optimising their talent management that they are aware of diversity at all levels. It is only with such information that companies can be sure they are targeting their initiatives at the right place. Tracking percentages can show where companies are losing their women. For example, in Diageo, 35% of their total workforce is female. This figure remains constant at middle management level, which is encouraging, and falls only slightly to 27% at senior management level. They currently have 44% of women on their board, so are demonstrating consistency across the organization. In some ways a similar example is BAE Systems, with a 20% female workforce, 17% at Executive Committee level, but 25% women on their board. It would appear that they are doing a reasonable job at retention. In their case study (p.30), they are focusing on fostering a culture of inclusion and setting internal diversity targets (including a 25% target for the executive committee). However, it would appear that they need to improve their rate of bringing women into the organization. In the same industry, Rolls-Royce, whose percentage of women in the workforce is only 15%, is focusing on active involvement in education outreach to increase the numbers of women joiners. They have managed to increase their percentage of participants on their graduate development programme to 25%. However, their figures fall off to 7% at the most senior levels and so they will need now to focus on retention.

Retention and development is clearly still the issue for organizations within the financial services industries as most of those listed here have 50% or more women in their overall workforces but significantly less than half that figure in their senior management, executive committee or board levels.

The data from the 34 companies indicated the following trends:

- The percentage of the workforce which is female varied from 13% (Petrofac) to 57% (Old Mutual)
- The percentage of females at junior management level varied between 15% (BAE Systems) and 50.1% (Barclays)
- The percentage of females at middle management level varied between 12% (BAE Systems) and 40% (AstraZeneca)
- The percentage of females at senior management level varied between 7% (Rolls-Royce) and 43% (Admiral)
- Just below the board the percentage of females varied between 5% (BAE Systems) and 33% (Cairn Energy). Eighteen out of the 24 companies reporting the percentage of females at executive/management committee level report figures of less than 25%, so there is much work to be done in developing women to this level.

We also asked Company Secretaries for examples of work that they are conducting within their organizations specifically aimed at increasing their pipeline of women to the top. A number of case studies are included throughout this report. They detail some of the good work that these organizations are doing, focusing on initiatives such as flexible career paths, workplace flexibility, unconscious bias in recruitment, internal gender targets, promotion process monitoring and reporting, mentoring and reverse mentoring, annual gender reviews and diverse slates in appointments.

Case Study - Vodafone Building a sustainable female pipeline

“It is vital to look beyond the board and executive committee to build a sustainable female pipeline from within the company. In 2010 we outlined a clear commitment to increasing the number of women in our senior leadership populations by setting individual gender goals for our Executive Committee and their direct reports. Known as the Plus 1 principle; as a senior leader if your team is not already 50:50 gender balanced, then your goal is to bring at least one additional female into your team each year. Our global CEO has maintained continuous energy and commitment to this by ensuring progress is monitored and discussed quarterly with his team, and regularly communicating his view on the importance of female leadership to all employees.

As a result we have seen good increases in the representation of women in our Senior Leadership and Senior Management populations. But we still have a long way to go! Last year we extended the concept of gender goals to the next level of the organisation by introducing a target of 50:50 gender balance for new hires and internal promotions to our middle management levels.

We have realised, however, that goal setting alone is not enough to drive long term and sustainable growth. Through a series of dialogues with women throughout the organisation we have been able to identify and begin to address some of the deeper rooted challenges faced more particularly by women in what has been a historically masculine industry. While some of these challenges can and are being addressed by changes to policies and procedure (female candidates on shortlists, performance and talent processes free from gender bias and so on), a mind set shift is crucial to create a truly inclusive culture that values diversity of all kinds. As a result we have introduced a number of initiatives to raise awareness of potential bias and open minds to the value of the different types of skills diverse groups can bring to teams. Initiatives include a reciprocal mentoring programme matching our Executive Committee members with high potential female mentoring partners, the formation of local women’s networks, and team sessions on gender cultures in collaboration with the Pat Heim group. Like many organisations we know there is no one silver bullet or magic recipe and see this as a long term journey towards a more diverse and inclusive organisation.”

