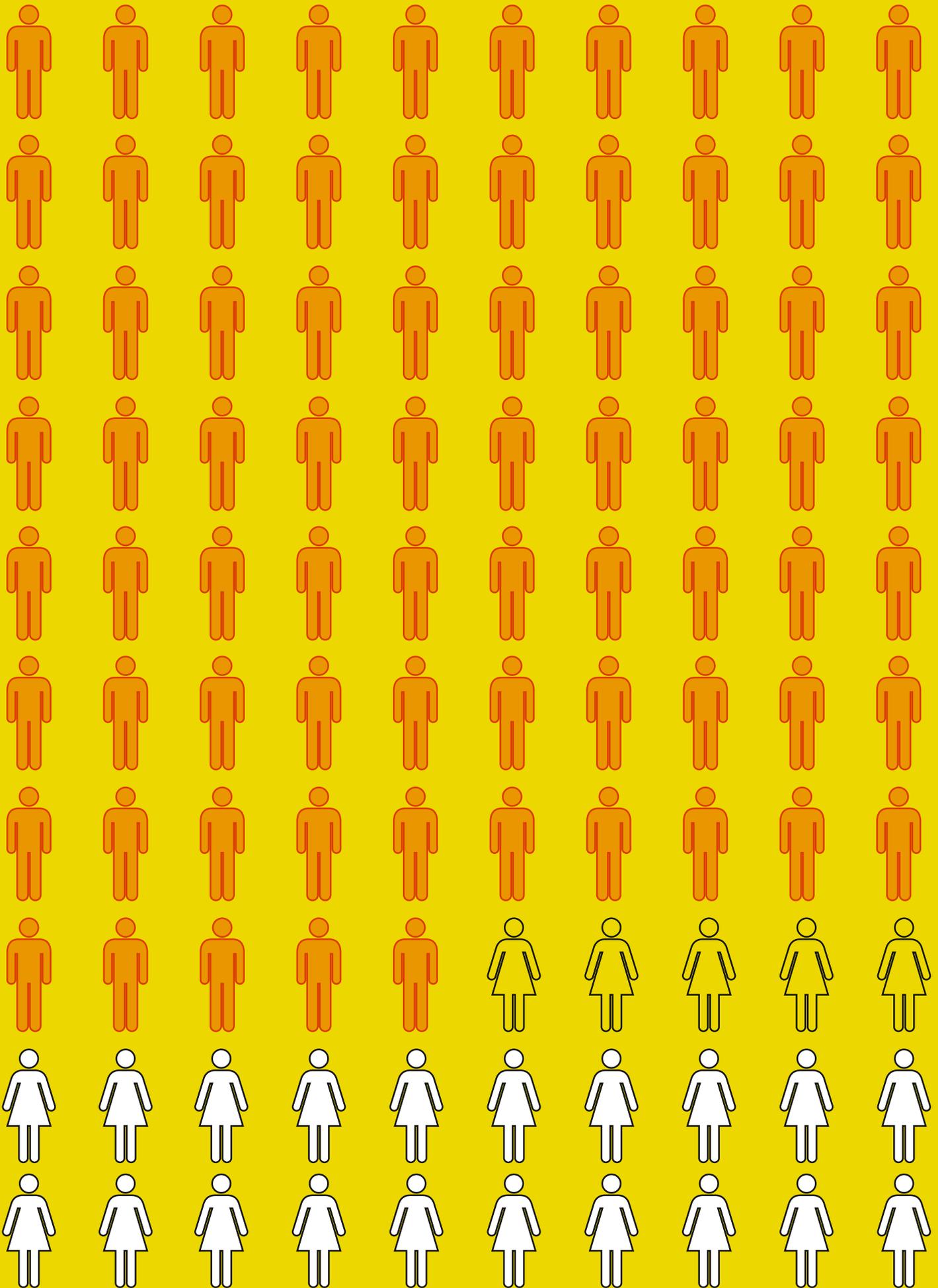


Women on boards Davies Review Annual Report 2014



March 2014 – FTSE 100 boards 79.3% men 20.7% women

Balanced boards mean better business

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Foreword by Lord Davies of Abersoch

Since we launched the Women on Boards Report in 2011, we have seen real progress made to increase the number of women on FTSE 350 Boards. We are finally seeing a culture change take place right at the very heart of British business. Every week we see women in the workplace in the media; it is a hot topic and I am proud that the Women on Boards Report has been a catalyst for action.

Women's representation on FTSE 100 boards now stands at 20.7%, up from 12.5% in 2011, with only two all male boards remaining. The FTSE 250 have achieved 15.6%, up from 7.8% in 2011 - with 83 of the FTSE 250 all male boards in 2011 now having recruited one or more women onto their boards.

Strengthening the executive pipeline remains a longer term task. We have seen that increasing the number of women at board level is significantly impacting the way companies look at the talent pipeline; opening up new opportunities for women in the organisation.

This is all clear evidence the voluntary approach is being grasped by British business, and is working.

At the start of our review, we were overwhelmed by voices from Chairmen, companies and others asking for a business led voluntary framework, as opposed to legislative quotas or EU intervention. British business said they could fix this on their own. The world is now watching with real interest to see if they can. We need to turn these words into action, to raise the bar and to prove it.

Yes, the home straight is in sight, but we will not reach our goal of 25% representation by 2015 without re-doubling efforts. We need fewer than 50 women to be appointed to FTSE 100 boards in the next 18 months for UK plc to meet the target set. This is not as hard as some would like to make out; there are many, many talented women with the relevant expertise and experience to serve on FTSE 100 boards. They may not be as visible at first sight or as obvious as their male counterparts, nor may they be found through traditional routes, but they are there.

When we reach the 25% target, we will have doubled the percentage of women on boards since 2011. This clearly isn't gender parity but it is a strong foundation and major milestone in a longer journey.

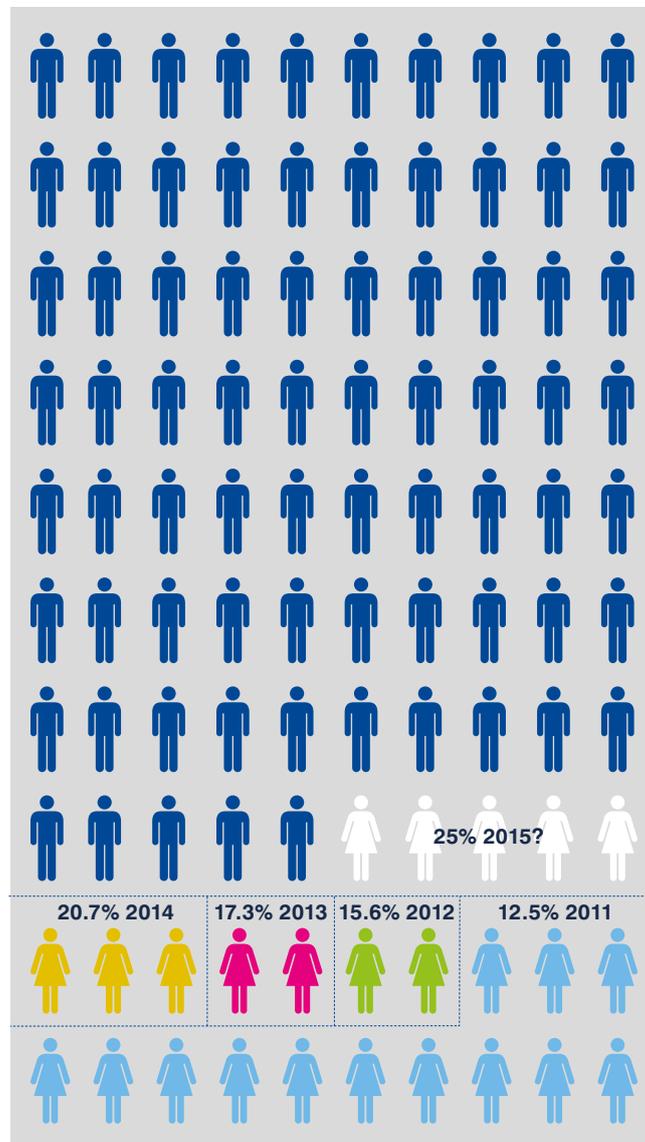
I would also like to take this opportunity to thank the many Chairmen, CEOs, HR directors, businesses, journalists and individual business men and women whose commitment to this issue has been, and remains, unstinting. In particular I would like to thank my fellow Steering Group members, Barclays and Cranfield for their constant support.

A handwritten signature in black ink that reads "E. Mervyn Davies". The signature is written in a cursive, slightly slanted style.

Lord Davies of Abersoch, CBE

Executive Summary

Although we have come a very long way since 2011 and many of our stakeholders have made extraordinary efforts to change the gender dynamic in British boardrooms, continued and concerted action is still needed if we are to reach the 25% target we set by 2015.



Proportion of women on FTSE 100 Boards 2011 to 2014
Annual Davies Reports

Gender balance makes good business sense. Women make up over half of the UK population, account for nearly half of the working population, outperform men educationally and are responsible for the majority of household purchasing decisions. Women are as successful as their male counterparts at university and in their early careers, but attrition rates increase significantly as they progress through an organisation. The under-representation of women in senior roles and at board level impacts the performance, governance and reputation of companies, as they fail to attract and retain the widest possible range of talent.

The business case for increasing the number of women on corporate boards is clear. It allows businesses to:

- Improve performance at Board and business levels through input and challenge from a range of perspectives;
- Access and attract talent from the widest pool available;
- Be more responsive to market by aligning with a diverse customer base, many of whom are women; and
- Achieve better corporate governance, increase innovation and avoid the risks of 'group think'.¹

However, we are now moving to a place where the business case is no longer in question and it is unacceptable for the voice of women to be absent from the boardroom. The women themselves and the role they are playing at the top table, is selling itself. Their value is not only being recognised for the skills and attributes they bring, but these women are also seen to have a positive impact on the performance of the board as a whole.