Table 9: FTSE 100 Pipeline of Women

Company	% of women in workforce:					
	Of whole workforce	At Junior Mgmt	At Middle Mgmt	At Senior Mgmt	At Ex/Man Comm	At Board Level*
ADMIRAL GROUP PLC				43%	29%	19%
AMEC PLC	24%	17%		10%	8%	0%
ANGLO AMERICAN PLC	14%	21%				19%
ASTRAZENECA PLC	51%	50%	40%	31%	25%	27%
AVIVA	50%	45%	29%	20%	18%	21%
BAE SYSTEMS PLC	20%	15%	12%	11%	5%	25%
BARCLAYS PLC	52%	50%	35%	10%	20%	17%
BRITISH LAND CO PLC	44%				25%	15%
BRITISH SKY BROADCASTING GROUP PLC (BSKYB)				32%		7%
CAIRN ENERGY PLC	53%				33%	22%
CAPITAL SHOPPING CENTRES GROUP PLC	46%	53%		26%	17%	7%
CENTRICA PLC	29%	27%	21%	15%	14%	25%
DIAGEO PLC	35%		35%	27%		44%
EXPERIAN PLC	45%	47%	38%	23%	13%	20%
G4S	12%	22%				20%
INTERTEK PLC	36%			18%	10%	0%
KINGFISHER PLC	40%	29%				22%
LAND SECURITIES GROUP PLC	45%	38%	23%	18%	14%	19%
LLOYDS BANKING GROUP	60%	49%	37%	26%	13%	8%
OLD MUTUAL PLC	57%			12%	11%	9%
PETROFAC LTD	13%					11%
PRUDENTIAL PLC	55%	63%	48%	27%	10%	12%
ROLLS-ROYCE HOLDINGS PLC	15%			7%	6%	7%
ROYAL BANK OF SCOTLAND	53%	33%		26%	18%	23%
SAGE	44%			26%	11%	25%
SABMILLER PLC	20%	23%	29%	24%		18%
SAINSBURY(J) PLC	54%	41%	25%	31%	27%	20%
SEVERN TRENT PLC	30%	28%	35%	20%	17%	9%
SMITH & NEPHEW PLC	39%	28%		15%	30%	19%
SMITHS GROUP PLC	38%	27%	20%	9%	0%	13%
STANDARD CHARTERED PLC	46%	52%	37%	22%	10%	12%
TESCO PLC			31%	19%	15%	21%
UNILEVER PLC	40%	42%	31%	20%	8%	25%
UNITED UTILITIES GROUP PLC	36%	37%	26%	24%	36%	14%

* The Board figures for the Pipeline are taken from our main data collection point of January 10th 2012.

4. FTSE 250 Companies

FTSE 250 describes those companies ranked from 101-350 in terms of market capitalisation. Within the boardrooms of those companies 9.4% (189) directorships are held by women. At the time of going to press (March 1st 2012) this figure had risen again to 9.6%. This has increased from 7.8% (154) recorded in the 2010 Female FTSE Report. Historically, the numbers of women on boards of the FTSE 250 companies have been much lower than those of the FTSE 100 companies and some commentators would suggest that this is because they are less in the media spotlight than their FTSE 100 counterparts. However, FTSE 250 Chairmen should realise the benefits of boardroom diversity and understand that ignoring this issue is no longer acceptable from a governance perspective. The Financial Reporting Council's changes to the Code regarding gender diversity apply to all listed companies.

4.1 FTSE 250 Companies with Female Directors

Of the FTSE 250 companies 135 (54%) now have women in their boardrooms, finally making those all-male boards a minority. This figure of 135 has increased from 119, but interestingly the number of companies with two female directors has also increased substantially from 25 to 40. This would indicate that the overall percentage increase of women on FTSE 250 boards has come equally from companies placing their first and also their second woman on the board.

Table 10: FTSE 250 Companies 2012

FTSE 250 Companies	No.	%
Companies with female directors	135	54.0%
Companies with 2 female directors	40	16.0%
Companies with 3 or 4 female directors	7	2.8%
Companies with female executive directors	25	10.0%
Companies with 2 female executive directors	3	1.2%
Average board size	8.1	
Average number of executive directors	2.4	
Average number of non-executive directors	5.6	

In the FTSE 250 companies there is no significant difference ($p=0.001$) between the board size of those with female directors (average 8.5 members) and those with only male directors (average 7.6 members).

Below are two tables. The first shows the 49 FTSE 250 companies which now have at least 20% female directors – this number has increased by 11 since the 2010 report. Following that we show a table with the FTSE 250 Zeros – those companies which retain all-male boards.

Table 11: The 49 FTSE 250 Companies with at least 20% Female Directors

Rank	FTSE 250 Company	Percent Female Board	No. of Female Directors	Female Executive Directors
1st	ELECTRA PRIVATE EQUITY PLC	50.0%	3	
2nd	WETHERSPOON(J.D.) PLC	42.9%	3	1 (ED)
3rd	JPMORGAN AMERICAN INVESTMENT TRUST PLC	40.0%	2	
4th	REDROW PLC	33.3%	2	1 (GFD)
4th	SYNERGY HEALTH PLC	33.3%	2	
6th	CARPETRIGHT PLC	30.0%	3	1 (ED)
7th	3i INFRASTRUCTURE PLC	28.6%	2	
7th	VICTREX PLC	28.6%	2	
7th	TALVIVAARA MINING CO PLC	28.6%	2	1(CFO)
10th	SVG CAPITAL PLC	25.0%	2	1 (CEO/FD)
10th	WILLIAM HILL PLC	25.0%	2	
10th	MONKS INVESTMENT TRUST PLC	25.0%	1	
10th	DE LA RUE PLC	25.0%	2	
10th	RPS GROUP PLC	25.0%	2	
10th	JPMORGAN RUSSIAN SECURITIES	25.0%	2	
10th	BTG PLC	25.0%	2	1 (CEO)
10th	BRITISH EMPIRE SECURITIES & GENERAL TRUST PLC	25.0%	1	
10th	HICL INFRASTRUCTURE CO LTD	25.0%	1	
10th	BETFAIR GROUP PLC	25.0%	2	
10th	ALLIANCE TRUST PLC	25.0%	2	1 (CEO)
10th	PREMIER FARNELL PLC	25.0%	2	1 (CEO)
22nd	BERKELEY GROUP HOLDINGS PLC	23.1%	3	
23rd	HAYS PLC	22.2%	2	
24th	INMARSAT PLC	22.2%	2	
24th	WS ATKINS PLC	22.2%	2	
24th	3i GROUP PLC	22.2%	2	1 (GFD)
24th	LOGICA PLC	22.2%	2	
24th	DOMINO'S PIZZA UK & IRL PLC	22.2%	2	
24th	HALMA PLC	22.2%	2	
24th	DEBENHAMS PLC	22.2%	2	
24th	STAGECOACH GROUP PLC	22.2%	2	
24th	CHEMRING GROUP PLC	22.2%	2	1 (ED)
24th	TALKTALK TELECOM GROUP PLC	22.2%	2	2 (CEO, CFO)
24th	TAYLOR WIMPEY PLC	22.2%	2	
24th	MITIE GROUP PLC	22.2%	2	2 (CEO, CFO)
24th	MONDI PLC	22.2%	2	
37th	ABERDEEN ASSET MANAGEMENT PLC	21.4%	3	1 (ED)
37th	RATHBONE BROTHERS PLC	21.4%	3	
39th	MURRAY INTERNATIONAL TRUST PLC	20.0%	1	
39th	MURRAY INCOME TRUST PLC	20.0%	1	
39th	JUPITER FUND MANAGEMENT PLC	20.0%	2	
39th	INTERNATIONAL PUBLIC PARTNERSHIPS LTD	20.0%	1	
39th	LAW DEBENTURE CORP PLC	20.0%	1	
39th	EXILLON ENERGY PLC	20.0%	1	
39th	SCOTTISH MORTGAGE INVESTMENT TRUST PLC	20.0%	1	

Table 11: The 49 FTSE 250 Companies with at least 20% Female Directors (cont'd)

Rank	FTSE 250 Company	Percent Female Board	No. of Female Directors	Female Executive Directors
39th	JPMORGAN EUROPEAN SMALLER COMPANIES TRUST PLC	20.0%	1	
39th	LADBROKES PLC	20.0%	2	
39th	BRITISH ASSETS TRUST PLC	20.0%	1	
39th	EASYJET PLC	20.0%	2	1 (CEO)

Table 12: FTSE 250 Companies Zeros

ABERFORTH SMALLER COMPANIES TRUST PLC	DEVRO PLC	MERCHANTS TRUST PLC
AFREN PLC	DIPLOMA PLC	MILLENNIUM & COPTHORNE HOTELS PLC
AFRICAN BARRICK GOLD PLC	DOMINO PRINTING SCIENCES PLC	MISYS PLC
ALLIED GOLD MINING PLC	DS SMITH PLC	MITCHELLS & BUTLERS PLC
ANGLO PACIFIC GROUP PLC	EDINBURGH DRAGON TRUST PLC	MONEYSUPERMARKET.COM GROUP PLC
AQUARIUS PLATINUM LTD	ELECTROCOMPONENTS PLC	MORGAN CRUCIBLE CO PLC
ASHTREAD GROUP PLC	ELEMENTIS PLC	NEW WORLD RESOURCES PLC
AVEVA GROUP PLC	F&C ASSET MANAGEMENT PLC	NORTHGATE PLC
AZ ELECTRONIC MATERIALS SA	F&C COMMERCIAL PROPERTY TRUST LTD	OXFORD INSTRUMENTS PLC
BALFOUR BEATTY PLC	FENNER PLC	PARAGON GROUP OF COMPANIES PLC
BANKERS INVESTMENT TRUST PLC	FERREXPO PLC	PERFORM GROUP PLC
BARR(A.G.)	FIDELITY EUROPEAN VALUES PLC	PERPETUAL INCOME & GROWTH INVESTMENT TRUST PLC
BBA AVIATION PLC	FILTRONA PLC	PERSIMMON PLC
BEAZLEY PLC	FIRSTGROUP PLC	PERSONAL ASSETS TRUST PLC
BELLWAY PLC	GEM DIAMONDS LTD	RANK GROUP PLC
BERENDSEN PLC	GENESIS EMERGING MARKETS FUND LTD	REGUS PLC
BH GLOBAL LTD	GENUS PLC	RENISHAW PLC
BH MACRO LTD	GREAT PORTLAND ESTATES PLC	RENTOKIL INITIAL PLC
BIG YELLOW GROUP PLC	GREENE KING PLC	ROTORK PLC

Table 12: FTSE 250 Companies Zeros (cont'd)