"Improving gender balance in the boardroom not only increases the performance of the board and strengthens the business but is also good for the UK economy, as it enhances our competitiveness, ability to attract talent and reputation for good governance in a global market."

Philip Hampton, Chairman – Royal Bank of Scotland

We are also aware that connecting with the business case and logic, will only get us so far on the journey. Change brought about through leaders demonstrating their own personal values and sense of fairness, will have greater impact.

We now understand some of the more complex issues that have prevented many women reaching the boardroom during the course of their careers. These include performance management systems, unconscious bias, limited access to challenging career opportunities, as well as other cultural factors at play in the organisation. Companies need to be addressing these issues if their organisations are to achieve sustainable change.

Progress

Over the last year, we have seen many positive steps to improve women's representation in the boardroom. We encourage business to build on this good work over the next year, and those companies that are boldly leading the way, to continue to shine a spotlight on best practice and show others what can be achieved. The time has come to grasp the opportunity presented via the voluntary framework, and show Government that British business can lead the way on gender balanced boardrooms and is working towards gender parity.

¹ Lord Davies, Women on Boards 2011.

Chairmen are convinced of the value of women in the boardroom

Chairmen are more engaged than ever and we are grateful to many for their strong and visible leadership in this area. There are now 12 companies in the FTSE 100 with four or more women on their boards, and 27 companies with more than two women on their boards. In the FTSE 250, there are 18 companies with three or more women on their board. There are now only 2 all male boards in the FTSE 100 and 48 in the FTSE 250, with the spotlight clearly on them to take action in the next 12 months.²

Business practices are changing

Individual companies are taking bold steps and showing their direction of travel is clearly to improve the number of women in senior positions. They are doing this by setting themselves challenging targets, as indeed have Government.

Companies are being more transparent about gender equality. This is demonstrated by the 150+ companies that have voluntarily signed up to the Government initiative Think, Act, Report. It is also shown by widespread adoption of the UK Corporate Governance Code changes for companies to explain their policy on boardroom diversity, as well as the annual report narrative reporting changes which now include requirements to report on gender diversity in their organisations.

There are over 70 Executive Search Firms who have signed up to the Voluntary Code of Conduct. This year an independent review of the Voluntary Code for Executive Search Firms was published by Charlotte Sweeney, with 10 recommendations for stakeholders to improve practices further in the search and selection process of FTSE board members.

A whole new industry has developed since the publication of the Davies Review in 2011; an industry aimed at supporting senior women through their career progression, and supporting organisations keen to improve gender balance and the pace of change. These thriving new companies offer valuable services, including the mentoring and coaching of capable and younger aspiring women, and diagnostics and route maps to help organisations effect real change.

The pipeline is being strengthened

We are seeing many companies taking real strides to improve the representation of senior women in the workplace. Lloyds Banking Group, Barclays and Diageo, are each implementing substantial, company wide initiatives to strengthen the female talent in their organisations. We commend the efforts of these organisations, and the many others, for leading the way.

“Having women on the board at Diageo has significantly changed the way we manage talent in our business, helping us to strengthen the executive pipeline and increasing the opportunities available for all women in the organisation.”

Franz Humer, Chairman – Diageo

² Data from Professional Boards Forum BoardWatch and BoardEx

The Women's Business Council set out recommendations for both government and business, which focus on tackling the barriers that prevent women from reaching their potential in the workplace. These cover the whole work life cycle, from how to raise the aspirations of young women whilst they are in school, to ensuring the skills and experiences of older women are not lost to the economy.

The UK voluntary framework is working in the workplace

The lack of women on boards is not just a UK issue, it is a global one. The issue is being debated in Africa, India, and America, as well in countries across Europe. It remains our view that action taken in each country should be different, according to that country's starting point, legal system and unique business environment.

The European Parliament voted in favour of quotas last November but the 28 member states of the European Council have reached deadlock on this matter. Our commitment to self-regulation is shared by several other member states. However, once there is a new Commission and a new Parliament, we can be sure that the pressure will be on again.

We respect the right of others to put quotas in place, but we remain committed to self-regulation. We are confident that with sustained and continued action we will meet our targets. We also are aware that failure to achieve our voluntary targets would again raise the prospect of compulsory measures being enacted by Government or from the European Union.

The spotlight is on

The UK's voluntary, business led approach is under intense scrutiny, not just from our European partners but from regulators, investors and other stakeholders. The actions taken by the FTSE 350 in 2014 will determine whether the UK succeeds in achieving its 25% target. The world is watching to see if the UK can deliver real change in this area without resorting to legislative measures. In 2011, British business overwhelmingly asked to resolve this issue on their own – with British business credibility on the line, they now need to prove they can.

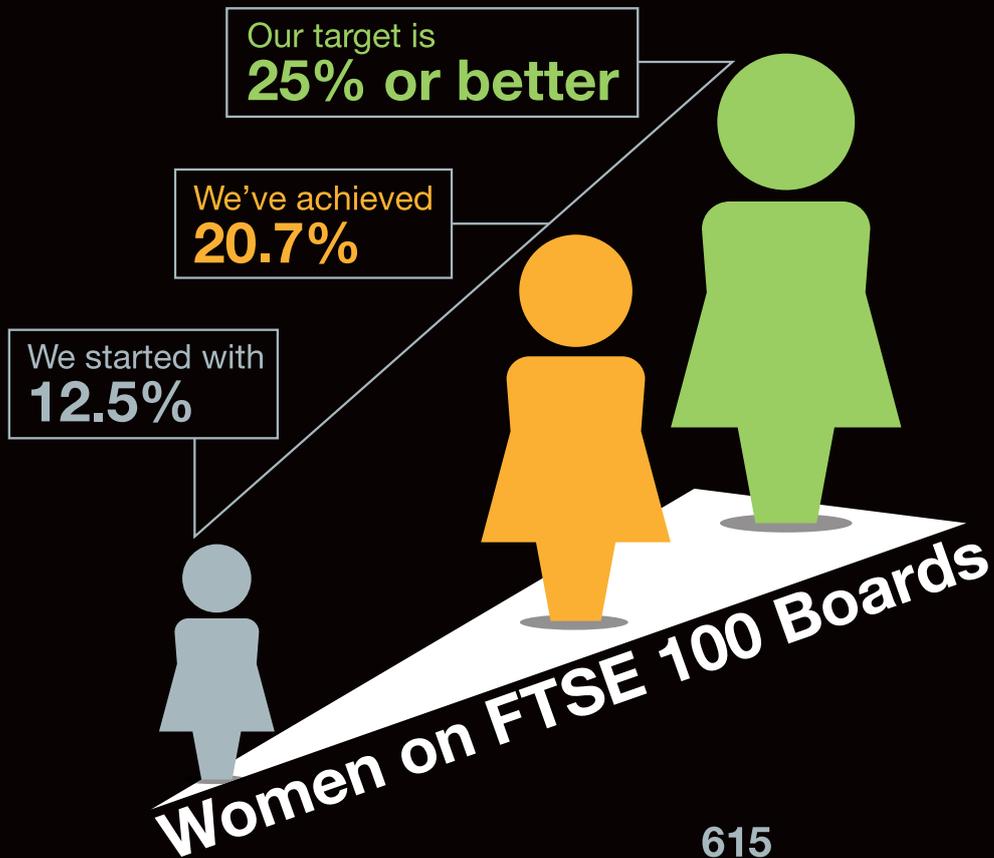
Focus for the next year

Harnessing the power of CEOs and investors will be a key area of focus in the coming year for the Steering Group, but it is just as important to move forward with all the recommendations we originally set out. It is through sustained and collective efforts on all fronts that will ensure we meet the 25% target.

The 2015 target is a short term goal; a focus for immediate action and real change. It equates to a net increase of fewer than 50 women on FTSE 100 boards and can clearly be achieved, as long as action is taken now. We are equally committed to achieving gender parity – the long term aim.

Balanced boards mean better business

Where we are now: FTSE 100



2
FTSE boards
are all male

Breaking down
20.7%
Number of male and
female directorships

271

20

6.9%
Executive Directors
are women

615

211

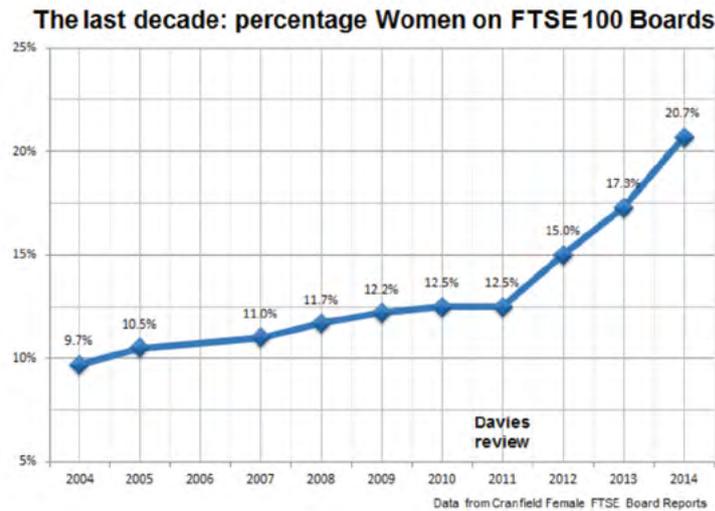
25.5%
Non-Executive Directors
are women

Statistics and Trends

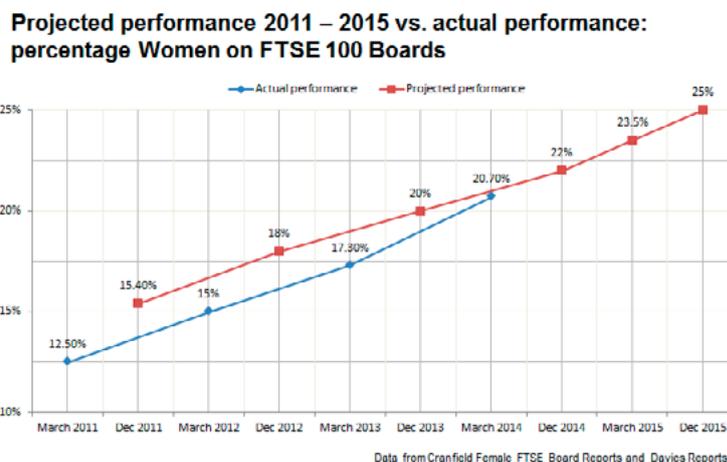
FTSE 100 Boards

Women make up **20.7%**³ of the members of the corporate boards of FTSE 100 companies; up from **12.5%** in 2011 when the first Women on Boards report was published.