BLACKROCK WORLD MINING TRUST	HANSTEEN HLDGS PLC	RPC GROUP PLC
BLUECREST ALLBLUE FUND LTD	HERALD INVESTMENT TRUST	SALAMANDER ENERGY PLC
BODYCOTE PLC	HERITAGE OIL PLC	SAVILLS PLC
BOVIS HOMES GROUP	HIKMA PHARMACEUTICALS PLC	SCOTTISH INVESTMENT TRUST PLC
BUMI PLC	HOCHSCHILD MINING PLC	SEGRO PLC
BWIN.PARTY DIGITAL ENTERTAINMENT PLC	HUNTING PLC	SENIOR PLC
CALEDONIA INVESTMENTS PLC	IG GROUP HOLDINGS PLC	SHANKS GROUP
CAPE PLC	IMAGINATION TECHNOLOGIES GROUP PLC	SOCO INTERNATIONAL PLC
CAPITAL & COUNTIES PROPERTIES PLC	INTERMEDIATE CAPITAL GROUP PLC	SPECTRIS PLC
CATLIN GROUP LTD	INTERSERVE PLC	SPIRAX-SARCO ENGINEERING PLC
CENTAMIN PLC	JD SPORTS FASHION PLC	SPIRENT COMMUNICATIONS PLC
CHARTER INTERNATIONAL PLC	JOHN LAING INFRASTRUCTURE FUND LTD	STOBART GROUP LTD
CITY OF LONDON INVESTMENT TRUST PLC	JPMORGAN EMERGING MARKETS INVEST TRUST PLC	TELECOM PLUS PLC
CLOSE BROTHERS GROUP PLC	KCOM GROUP PLC	TEMPLETON EMERGING MARKETS INVESTMENT TRUST PLC
COLT GROUP SA	KENTZ CORP LTD	UK COMMERCIAL PROPERTY TRUST LTD
COMPUTACENTER PLC	KESA ELECTRICALS PLC	ULTRA ELECTRONICS HLDGS PLC
CRANSWICK PLC	LAIRD PLC	WOOD GROUP (JOHN) PLC
CRODA INTERNATIONAL	LAMPRELL PLC	YULE CATTO & CO PLC
DAEJAN HOLDINGS PLC	LONDON & STAMFORD PROPERTY PLC	
DAILY MAIL & GENERAL TRUST PLC	MELROSE PLC	

4.2 FTSE 250 Women in Top Roles

“MITIE is a fast-growing and ambitious company and will only reach its potential if it makes the most of all the talent within the company, including women. By making sure that we have the right environment and support for our female staff we will succeed together as a company.”

Ruby McGregor-Smith CBE,
Chief Executive

There are now ten female CEOs in the FTSE 250 companies. They are: Lyn Fordham, SVG Capital; Katherine Garrett-Cox, Alliance Trust; Dr. Harriet Green, Premier Farnell; the Honourable Dido Harding, TalkTalk Telecom; Carolyn McCall, easyJet; Ruby McGregor-Smith, Mitie Group; Dr. Louise Makin, BTG; Dorothy Thompson, Drax; Caroline Banzsky, Law Debenture Corp; and Kate Swann, WHSmith.

In addition, seven women hold the top financial position in the FTSE 250 companies. They are: Suzanne Baxter, Mitie Group; Shirley Garrod, Henderson Group; Yvonne Holm, Ophir Energy; Saila Miettinen-Lähde, Talvivaara mining; Barbara Richmond, Redrow; Amy Stirling, TalkTalk Telecom; and Julia Wilson at 3i.

This group of 17 at the top of their industries have between them only six FTSE 350 NED positions. They represent an untapped talent pool.

4.2.2 Cross-Index Comparison

As can be seen in the table below, the FTSE 250 companies fall significantly behind the FTSE 100 companies in terms of percentages of women holding both executive and non-executive board directorships. The FTSE 250 is also substantially lower in terms of companies with female executive directors and multiple directors.

Table 13: FTSE 100 and FTSE 250 Comparison

At January 2012	FTSE 100	FTSE 250
Female-held directorships	163 (15%)	189 (9.4%)
Female executive directorships	20 (6.6%)	28 (4.6%)
Female non-executive directorships	143 (22.4%)	168 (11.4%)
Companies with female executive directors	17 (17%)	25 (10.0%)
Companies with at least one female director	89 (89%)	135 (54%)
Companies with multiple female directors	50 (50%)	47 (18.8%)

Case Study - MITIE GROUP Maternity and Mentoring

“As an organisation with the only Asian female Chief Executive in the FTSE 250, MITIE recognises that attracting future female talent is of key importance. MITIE places huge importance on delivering a supportive and inclusive environment for its staff and these are just a number of measures that form part of the group’s efforts to retain more female employees.

MITIE has introduced a variety of programmes to encourage women to return to work after taking maternity leave and to help women maintain a career, including:

- Supporting flexible working hours and a flexi-leave system
- Enabling home working and a compressed working fortnight option
- Providing childcare vouchers and additional annual leave purchase schemes
- Offering a maternity coaching programme for senior HR professionals

MITIE has a dedicated diversity board, as well as an equality, diversity and inclusion policy which has developed a number of initiatives:

- Held the inaugural Diversity Week in 2011, including presentations from board level executives and a number of events to raise awareness of diversity and equality issues
- Appointed a diversity steering group that is externally chaired and consists of representatives from across the business
- Made managers accountable for implementing gender programmes initiated by diversity champions across the business

Mentoring is also recognised as essential to supporting a pipeline of female talent:

- Introduced a mentoring programme for rising female stars
- The CEO has set up and remains involved in a mentoring circle for black, Asian and minority ethnic female staff
- The Group Finance Director sponsors a newly developed executive mentoring programme for the finance function and has also achieved a 100% maternity returner rate within her direct reports, which is subsequently being cascaded throughout the business”

4.2.3 New Appointments

Figure 4: FTSE 250 New Appointment in 12 months to January 2012

In the year to January 2012, 52 women took up new directorships, compared to 273 new male appointments. This represents 19% of all new appointments. Interestingly, we retook the data on March 1st and this figure had risen substantially to 27% (57 women and 213 men). This would suggest that the ‘wave’ theory of increasing percentages going to women may also be in action in the FTSE 250 .

Mirroring the FTSE 100 appointments, the majority (68%) of the women had had no prior FTSE 350 board positions, thus expanding the talent pool of FTSE 350 female directors – see below.

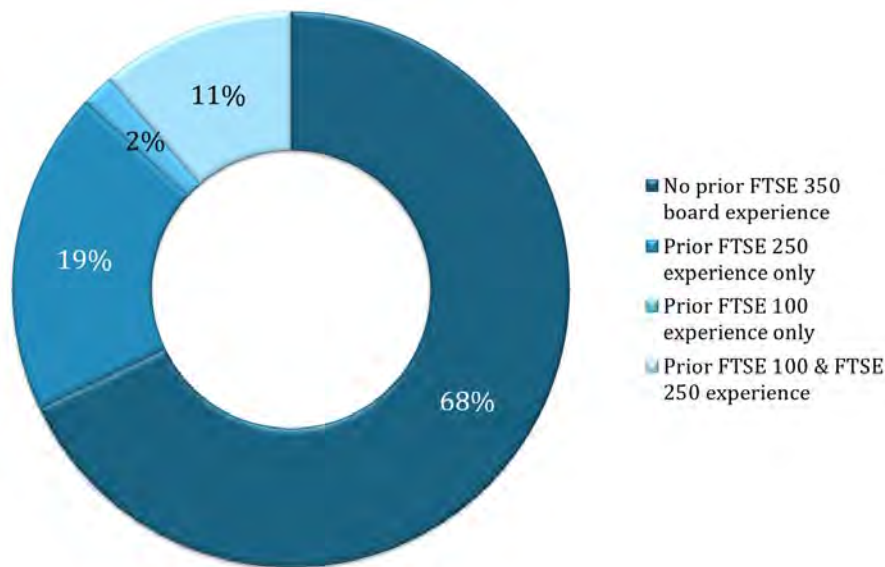
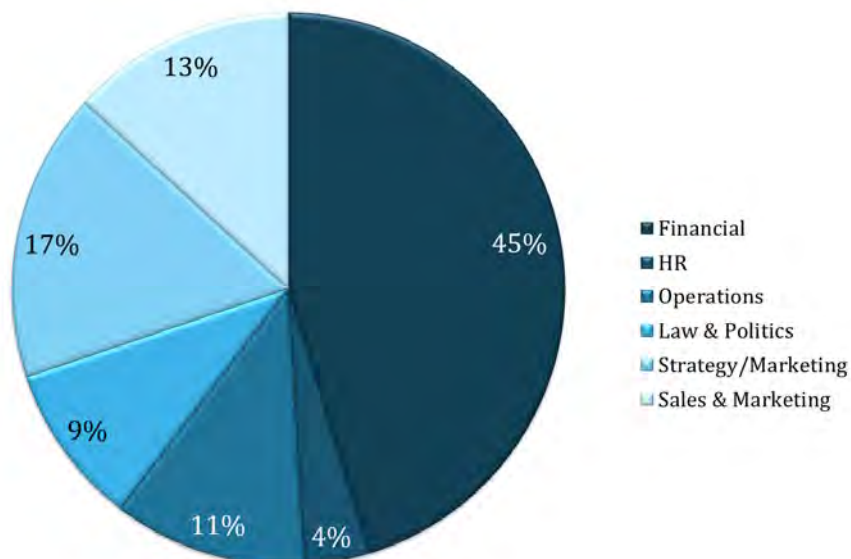


Figure 5: Backgrounds of FTSE 250 new female directors

The backgrounds of the new FTSE 250 female directors were slightly more eclectic than those of the new FTSE 100 female directors, with 45% coming from finance. There was a greater emphasis on sales and marketing, which may reflect the slightly smaller nature of these firms.



4.3 Targets and Pipeline

The table below shows the number of male and female held directorships and senior executive positions in FTSE 250 firms. As with the FTSE 100 firms, this year there has been a slight increase in the total number of directorships (from 1966) but another decrease in the number of executive directorships. In this tough economic climate, the latter may well be a cost-cutting exercise. The total number of senior executives has increased (from 2,186 to 2,213), but there has been no increase in the percentage of these roles held by women.