Although we have come a very long way since 2011, continued and concerted action is still needed to reach the 25% target we set by 2015.



The graph below plots the projected performance 2011 - 2015⁴ for women on boards to reach the 25% target against the actual performance to date. It shows in the last year we have recovered from previous underperformance and are getting closer to the necessary trajectory. If we continue to show the same progress from March 2013 to March 2014 going forward, the 25% target will be met or exceeded. If we slow down to the rate of progress achieved before 2013, it will be missed.



³ Cranfield, Female FTSE Board Report 2014

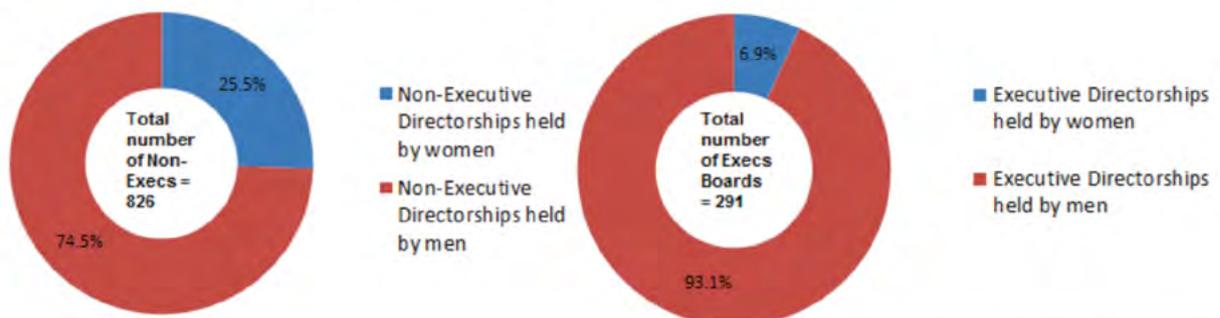
⁴ Lord Davies, Women on Boards 2011

We are confident that with sustained and continued action we will meet our targets. We also are aware that failure to achieve our voluntary targets would again raise the prospect of compulsory measures being enacted by Government or from the European Union.

Executive and Non-Executive Directorships

The improvement in the overall women on boards figure (20.7%) has mainly come from increasing the proportion of Non-Executive directorships held by women. The percentage of female Non-Executive Directorships is now 25.5%, up from 21.8% in 2013. The percentage of women executives on FTSE 100 boards is still low at 6.9%, up from 5.8% last year.

Board Composition: Non-Executives and Executives on FTSE 100 Boards 2014



Data from Cranfield Female FTSE Board Report 2014

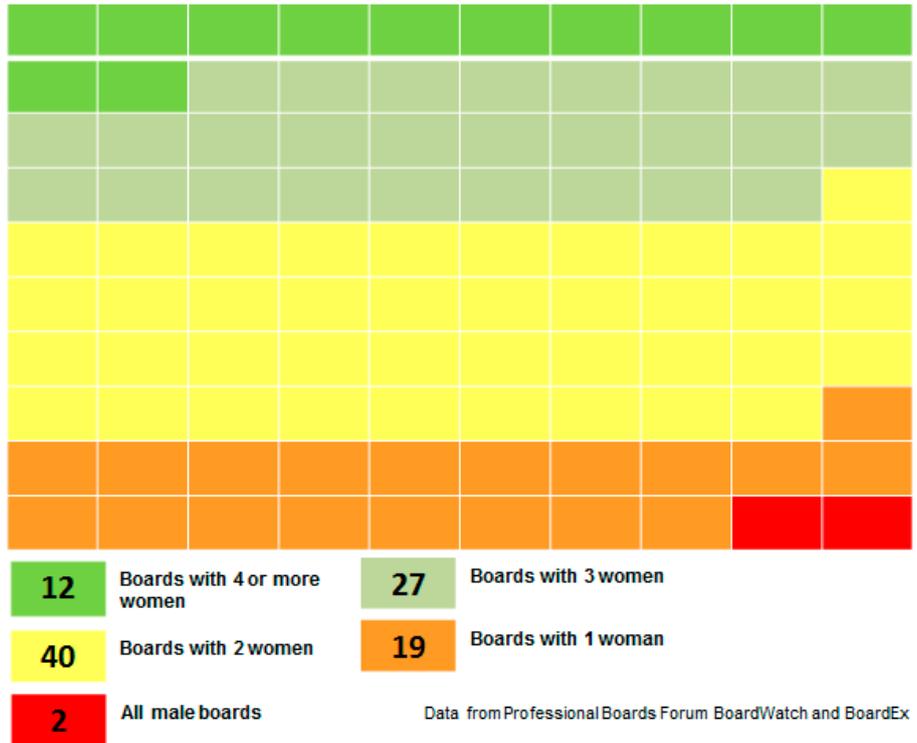
It was always anticipated that the number of women executive directors would take longer to increase. Executive directors influence the ethos and culture of a company, therefore in order to bring about sustainable change it is essential that businesses strengthen the executive pipeline and this should remain the longer term task.

There are currently four female CEOs in the FTSE 100: Angela Ahrendts at Burberry, Alison Cooper at Imperial Tobacco, Moya Greene at Royal Mail, and Carolyn McCall at EasyJet. There is one female Chair in the FTSE 100, Alison Carnwarth at Land Securities. Albeit, with some changes expected imminently.

Board composition

There are now only two all male boards in the FTSE 100, Glencore Xstrata and Antofagasta. This is a great achievement considering there were 21 all male boards in February 2011. We are moving to a place where it is unacceptable for the voice of women to be absent in the boardroom and the spotlight is clearly on the two remaining all male boards to take action.

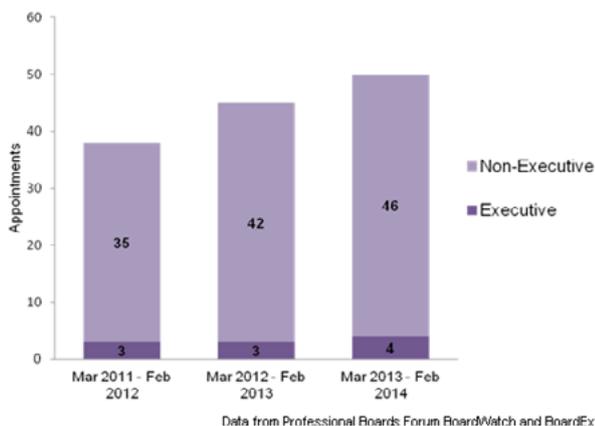
FTSE 100 Board composition 2014



Appointments

In 2011, we stated that the ratio for new appointments to boards from March 2011 should be 33% women each year. The chart below shows female appointments to FTSE 100 Boards have steadily risen over the last three years. There have been 133 female directorship appointments to FTSE 100 boards since March 2011.

Female Appointments 2011 – 2014: FTSE 100 Boards



Percentage Female Director Appointments FTSE 100 (March to Feb)	
2011 – 2012	27%
2012 – 2013	34%
2013 – 2014	28%

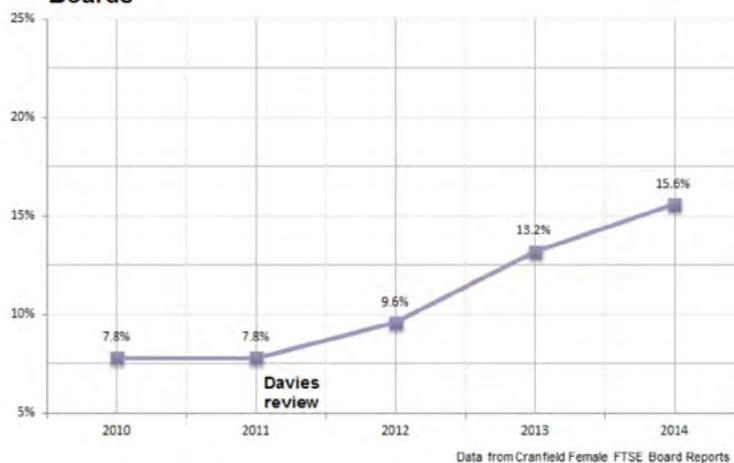
Data from Professional Boards Forum BoardWatch and BoardEx

Fewer than 50 women need to be appointed to reach 25% women on FTSE 100 Boards. This is clearly achievable if all FTSE 100 companies play their part. There are currently 36 FTSE 100 companies with 25% or more women on boards, it is time for the other 64 companies to step up to the plate.

FTSE 250

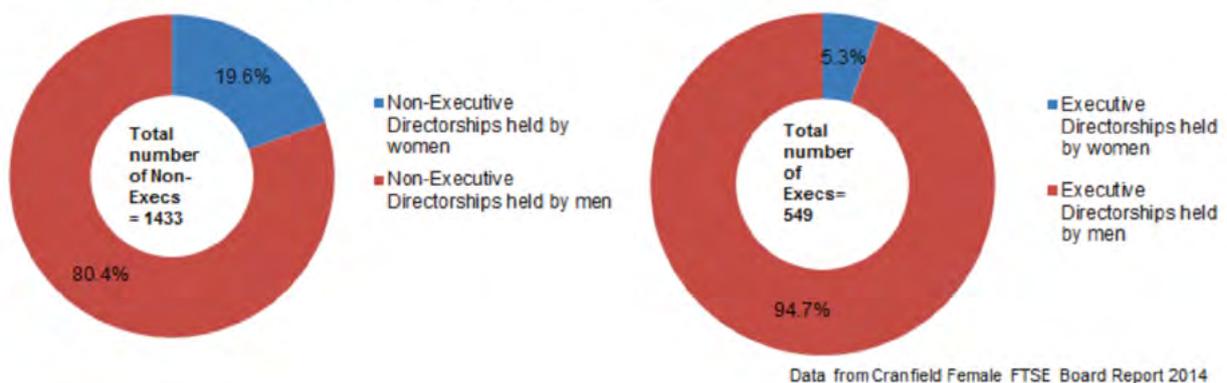
We have made more progress to date in FTSE 250, women make up **15.6%** of the members of the corporate boards of FTSE 250 companies; exactly double the proportion in 2011 of 7.8%. As with the FTSE 100, progress has been good since the first Davies review but continued and concerted action is needed to improve boardroom diversity.

The last five years: Percentage Women on FTSE 250 Boards



Executive and Non-Executive Directorships

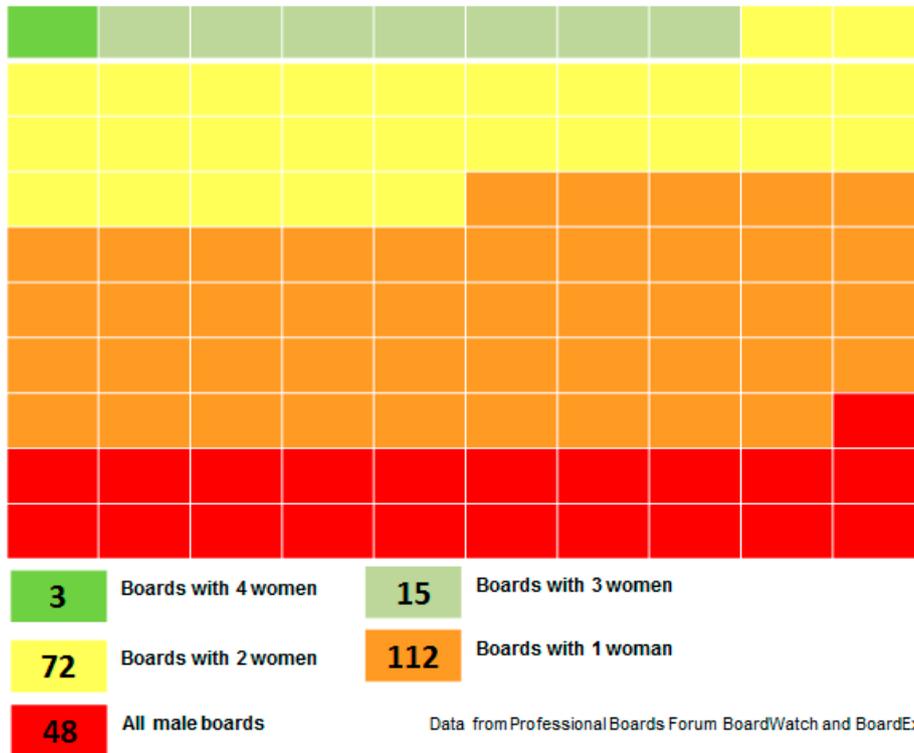
Board Composition: Non-Executives and Executives FTSE 250 Boards 2014



There are eight female CEOs in the FTSE 250: Lynn Fordham at SVG Capital, Katherine Garrett-Cox at Alliance Trust, Harriet Green at Thomas Cook, Dido Harding at TalkTalk, Louise Makin at BTG, Ruby McGregor Smith at Mitie, Angela Spindler at N Brown and Dorothy Thompson at Drax. There are also eight women Chairs: Helen Alexander at UBM, Sarah Bates at JP Morgan American Investment Trust and St James’s Place, Mary Bowe at Electra Private Equity, Caroline Burton at TR Property Investment, Karin Forseke at Alliance Trust, Anita Frew at Victrex, Val Gooding at Premier Farnell and Manjit Wolstenholme at Provident Financial. Albeit, with changes expected.

Board composition

FTSE 250 Board composition 2014

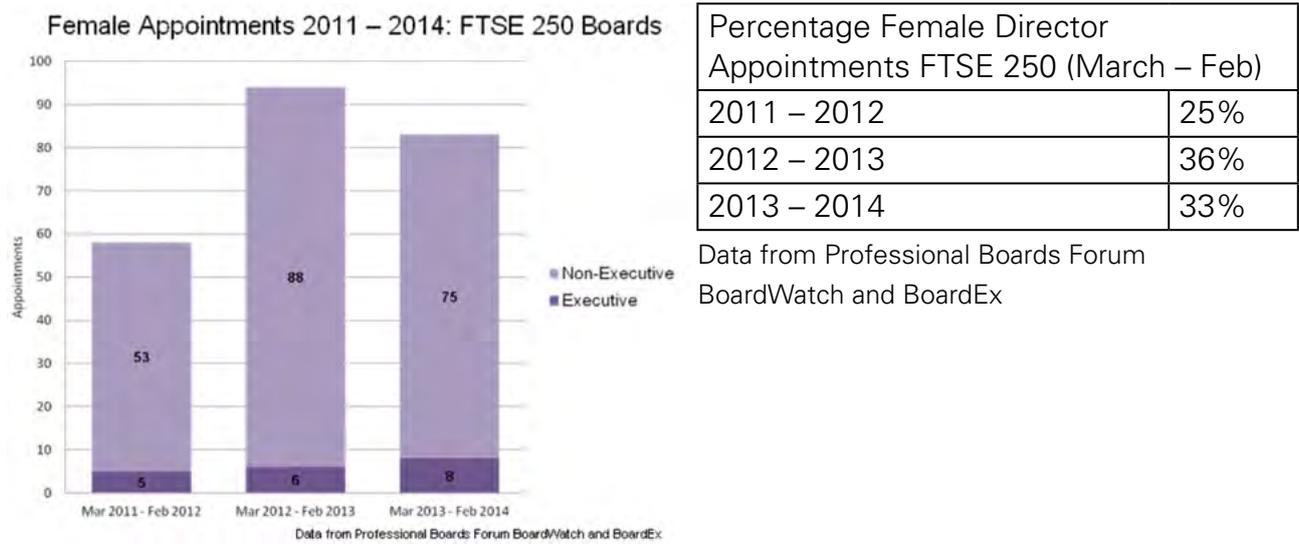


48 all male boards in the FTSE 250⁵

3i Infrastructure	Essar Energy	Kentz Corp
888 Holdings	Ferrexpo	Londonmetric Property
Al Noor Hospitals Group	Firstgroup	Merchants Trust
Bank Of Georgia Holdings	Fisher (James) & Sons	Merlin Entertainments
BH Global	Genus	Paypoint
BH Macro	Hansteen Hldgs	Perpetual Income & Growth Investment Trust
Blackrock World Mining Trust	Hellermannntyton Group	Personal Assets Trust
Bluecrest Allblue Fund	Herald Investment Trust	Petra Diamonds
Bovis Homes Group	Hikma Pharmaceuticals	Restaurant Group
Caledonia Investments	Hunting	Riverstone Energy
Centamin	IG Group Holdings	Scottish Investment Trust
City Of London Investment Trust	Imagination Technologies Group	Synthomer
Daejan Holdings	IP Group	Telecom Plus
Domino Printing Sciences	JD Sports Fashion	Templeton Emerging Markets Investment Trust
Enterprise Inns	John Laing Infrastructure Fund	Vedanta Resources
Entertainment One	Kcom Group	Xaar