Table 14: FTSE 250 Directors, by Gender and Role

FTSE 250	Females	Males	Total
Executive Directors	28 (4.6%)	580 (95.4%)	608
Non-Executive Directors	161 (11.4%)	1250 (88.6%)	1411
Total Directors	189 (9.4%)	1830 (91.6%)	2019
Senior Executives	364 (16.4%)	1849 (83.6%)	2213

4.3.1 FTSE 250 Board Targets

As described in section 3.4 above, we wrote to all FTSE 350 companies requesting information on the aspirational targets and their pipeline figures.

We received 107 responses from the FTSE 250 companies. Thirty-four of those companies have set aspirational women on board targets. This is an increase of 14 companies since the Davies Interim Report, last October. From our responses, 28 stated that they would not be setting targets and the remaining 45 companies were supportive in principle but non-committal.

Interestingly, it appears that some of the FTSE 250 companies are being bolder than their FTSE 100 counterparts. For example, nine companies who have stated targets are at the start of this journey and currently have no women on their board – none of the 11 FTSE 100 companies with no women on their boards has announced a target. Four of the companies have targets of more 30%, although **WS Atkins** is the only company for whom that target is an increase on their current position.

Seven companies have set themselves targets of at least a 15 percentage point increase. They are: DS Smith, Fidelity European Values, FirstGroup, Laird, Rentokil Initial, Senior and Tui Travel. In addition Amlin, Beazley, Dignity, Greene King, Pennon Group, Phoenix Group Holdings and Rotork have all set themselves targets of between a 10-15 percentage point increase. We congratulate all of these companies.

Table 15: FTSE 250 Board Targets

Company	Current % of women on board	2013 Target	2015 Target
AMLIN PLC	9.1%		20%
BEAZLEY PLC	0.0%		10%
DIGNITY PLC	11.1%		25%
DOMINO'S PIZZA UK & IRL PLC	22.2%	20%	20%
DS SMITH PLC	0.0%		25%
ELECTRA PRIVATE EQUITY PLC	50.0%	33%	33%
EUROMONEY INSTITUTIONAL INVESTOR PLC	11.8%		13%
FIDELITY EUROPEAN VALUES PLC (Quoted)	0.0%		20%
FIDELITY CHINA SPECIAL SITUATIONS PLC	16.7%		25%
FIRSTGROUP PLC	0.0%		20%
GO-AHEAD GROUP PLC	14.3%	17%	17%
GRAINGER PLC	18.0%	18%	18%
GREENE KING PLC	0.0%		14%
INFORMA PLC	14.2%	14%	14%
INVESTEC PLC	18.8%		25%
JUPITER FUND MANAGEMENT PLC	20.0%	20%	20%
LAIRD PLC	0.0%	13%	25%
MONDI PLC	22.2%	25%	25%
PENNON GROUP PLC	14.2%	14%	25%
PHOENIX GROUP HOLDINGS	7.7%	14%	21%
PREMIER FARNELL PLC	25.0%	25%	25%
REDROW PLC	33.3%		33%
RENTOKIL INITIAL PLC	0.0%	20%	20%
RESTAURANT GROUP PLC	16.7%	17%	17%
ROTORK PLC	0.0%	12.5%	12.5%
RPS GROUP PLC	25.0%	25%	25%
SENIOR PLC	0.0%	15%	15%
STAGECOACH GROUP PLC	22.2%	22%	22%
SVG CAPITAL PLC	25.0%		25%
SYNERGY HEALTH PLC	33.3%	33.3%	33.3%
TAYLOR WIMPEY PLC	22.2%	22%	22%
TUI TRAVEL PLC	6.7%		25%
WILLIAM HILL PLC	25.0%		25%
WS ATKINS PLC	22.2%		33.3%

4.3.2 FTSE 250 Pipeline Information

Of the 107 FTSE 250 companies from whom we received responses, 40 provided information on their pipeline percentages. We commend these companies and report their information in the table below.

A further seven companies stated that, due to the nature of their business, they have no employees. These were Bankers Investment Trust, 3i Infrastructure, Aberforth Small Companies Trust, Fidelity European Values, Foreign & Colonial Investment Trust, Polar Tech Investment Trust and Electra Private Equity.

Two further companies (Jardine Lloyd Thompson and Yule Catto) advised that they did not have any of the information requested available. An additional six companies stated there would be more information available in their forthcoming annual reports. These companies were: Laird, Mitie Group, Elementis, First Group, Informa, and Sig