⁵ Data from Professional Boards Forum BoardWatch and BoardEx

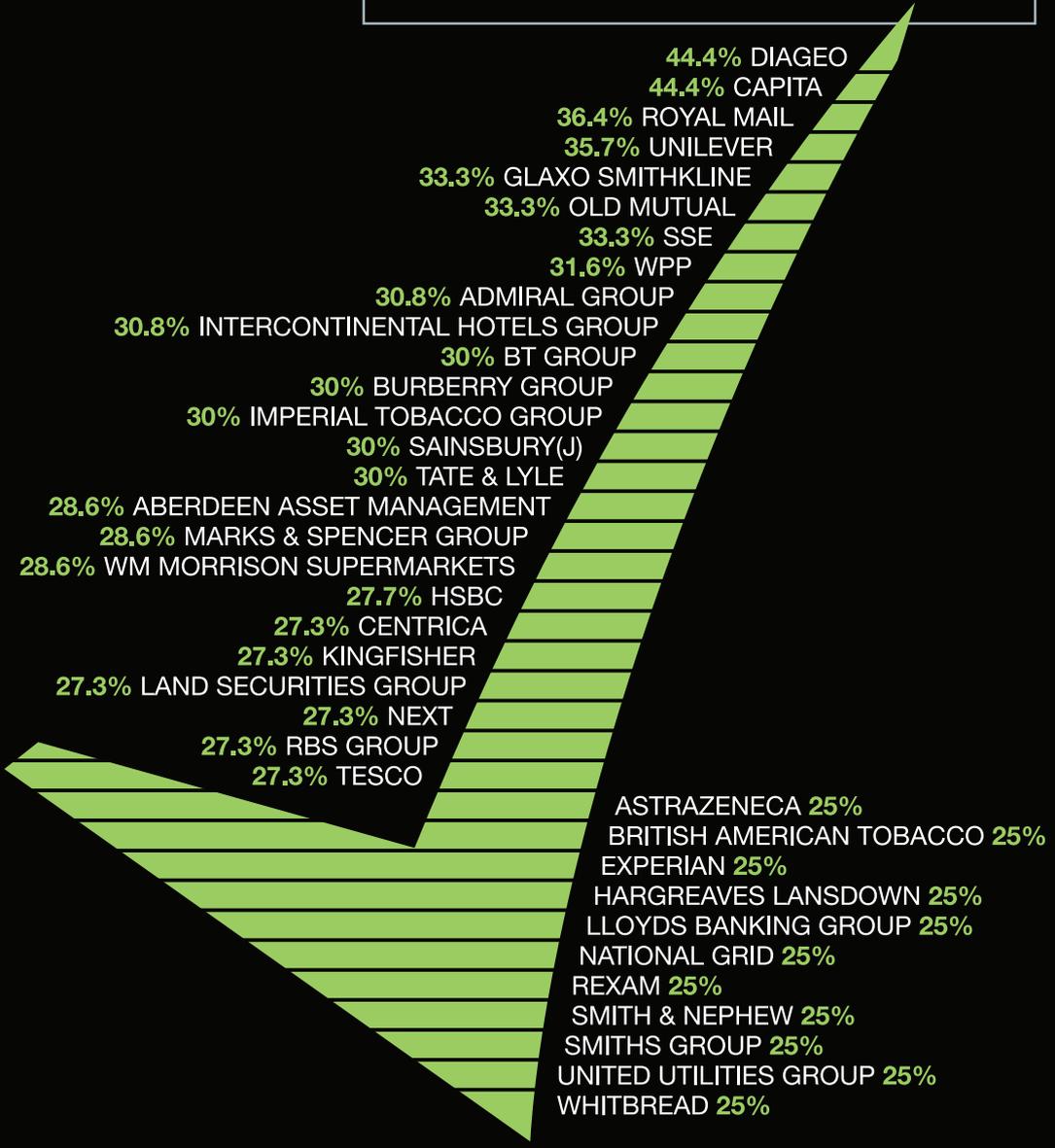
Appointments



There are currently 53 FTSE 250 companies with 25% or more women on boards. There are two companies in the FTSE 250 with 57% women on their boards, Alliance Trust (where both Chair and CEO are women) and Electra Private Equity – the highest percentage in the whole of the FTSE 350.



FTSE companies with
25% or better
 women on boards 2014



The 10 Recommendations and Current Status

Key	
	At risk, more and sustained action required
	Measures in place and working in part, but further action required
	On track or largely completed

1	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. Chairmen should announce their aspirational goals within the next six months (by September 2011). Also we expect all Chief Executives to review the percentage of women they aim to have on their Executive Committees in 2013 and 2015.	
2	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 organisation.	
3	The Financial Reporting Council (FRC) should amend the UK Corporate Governance Code to require listed companies to establish a policy concerning boardroom diversity, including measurable objectives for implementing the policy, and disclose annually a summary of the policy and the progress made in achieving the objectives.	
4	Companies should report on the matters in recommendation 1, 2, and 3 in their 2012 Corporate Governance Statement whether or not the underlying regulatory changes are in place.	
5	In line with the UK Corporate Governance Code provision B.2.4 "A separate section on the annual report should describe the work of the nomination committee, including the process it has used in relation to board appointments" Chairman should disclose meaningful information about the company's appointment process and how it addresses diversity in the company's Annual Report including a description of the search and nominations process.	
6	Investors play a critical role in engaging with company boards. Therefore investors should pay close attention to recommendations 1 – 5 when considering company reporting and appointments to the board.	
7	We encourage companies to periodically advertise Non-Executive board positions to encourage greater diversity in applications.	
8	Executive search firms should draw up a Voluntary Code of Conduct addressing gender diversity and best practice which covers the relevant search criteria and processes relating to FTSE 350 board level appointments.	
9	In order to achieve these recommendations, recognition and development of two different populations of women who are well-qualified to be appointed to UK boards needs to be considered: <ul style="list-style-type: none"> • Executives from within the corporate sector, for whom there are many different training and mentoring opportunities; and • Women from outside the corporate mainstream, including entrepreneurs, academics, civil servants and senior women with professional services backgrounds, for whom there are many fewer opportunities to take up corporate board positions. A combination of entrepreneurs, existing providers and individuals needs to come together to consolidate and improve the provision of training and development for potential board members.	
10	The Davies Steering Group will meet every six months to consider progress against these measures and will report annually with an assessment of whether sufficient progress is being made.	

Recommendations 1 – 4: Setting Targets, Disclosure and Boardroom Diversity Policies

Setting Targets

We continue to ask Chairmen to set out their aspirational targets for the number of women on their boards in 2015 or beyond. The key to success is setting down stretching, but achievable targets, combined with a clear statement on gender balance in the boardroom and robust action through the search and selection process. The commitment of the Chairman, a supportive board and diligence of the HR Director are also important ingredients in moving the dial on this agenda.

Following our initial report, we are aware of 39 FTSE 100 companies and only 12 FTSE 250 companies that have set their own voluntary targets of 25% or more for the number of women on their board by 2015. In the FTSE 100, 19 companies that set targets of 25% or better, have already met or exceeded them.

“At Old Mutual Plc we adopted a gender and race diversity goal in 2010, while committing to meeting the Davies targets of 25% female representation by 2015. In January we announced that we had exceeded these targets two years early with four female NEDs, or 30% of the board. With one of the most diversified FTSE 100 boards we are confident we have the talent and experience to take the Group to the next level of competitive performance.”

Patrick O’Sullivan, Chairman – Old Mutual

A target of 25% should be the minimum starting point, not the ultimate goal, setting targets provides the incentive for companies to build on their good progress to date and work towards real gender parity.

Disclosure

Meaningful public disclosure and effective systems to monitor progress, are also key components to achieve more gender balance on boards and in the workplace. Given the longer time frame needed to fill board appointments, targets, disclosures and monitoring systems add transparency. They act as effective signposts of intent to shareholders, employees, customers and other stakeholders.

There are now two key disclosure requirements for FTSE listed companies on gender diversity at Board and senior management level.

1. Narrative reporting

At the end of the financial year, quoted companies are now required to include in their Annual Report:

- the number of persons of each sex who were directors of the company;
- the number of persons of each sex who were senior managers of the company; and
- the number of persons of each sex who were employees of the company.

This regulation, published by the Department for Business, Innovation and Skills, came into effect on 1st October 2013.

2. UK Corporate Governance Code

Under sections B.2.4 and B.6 of the UK Corporate Governance Code, companies are required to explain their policy on boardroom diversity. These requirements came into force on 1st October 2012.

Supporting principle B.2.4

A separate section of the annual report should describe the work of the Nomination Committee, including the process it has used in relation to board appointments. This section should include a description of the board's policy on diversity, including gender, any measurable objectives that it has set for implementing the policy, and progress on achieving the objectives.

Supporting principle B.6 (board evaluation)

Evaluation of the board should consider the balance of skills, experience, independence and knowledge of the company on the board, its diversity, including gender, how the board works together as a unit, and other factors relevant to its effectiveness.

Last November, the Financial Reporting Council (FRC) and Government commissioned a report that looked at the number of FTSE 350 companies who had adopted the diversity principles.⁶

Looking at the 86 FTSE 100 companies which produced annual after the requirements came into force, the report highlighted:

- 65% had stated a clear policy on boardroom diversity;
- 42% had set measurable objectives to increase the percentage of women on their board;
- 27% addressed diversity in their board evaluation process;

⁶ Cranfield, Women on Boards - Benchmarking adoption of the 2012 Corporate Governance Code in FTSE 350, 2013

- 30% demonstrated clear policies or measures aimed at increasing the number of women in senior management; and
- 99% reported on succession planning, with 43% specifying gender.

In a sample of 50 companies from the FTSE 250 with year ends between March and April 2013, the figures were lower on all measures under consideration:

- Only 18% had stated a clear policy on boardroom diversity;
- 14% had set measurable objectives to increase the percentage of women on their board;
- 24% addressed diversity in their board evaluation process;
- Just 2% demonstrated clear policies or measures aimed at increasing the number of women in senior management;
- 72% reported on succession planning, but just 8% specified gender.

The analysis in this report illustrates the difference between a compliance-based approach and real buy-in and commitment. Cranfield also found that of all the FTSE 100 companies, 94 referred to the need for greater boardroom diversity or the new provisions of the Code. However, of these, fewer than half (42) had set a measurable objective and only 37 had recorded progress against that objective.

Early analysis shows that 90% of companies refer to gender in the boardroom in their strategic report, compared to 78% in 2012. However, 71.8% of companies still do not explain their strategy for improving gender balance. The majority state only that gender is one of a number of factors taken into consideration when making board appointments.⁷

Think, Act, Report

The Think, Act, Report initiative also aims to drive greater transparency on gender employment issues; encouraging companies to share their progress in promoting gender equality, and suggests making the data public. More than 150 leading organisations, with over nearly 2 million employees, have signed up. These include Deloitte, Marks and Spencer, Transport for London, Post Office and Nationwide Building Society.

⁷ Grant Thornton, FTSE 350 Corporate Governance Review 2013

Areas for stakeholders to explore in the coming year to increase gender balance on British boards:

- FTSE 350 companies to set stretching targets for the number of women at board level and in senior management within the company.
- FTSE 350 companies to report meaningful disclosures on gender diversity in their Annual Report and on their website. These should describe their policies, principles and progress on gender diversity at board and senior management levels.
- The two FTSE 100 and 48 FTSE 250 all male boards to take action now to diversify their boards.
- FTSE 350 Companies not yet at 25% women on boards to seek and recognise best practice, including looking at the actions their peers have undertaken to achieve success.