Table 16: FTSE 250 Pipeline of Women

Company	% of women in workforce:					Board
	Of whole workforce	At junior Mgmt	At middle Mgmt	At Senior Mgmt	At Ex/Man Comm	
ALLIANCE TRUST PLC	52.0%	53.0%	36.0%	20.0%	29.0%	25.0%
AMLIN PLC	46.0%	52.5%	23.0%	10.0%	0.0%	9.1%
BALFOUR BEATTY	28.0%	50.0%	16.0%	12.0%	8.0%	0.0%
BBA AVIATION PLC	22.0%			19.0%	30.0%	0.0%
BETFAIR GROUP PLC	22.4%	16.0%				25.0%
BOVIS HOMES GROUP	36.0%				0.0%	0.0%
CABLE & WIRELESS WORLDWIDE PLC	24.0%	25.0%	22.0%	25.0%	33.0%	16.7%
CALEDONIA INVESTMENTS PLC	39.0%	81.0%	50.0%	33.0%	13.0%	0.0%
CAPITAL & COUNTIES PROPERTIES PLC	40.0%	57.0%	41.0%	53.0%	36.0%	0.0%
COBHAM PLC	27.9%					11.1%
DAIRY CREST	18.1%	28.5%	19.0%	26.6%	0.0%	11.1%
DEBENHAMS PLC	76.6%	67.9%	54.5%	44.0%	50.0%	22.2%
DRAX GROUP	25.1%	41.6%	21.8%	25.0%	14.5%	11.1%
DOMINO PRINTING SCIENCES PLC	24.0%	26.0%	15.0%	8.0%	33.0%	0.0%
DUNELM GROUP PLC	65.0%	50.0%			29.0%	16.7%
EXILLON ENERGY PLC	18.0%				50.0%	20.0%
GREAT PORTLAND ESTATES PLC	43.0%	60.0%	21.0%	30.0%	50.0%	0.0%
HAYS PLC	61.0%			24.0%		22.2%
INFORMA PLC				35.0%		14.3%
INMARSAT PLC	32.0%	47.0%	23.0%	19.0%	18.0%	22.2%
JUPITER FUND MANAGEMENT PLC	40.0%			25.0%		20.0%
LONDON & STAMFORD PROPERTY PLC	60.0%	25.0%			40.0%	0.0%
LONMIN	4.9%				28.0%	9.1%
MICHAEL PAGE INTERNATIONAL PLC	50.6%	45.0%	43.7%	26.5%	6.7%	12.5%
MONDI PLC	21.0%			18.0%		22.2%
OPHIR ENERGY PLC	41.3%	42.9%	25.0%	0.0%	40.0%	8.3%
PENNON GROUP PLC	16.0%	22.0%	19.0%	18.0%	6.0%	14.3%
PERSIMMON PLC	35.0%			15.3%	16.6%	0.0%
PZ CUSSONS		37.0%	35.0%	25.0%	22.0%	18.2%

Table 16: FTSE 250 Pipeline of Women (cont'd)

Company	% of women in workforce:					
	Of whole workforce	At junior Mgmt	At middle Mgmt	At Senior Mgmt	At Ex/Man Comm	Board
RENTOKIL INITIAL PLC	49.5%	30.1%	30.3%	19.4%	16.7%	0.0%
ROTORK PLC	17.0%	25.4%	12.3%	0.0%	12.5%	0.0%
SHAFTESBURY PLC	53.0%			50.0%		18.2%
SHANKS GROUP	12.6%					0.0%
SPECTRIS PLC				12.0%		0.0%
ST. JAMES'S PLACE PLC	51.0%	53.0%	17.0%	9.0%	13.0%	9.1%
STAGECOACH GROUP PLC	12.6%			7.0%		22.2%
SVG CAPITAL PLC	51.0%	50.0%	50.0%	57.0%		25.0%
TUI TRAVEL PLC			42.0%			6.7%
WETHERSPOON(J.D.) PLC	51.0%	81.0%	32.0%	28.0%	17.0%	42.9%
WS ATKINS PLC	27.7%			11.0%	4.0%	22.2%

The data from the 40 companies indicated the following trends:

- The percentage of the workforce which is female varied from 4.9% (Lonmin) to 76.6% (Debenhams)
- The percentage of females at junior management level varied from 22% (Pennon Group) to 81% (Caledonia Investments, Wetherspoon)
- The percentage of females at middle management level varied from 12.3% (Rotork) to 54.5% (Debenhams)
- The percentage of females at senior management level varied from 0% (Ophir energy) to 57% (SVG Capital)
- Just below the board the percentage of females varied from 0% (Amlin, Bovis and Dairy Crest) to 50% (Debenhams, Exillon Energy and Great Portland Estates)
- 12 of the 28 companies reporting numbers of females at executive/management committee level have more than 25% female directors at that level and yet only one of them (Alliance Trust) has reached the target of 25% females on the board.

Again, we commend these 40 companies for monitoring this data. Overall, a substantial majority of them reveal a trend of significant drop-off between the overall work-force percentage and the percentage of women at the executive committee or board level. However a few (Betfair, Exillon, Mondi and Pennon) maintain their workforce percentages fairly evenly across all levels – although they all have workforce percentages of under 25%. Lonmin and Stagecoach buck the trend and have board percentages higher than their workforce percentages, although both figures are very low (5% and 12%). At the other end, Debenhams and SVG Capital both manage to maintain more than 50% of women across all levels until the board, when both come down to 22% and 25% respectively. Clearly these companies have done a great job at maintaining their pipeline, but we would hope that they can continue the increases to board level. We hope that the exercise of mapping the pipeline of female talent will encourage companies to invest more effort at bringing women through to the top .