Recommendation 5 – Transparency and Meaningful Disclosures on Search and Nominations Process

“The search for board candidates should be conducted, and appointments made, on merit, against objective criteria and with due regard for the benefits of diversity on the board, including gender”.

UK Corporate Governance Code

Nominations Committees play a vital role in the board appointment process. We recommended that the Nomination Committees of companies should be more transparent and open to challenge. Therefore, in line with the UK Corporate Governance Code provisions, the Chairman should disclose meaningful information about the company’s appointment process and how they address diversity in the company’s Annual Report, including a description of the search and nominations process.

Board evaluations frequently highlight the variable quality of succession planning, and reporting on this. Unless companies are planning over the short, medium and long-term, for both executive and Non-Executive positions, boards will struggle to ensure that they have the mix of skills and experience they need to run the company in a talent constrained market.

The FRC intends to undertake a project during 2014 looking at succession planning specifically, and the activities of the nomination committee more generally, with the aim of identifying and spreading good practice. There is no presumption on its part that this will lead to changes to the Code or formal FRC guidance.

The UK Corporate Governance Code suggests that Non-Executive directors should be appointed for specified terms subject to re-election. Any term beyond six years for a Non-Executive director should be subject to particularly rigorous review, and should take into account the need for progressive refreshing of the board.⁸ The Cranfield Female FTSE Report 2014, reports there are over 90 male Non-Executives who have been on the same FTSE 100 board for over nine years. Chairmen who have yet to make sufficient progress on the gender balance of their boards have an opportunity to consider to do so when reviewing re-election of Non-Executive directors.

Areas for all stakeholders to explore in the coming year to increase gender balance on British boards:

- FTSE 350 companies to ensure at least one woman NED sits on their Nominations Committee.
- FTSE 350 companies to conduct robust and timely succession planning for Board appointments, with gender balance as a core consideration.
- Chairmen and investors to consider gender balance when reviewing re-election of Non-Executive directors.
- ESFs to provide meaningful disclosures on the recruitment process and judgements made, including proportion of women on the long and shorts lists and conversion rates of women to men to board appointments over time.
- FTSE 350 clients should appoint search firms that are signed up to the Code and ensuring they adhere to the principles and spirit of the Code, including intolerance of those who are unwilling to find suitable women candidates in the board search process.

Recommendation 6 – Investors Asserting Their Influence

“Aviva Investors believe that boards drive higher and more sustainable investment returns if they benefit from fresh perspectives, new ideas, vigorous challenge and broad experience. It is difficult to see how this can happen if boards are comprised of one demographic, so having women represented on boards, and indeed different nationalities, skill sets and age groups is not simply a matter of social preference, it leads to be better investment outcomes for our customers.”

Euan Munro, Chief Executive - Aviva Investors

Investors play a critical role in engaging with FTSE CEOs and their company boards. The proactive engagement and agitation of the investor community is one of the key levers yet to be fully exploited on the women on boards agenda. Gender diversity has continued to gain momentum and global prominence, with all key stakeholders over the last 12 months and the investor community has become increasingly vocal. In the wake of

⁸ FRC, UK Corporate Governance Code, 2012

executive pay issues, we would not be surprised to see the 'Investor Spring 2014' being targeted at increasing the number of women on British boards.

"Ecclesiastical Investment Management views gender diversity as an important part of our UK corporate governance policy, and tracks company progress with meeting the Davies report with a view to taking possible voting action where progress is clearly faltering."

Neville White, Head of SRI Policy and Research - Ecclesiastical Investment Management

Some investors are already well down the path and actively challenge to company boards. Legal and General Investment Management announced in October 2013, a voting strategy for the 2015 proxy season aimed at FTSE companies. Aviva Investment, Aberdeen Asset Management and others will be putting pressure on boards in 2014, with Aviva Investment focusing particularly on the FTSE 250.

The wider investment community and associated bodies are also becoming increasingly active with the Association of British Insurers (ABI) now actively reviewing board diversity in evaluation and succession planning and reporting gender diversity through its Institutional Voting Information Service. The National Association of Pension Funds (NAPF) through its Corporate Governance Policy, will abstain or vote against the re-election of Nominations Committee chairmen who do not set an explicit policy for improving gender balance and the tracking thereof. Key institutional investors are co-ordinating their efforts through the 30% Club Investor Forum under their Diversity Stewardship code, which focuses on re-election of Board and Nominations Committee Chairman and reporting disclosures.

Several other investors rely on the policies of Pensions and Investment Research Consultants Ltd (PIRC) to vote shares in their portfolios. The voting policy for PIRC on FSTE 100 companies states the following:

'In line with Davies Review recommendations on gender diversity, propose to oppose the re-election of all members of the Nomination Committee, where the company has made no policy statement on the issue and has no gender diversity on the board.'

As a recent example shows, Co-operative Investment Management voted against the re-election of a male director for a FTSE 350 company. They had previously abstained from the vote of the same director stating 'Against the backdrop of an all-male board, the company does not appear to have made any aspirational statements on the level of gender balance it hopes to achieve in the near future, as per Recommendation 1 of the Davies Review for FTSE 350 companies. We welcome further clarity on how the board sees this matter progressing at board level.'⁹

⁹ Co-operative Investment Management voting records, January 2014

Sacha Sadan, Director of Corporate Governance at Legal & General Investment Management (LGIM), who believes boardroom diversity bolsters the performance of companies, said in 2011 that a vote against the chairman of a Nominations Committee might be considered if directors failed to explain properly why they had overwhelmingly male boardrooms. Adding 'for a business to make the best decisions possible, the best quality information is required alongside rigorous debate. The rigour is only achieved through a diverse board whose members offer truly fresh insights from a variety of perspectives.' Three years on, having held over 1000 meetings with companies globally since then to "help change mind sets" he comments:

'The mindset is changing and boards are recognising that this is a board effectiveness issue rather than a women's issue and one that they need to embrace in order to set their company up for the future and for long-term success. Human capital resources remain scarce and the more progressive companies are realising that the resource for the future lies within the huge talent pool of women'.

Sacha Sadan, Director of Corporate Governance – Legal and General Investment Management

This is all excellent and welcome focus and undoubtedly more can be done to harness the power and influence of investors. We will be asking all key investors to consider their voting policies and approach on women on boards in the coming year, as well as supporting their efforts with appropriate rationale, data points and materials.

Areas for investors to explore in the coming year to increase gender balance on British boards:

- Adopt a clear voting policy for companies that fail to set boardroom policies to increase gender diversity.
- Be prepared to vote against the re-election of chairmen and members of the Nominations Committee that fail to take action on all male boards.
- Campaign for women board members to be appointed to the Nominations Committee.

Recommendation 7 – Advertising Opportunities

We continue to hear the recruitment process remains opaque and that the lack of transparency in the search and selection process, compromises the ability of companies to recruit female talent. It is still not clear whether in reaching their decisions, executive search firms, Chairmen and Nominations Committees reach their decisions are tapping into the widest talent pool.

The feedback we have had from search firms is that:

- advertising does not generate a higher percentage of females than targeted search;

- that those women who apply may get onto the long list, but not onto the short list or as placements; and
- that the women who are placed all came through search, not the advertisement.

We support the Equality and Human Rights Commission (EHRC) intention to undertake a project during 2014, to look at the recruitment practices of the top 350 corporate companies at board level, including the use of Executive Search firms and open advertising.

Areas for stakeholders to explore in the coming year to increase gender balance on British boards:

- We continue to encourage companies to periodically advertise Non-Executive board positions together with their search firms.

Recommendation 8 – Voluntary Code of Conduct for Executive Search Firms

Leading Executive Search Firms (ESFs) continue to play an important role and are providing the support and focus needed during the recruitment process to Chairmen, nominations Committees and women candidates. In recognition of this, and the largely unregulated environment in which they operate, ESFs themselves got together after the initial Davies Report to publish a Voluntary Code of Conduct (The Code). The Code aimed at capturing best practice and now has over 70 signatories from UK ESFs.

Two years have elapsed since The Code was drawn up and given the pivotal role executive search firms play in the search and selection process, 2014 seemed an appropriate juncture at which to review the effectiveness of The Code and what more this critical community can add to the equation.

Vince Cable and the Davies Steering Group asked Charlotte Sweeney to conduct this review, to test the integrity of the Code and identify any practical measures that could be taken to strengthen it. Her report, published on 4 March 2014, includes 10 recommendations and has four main strands:

1. Raising the bar

The feedback from the interviews showed that a number of search firms were delivering against the Code provisions. However, there is still a lot more that can be done such as:

- ESFs should commit to putting forward one woman onto the shortlist of all executive searches for board positions. This is to ensure companies see a diverse mix of people for all board positions;
- develop best practice and create a supergroup of search firms within the overarching Code; and
- companies should challenge ESFs to include in their contracts or agreements a statement that they will comply with all aspects of the Code.

2. Supply pool

Stakeholders continue to argue that there are not enough women out there for the required skills needed for a FTSE 350 role. Even though there are a number of databases out there, it is recommended that a database of board ready women should be created and led by the Davies Steering group and shared with other stakeholders.

3. Transparency

The report showed that only 25% of ESFs stated their commitment to the Code on their websites and only 12% shared any data to show their success rates in hiring women to board positions. It was recommended that:

- ESFs should be encouraged to share their hiring data as some narrative and case studies of success, which may include how they ensure all employers are aware of the Code and how to support and work with diverse candidates; and
- FRC should reference the Code in the Corporate Governance Code guidance on board effectiveness.