5. Concluding Remarks

The 2012 Female FTSE Report follows a 12 month period of global activity in the field of women on boards, with a number of countries declaring different intervention strategies. In the UK we have also seen considerable activity following the Davies Report, with initiatives from a number of stakeholders.

By the time this report is launched, Vivian Reding (EU Justice Commissioner) will have made her announcement on March 8th 2012 determining whether at a European level the approach going forward is through directives or recommendations. At the time of going to print, we understand she is still considering both options.

The multi-stakeholder approach of the Davies Report has undoubtedly had an important impact over the past 12 months. For the nay-sayers, the change is not fast enough and pessimism prevails. We trust that our updated model charting the increasing number of women on boards dispels such negativity. As long as the stakeholders remain engaged we could achieve 30% women on boards within four years. This would be a fantastic achievement. We urge Chairmen, Chief Executives, Executive Search Firms, the government, investors and women to stay focused and use the momentum to change the status quo permanently.

APPENDIX: Cranfield's International Centre for Women Leaders

The International Centre for Women Leaders is committed to helping organisations develop the next generation of leaders from the widest possible pool of talent. We are unique in focussing our research, management development and writing on gender diversity at leadership level.

The objectives of the Centre are to:

- Lead the national debate on gender diversity and corporate boards
- Provide a centre of excellence on women leaders, from which organisations can obtain the latest trends, up-to-date research and benchmark best practice
- Identify and examine emergent issues in gender diversity and leadership, through sponsored research in partnership with industry and government
- Share research findings globally through conferences, workshops, academic articles, practitioner reports and in the international press.

For more information on the Centre's research and executive development, please visit our Centre website at www.som.cranfield.ac.uk/som/research/centres. There is also available a list of our research articles in areas such as women on boards, ethnicity on boards, leadership, diversity management, gendered cultures, role models, impression management, and flexible working.

We have a number of doctoral researchers studying for PhDs or DBAs within our research centre and can occasionally offer a full bursary to cover costs.

Dr Ruth Sealy, BSc, MSc, PhD, MCIPD



Senior Research Fellow

Deputy Director of the International Centre for Women Leaders

With global expertise on women on corporate boards, Ruth has been the lead researcher of the UK's annual Female FTSE Report since 2007. In addition to the Female FTSE Report, Ruth has led the monitoring research following Lord Davies' review.

Ruth's research interests cover many aspects of retaining women in leadership, particularly board composition and corporate governance. She completed her PhD at Cranfield looking at the impact of role models on the identity formation of senior female directors in the banking sector and has since published a number of journal articles, book chapters and conference papers, where she has won two Best Papers. She is on the Editorial Board of *Gender in Management: An International Review*, and has spoken at many academic and practitioner conferences. She is regularly interviewed by the press.

Ruth speaks regularly at academic and practitioner conferences, lectures post-graduate and doctoral courses. She is a Chartered Member of the Institute of Personnel and Development and has written various articles for practitioner audience magazines, e.g. *Women in Banking and Finance*, *City Women's Network*.

Prior to becoming an academic, Ruth was the Managing Director of a specialist holiday company, which she sold to a larger tour operator in 2001. She then worked as an independent Business Psychology consultant. Her work included assessment, but particularly the development of high potential talent, focusing on emotional intelligence and cognitive processing, working extensively in the engineering/aerospace sector.

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Professor Susan Vinnicombe OBE, MA, PhD, MCIM, FRSA



Professor of Organisational Behaviour and Diversity Management
Director of the Leadership and Organisation Development Community
Director of the Cranfield International Centre for Women Leaders

Susan's particular research interests are gender diversity on corporate boards, women's leadership styles, and the issues involved in women developing their managerial careers. Her Research Centre is unique in Europe with its focus on women leaders and the annual Female FTSE Report is regarded as the premier research resource on women directors in the UK.

Susan has written ten books and over one hundred articles, reports and conference papers. "Women on Corporate Boards of Directors – International Research and Practice" (with R. Burke, D. Bilimoria, M. Husen and V. Singh published by Edward Elgar) was published in 2009. Her latest book "Handbook of Research on Promoting Women's Careers" (with R. Burke, L. Moore and S. Blake-Beard) will be published by Edward Elgar in 2012.

Susan has consulted for organisations in over twenty countries on how best to attract, retain and develop women executives. She has advised government in the UK, New Zealand, Australia, Finland and Spain on how to increase the number of women on their corporate boards. Susan is regularly interviewed in the press and on the radio and television for her expert views on women directors, and is a frequent keynote speaker at conferences. Susan is the founder and Chair of the judges for Women in the City Awards. She is a Board member of the Saudi British Joint Business Council and Vice Patron of Working Families, a charity. She is also Visiting Professor of Curtin University, Graduate Business School, Perth, Australia. Susan is a member of the Davies Steering Committee.

Susan was awarded an OBE for her Services to Diversity in the Queen's New Year's Honour List in 2005.

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Notes

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