4. Increasing knowledge and awareness

Some ESFs highlighted the issue of limited visibility and ownership of the Code, and some were not aware it existed. Though there are a few investors who were aware of the Code and the diversity agenda they felt, like us, that there is still a lot more that can be done to raise awareness with their clients: It was recommended that:

- The Davies Steering group create a checklist for investors of the type of discussions they should be having with their clients;
- The Equalities and Human Rights Commission (EHRC) should create guidance regarding all women shortlists; and
- BIS should increase the visibility of the Code on its website.

There is a clear opportunity to make real progress with the work Charlotte has done and we would encourage the Executive Search Firm community, and other stakeholders, to carefully consider the recommendations and what more action they can take in response within their own firms and further measures to strengthen the Code. We recognise that it is difficult to achieve these in a commercial and unregulated environment but we need to continue to shine spot light on this area.

Areas for stakeholders to explore in the coming year to increase gender balance on British boards:

- ESFs to act upon recommendations.
- EHRC should create guidance regarding the legality of all women shortlists.
- FTSE 350 clients and ESFs to ensure there is at least one woman on shortlist for searches.

Recommendation 9 –The Talent Pipeline

As well as putting in place actions which will see more women on UK boards in the very near future, we also need to be looking longer term, and investing in the huge female talent pool this country has. The aim is that in 10-20 years we are not still asking why we are under-utilising the talents of women.

Although we have seen a new industry grow to support businesses improve their provision of training and development and support women to achieve board positions, more action is needed. A combination of entrepreneurs, existing providers and individuals needs to come together to consolidate and improve the provision of training and development for potential board members.

Over the last year there has been an increased focus on the barriers women face in the workplace, developing female talent and recognising the ever expanding pool of talented women ready to serve on corporate boards.

There are an ever growing number of private sector companies who are sharing details about their diversity plans and producing exemplary case studies showing actions they are taking in tackling the barriers women face at work. We would urge other companies to learn the valuable lessons from these.

Over the next few pages we set out some excellent case studies from companies really driving to strengthen the talent pipeline.

Case Study: Barclays – robust initiatives to significantly change the gender dynamic

Barclays' global diversity and inclusion strategy is an integral component of becoming the 'Go-To' bank. The key agenda of gender is sponsored by a member of the Executive Committee but clearly positioned as the responsibility of all senior leaders. As a key diversity metric, Barclays is focusing on increasing the number of women in the talent pipeline globally. To that end, Barclays recently made a public commitment to increase the percentage of senior women in the organisation from 21% to 26% by 2018.

Key drivers of this change include:

- **Barclays Board Diversity Policy** – In 2012, Barclays released a public Board Diversity Policy stating its support of the Lord Davies Report goals. The policy established progress objectives to reach 20% female board representation by 2013 and 25% by 2015. The 2013 milestone objective was successfully realised and Barclays is now focused on the 2015 goal.
- **Balanced Scorecard** – The inclusion of diversity and inclusion in the Balanced Scorecard continues to reinforce the importance of the issue at Barclays. The organisation's approach sets a talent management aligned target for the representation of women in senior leadership through the key levers of recruitment, promotion, and retention. The Board, the Executive Committee, and each business area, have endorsed this target. The Balanced Scorecard is an integral part of driving organisational performance and compensation for senior leadership.
- **Women on Boards** – Barclays has implemented an initiative to place senior women as Non-Executive directors on FTSE boards. This initiative, sponsored by the Board and the Executive Committee, includes the identification, mentoring, sponsorship, and active placement of programme participants. With this as a priority, Barclays is encouraging other FTSE organisations to follow in its footsteps.
- **Pathways to Leadership** – To actively support women moving into senior leadership roles, Barclays' senior executives work with individuals to provide feedback on development areas, advise on skill building, coaching, and guidance on the promotion process. They assist in promoting candidate visibility and connecting them with other senior leaders. Between 2013 and 2014, the programme contributed to over 140 promotions to Director and Managing Director levels.

Case Study: Lloyds Banking Group – a serious commitment to gender equality

As part of its commitment to Helping Britain Prosper, Lloyds Banking Group has made a public commitment to ensuring that 40% of its' senior management population is female by 2020 (currently 27%) – the first private sector company to do so in the UK.

Fiona Cannon OBE, Group Director Diversity & Inclusion says,

“We are taking this action because we want to be the best bank for customers. As the UK’s largest bank, we are located in communities across the UK. Our customers are diverse and if we want to be able to understand and meet their needs, it is helpful if our workforce reflects the diversity of the communities and customers we serve.

We want to lead our industry in becoming more gender diverse at all levels of the organisation. Having a public commitment will allow others to independently assess whether we have achieved what we set out to do.

Our goal is stretching, but achievable. The timeframe is sensible and enables us to build a pipeline of talented women ready for senior executive positions. This will not only be good for Lloyds Banking Group, but we hope will add to the growing number of senior women ready for Non-Executive Director roles on Boards.”

Case Study: Diageo – excellent performance at board and executive level now filtering down into the business

For the last 10 years, gender diversity has been a key focus area for Diageo. Although this has not always been an easy journey, clear progress has been made. In the last 12 months the number of women serving on the Executive Committee has risen from one to six, with five out of the six appointments being made internally. We value the variety of voice in the team and the difference in perspective that everyone brings to this essential leadership group.

Diageo understands the difference in people and has a core belief that every one of its employees has potential. This means that we don’t focus on ‘women only’ interventions but we do ensure that wherever possible the attendee list on our development programmes is gender balanced. This guarantees us a flow of talent, both male and female, through our business and allows us to plan the succession for our key roles.

The core of our people development strategy is our Partners for Growth process which helps managers to structure great coaching conversations with their teams exploring their hopes for the future irrespective of whether these are internal or external to the business. We find that women are just as ambitious to succeed as men but their priorities may change over time. By having the right conversations at the right moment we can ensure we retain our female talent and help to develop them for the future.

Our Leadership Standard, helps everyone to understand our expectations of them and it prioritises authenticity above all else. We know that the combination of authentic conversations coupled with careful succession planning is helping us to make a difference for women in our organisation.

Tomorrow's Company, along with a number of leading companies, has undertaken a programme of research looking into what may be helping or hindering the pipeline of female talent in organisations. Their recent report¹⁰ examines how behaviour towards gender diversity is shaped and gives examples of what changes are needed to ensure that companies benefit from women achieving their full potential.

The Women's Business Council launched their report in June 2013 which set out recommendations for both government and business. The report identified key areas where girls and women face particular challenges or difficulties which includes building the pipeline of female talent and where women are looking to capitalise on the progress they have made either by securing their positions or by looking to move into more senior of managerial roles.

A Government Action Plan was published in November 2013 setting out how the government would take forward each of the report's recommendations – actions include:

- providing funding to expand the current STEM diversity project to encourage more women to consider careers in STEM;
- continuing to champion Think, Act, Report as an effective way for companies to show how they support women to make the most of their talents;
- extending the right to request flexible working to all workers

In public appointments, the government's aim is for 50% of new appointees of public boards to be women by May 2015; it is 45% at the moment. Companies should encourage women in their organisations to consider sitting on public boards. This would be an opportunity to get vital skills and experiences and help them move up through the ranks.

In order to continue to get more women on boards businesses need to think about the widest possible talent pool. There are women out there who are well-qualified to be appointed to UK boards. They are not only executives from within the corporate sector but also from outside the corporate mainstream, including entrepreneurs, academics, civil servants and senior women with professional services backgrounds. We have seen that the latter have traditionally had fewer opportunities to take up corporate board positions.

¹⁰ Tomorrow's Company, Tomorrow's Global Leaders: how to build a culture that ensures women reach the top, March 2014

Areas for stakeholders to explore in the coming year to increase gender balance on British boards:

- FTSE 350 companies recognise the need to hire professional support to address gender imbalance and allocate meaningful budget to cover the costs of professional support and other measures to address gender imbalance.
- FTSE 350 companies use a peer to peer network to understand and share best practice in improving gender balance in their organisations.
- FTSE 350 companies identify and support senior women in the organisation, through coaching and internal sponsorship initiatives.
- FTSE 350 companies look at measures to address potential organisational gender bias – specifically performance evaluation systems, incentives, promotions and pay and accessibility of the significant career opportunities.

Recommendation 10 – The Davies Steering Group Chaired by Lord Davies

“Over the course of the year the Steering Group has continued to meet to discuss progress and what more we can do as a team to further the women on boards agenda.

We have actively championed women on boards at every opportunity, including significant efforts in Europe, in the business community, with various government bodies and within our own networks. There are simply not enough hours in the day.

Our heartfelt thanks to BIS, who so ably support us and to all those Chairmen, companies and other business men and women, now taking the baton. Our collective work is not yet done, albeit huge change has been brought to the British boardroom. We reaffirm today our commitment to the agenda over the coming year and in the longer journey.”

Denise Wilson CEO – Davies Review



“Calling upon all sources of talent inherently increases Board and executive team effectiveness, so increasing gender diversity on UK Boards is both a value enhancing step in of itself, and also creates roles models for women in the executive pipeline”

Dominic Casserley

“Over the past 3 years I have seen the debate move from irritation, to resentment, to acceptance and now the issue is being embraced holistically. Every act from men not sitting on speaking panels that are not diverse, to looking at the diversity of your supplier base, means the success we aspire to will be achieved. Its been an immense privilege to be part of Lord Davies steering group and help highlight what needs to be achieved and how it needs to be done.”



Amanda MacKenzie



‘It is unusual to see a Steering Group remain together and even more focussed on their task three years after the publication of the report. It is testament to the compelling case for improving gender equality on British boards and the passion of the Steering Group and others in driving this agenda forward.’

Sir John Parker

“We started our research on the lack of women on the FTSE100 boards in 1999 when there were only 6.7% women directors. Little progress was made over the first twelve years, so the Lord Davies report was an important initiative. It has been fantastic how the steering group have stayed together to ensure that real change happens and now it looks as though it will!”



Professor Susan Vinnicombe

FTSE 100 Companies

Key	
	25% or more women on boards
	Below 25%
	All male boards

FTSE 100 Company (March 2014)		Sector	Women on Boards		Board members		RAG
			2014 actual	2015 target	Women	Total	
1	DIAGEO	Beverages	44%		4	9	
2	CAPITA	Support Services	44%		4	9	
3	ROYAL MAIL	Industrial Transportation	36%		4	11	
3	UNILEVER	Food Producers	36%	25%	5	14	
5	GLAXOSMITHKLINE	Pharmaceuticals and Biotechnology	33%	25%	5	15	
5	OLD MUTUAL	Life Insurance	33%	27%	4	12	
5	SSE	Electricity	33%		3	9	
8	WPP	Media Agencies	32%		6	19	
9	ADMIRAL GROUP	Non-Life Insurance	31%	25%	4	13	
9	INTERCONTINENTAL HOTELS GROUP	Travel and Leisure	31%	25%	4	13	
11	BT GROUP	Fixed Line Telecommunications	30%		3	10	
11	BURBERRY GROUP	Personal Goods	30%		3	10	
11	IMPERIAL TOBACCO GROUP	Tobacco	30%		3	10	
11	J SAINSBURY	Food and Drug Retailers	30%	25%	3	10	
11	TATE & LYLE	Food Producers	30%		3	10	
16	ABERDEEN ASSET MANAGEMENT	Financial Services	29%		4	14	
16	MARKS & SPENCER GROUP	General Retailers	29%	30%	4	14	
16	WM MORRISON SUPERMARKETS	Food and Drug Retailers	29%	30%	2	7	
19	HSBC	Banks	28%	25%	5	18	
20	CENTRICA	Gas, Water and Multiutilities	27%	25%	3	11	
20	KINGFISHER	General Retailers	27%	25%	3	11	
20	LAND SECURITIES GROUP	Real Estate Investment Trusts	27%	25%	3	11	
20	NEXT	General Retailers	27%		3	11	
20	ROYAL BANK OF SCOTLAND GROUP	Banks	27%	25%	3	11	
20	TESCO	Food and Drug Retailers	27%	25%	3	11	
26	ASTRAZENECA	Pharmaceuticals and Biotechnology	25%		3	12	
26	BRITISH AMERICAN TOBACCO	Tobacco	25%		3	12	
26	EXPERIAN	Support Services	25%		3	12	
26	HARGREAVES LANSDOWN	Financial Services	25%		2	8	
26	LLOYDS BANKING GROUP	Banks	25%	25%	3	12	
26	NATIONAL GRID	Gas, Water and Multiutilities	25%	25%	3	12	
26	REXAM	General Industries	25%	25%	2	8	
26	SMITH & NEPHEW	Health Care and Equipment Services	25%	25%	3	12	
26	SMITHS GROUP	General Industries	25%		2	8	
26	UNITED UTILITIES GROUP	Gas, Water and Multiutilities	25%		2	8	
26	WHITBREAD	Travel and Leisure	25%	27.3%	3	12	

FTSE 100 Company (March 2014)		Sector	Women on Boards		Board members		RAG
			2014 actual	2015 target	Women	Total	
37	INTERNATIONAL CONSOLIDATED AIRLINES GROUP SA (IAG)	Travel and Leisure	23%		3	13	
38	MONDI	Forestry and Paper	22%	25%	2	9	
38	PEARSON	Media	22%		2	9	
38	REED ELSEVIER	Media	22%		2	9	
38	WEIR GROUP	Industrial Engineering	22%		2	9	
38	WILLIAM HILL	Travel and Leisure	22%	25%	2	9	
38	WOLSELEY	Support Services	22%	25%	2	9	
44	ANGLO AMERICAN	Mining	21%	30%	3	14	
44	BG GROUP	Oil and Gas Producers	21%		3	14	
44	VODAFONE GROUP	Mobile Telecommunications	21%	25%	3	14	
47	BARCLAYS	Banks	20%	25%	3	15	
47	BRITISH LAND	Real Estate Investment Trusts	20%		2	10	
47	CARNIVAL	Travel and Leisure	20%		2	10	
47	EASYJET	Travel and Leisure	20%		2	10	
47	IMI	Industrial Engineering	20%		2	10	
47	INTERTEK GROUP	Support Services	20%		2	10	
47	JOHNSON MATTHEY	Chemicals	20%		2	10	
47	PETROFAC	Oil Equipment and Services	20%	25%	2	10	
47	SABMILLER	Beverages	20%		3	15	
47	SHIRE	Pharmaceuticals and Biotechnology	20%		2	10	
47	TUI TRAVEL	Travel and Leisure	20%	25%	3	15	
58	PRUDENTIAL	Life Insurance	19%		3	16	
59	ARM HOLDINGS	Technology, Hardware and Equipment	18%		2	11	
59	AVIVA	Life Insurance	18%	25%	2	11	
59	BABCOCK INTERNATIONAL GROUP	Support Services	18%		2	11	
59	BAE SYSTEMS	Aerospace and Defence	18%	25%	2	11	
59	G4S	Support Services	18%	25%	2	11	
59	HAMMERSON	Real Estate Investment Trusts	18%		2	11	
59	LEGAL & GENERAL GROUP	Life Insurance	18%		2	11	
59	RIO TINTO PLC	Mining	18%		2	11	
59	RSA INSURANCE GROUP	Non-Life Insurance	18%		2	11	
59	SEVERN TRENT	Gas, Water and Multiutilities	18%		2	11	
59	STANDARD LIFE	Life Insurance	18%		2	11	
70	AGGREKO	Support Services	17%		2	12	
70	TULLOW OIL	Oil and Gas Producers	17%	25%	2	12	
72	BHP BILLITON	Mining	15%	25%	2	13	
72	CRH	Construction and Materials	15%	25%	2	13	
74	BP	Oil and Gas Producers	14%		2	14	
74	LONDON STOCK EXCHANGE GROUP	Financial Services	14%		2	14	
74	ROLLS-ROYCE HOLDINGS	Aerospace and Defence	14%	25%	2	14	
74	SAGE GROUP	Software and Computer Services	14%	25%	1	7	
78	BRITISH SKY BROADCASTING GROUP (BSKYB)	Media	13%	25%	2	15	
78	RESOLUTION	Life Insurance	13%		2	15	
78	AMEC	Oil Equipment and Services	13%		1	8	

FTSE 100 Company (March 2014)		Sector	Women on Boards		Board members		RAG
			2014 actual	2015 target	Women	Total	
78	ASSOCIATED BRITISH FOODS	Food Producers	13%		1	8	
78	ITV	Media	13%		1	8	
78	SPORTS DIRECT INTERNATIONAL	General Retailers	13%		1	8	
78	TRAVIS PERKINS	Support Services	13%		1	8	
85	BUNZL	Support Services	11%		1	9	
85	COMPASS GROUP	Travel and Leisure	11%		1	9	
85	GKN	Automobiles and Parts	11%	25%	1	9	
85	MEGGITT	Aerospace and Defence	11%	25%	1	9	
85	MELROSE INDUSTRIES	Industrial Engineering	11%		1	9	
85	PERSIMMON	Household Goods and Home Construction	11%		1	9	
91	ASHTREAD GROUP	Support Services	10%		1	10	
91	RANDGOLD RESOURCES	Mining	10%		1	10	
91	ROYAL DUTCH SHELL	Oil and Gas Producers	10%	25%	1	10	
91	STANDARD CHARTERED	Banks	10%		2	21	
95	RECKITT BENCKISER GROUP	Household Goods and Home Construction	9%		1	11	
95	SCHRODERS	Financial Services	9%		1	11	
97	COCA-COLA	Beverages	8%		1	13	
97	FRESNILLO	Mining	8%		1	13	
99	ANTOFAGASTA	Mining	0%		0	10	
100	GLENCORE XSTRATA	Mining	0%		0	7	

Annex B

FTSE 250 Companies

Key	
	25% or more women on boards
	Below 25%
	All male boards

FTSE 250 Company (March 2014)	Sector	Women on Boards		Board members		RAG	
		2014 actual	2015 target	Women	Total		
1	ALLIANCE TRUST	Equity Investment Instruments	57%		4	7	
1	ELECTRA PRIVATE EQUITY	Equity Investment Instruments	57%	33%	4	7	
3	ESURE GROUP	Non-Life Insurance	40%		4	10	
3	JPMORGAN AMERICAN INVESTMENT TRUST	Equity Investment Instruments	40%		2	5	
3	SVG CAPITAL	Financial Services	40%	25%	2	5	
6	THOMAS COOK GROUP	Travel and Leisure	38%		3	8	
6	VICTREX	Chemicals	38%		3	8	
6	JD WETHERSPOON	Travel and Leisure	38%		3	8	
9	ABERFORTH SMALLER COMPANIES TRUST	Equity Investment Instruments	33%		2	6	
9	COUNTRYWIDE	Real Estate Investment and Services	33%		2	6	
9	DEBENHAMS	General Retailers	33%		3	9	
9	DIRECT LINE INSURANCE GROUP	Non-Life Insurance	33%		3	9	
9	GALLIFORD TRY	Constructions and Materials	33%		3	9	
9	HICL INFRASTRUCTURE CO	Equity Investment Instruments	33%		2	6	
9	INFORMA	Media	33%	14%	3	9	
9	MURRAY INTERNATIONAL TRUST	Equity Investment Instruments	33%		2	6	
9	NB GLOBAL FLOATING RATE INCOME FUND	Equity Investment Instruments	33%		1	3	
9	PACE	Technology Hardware and Equipment	33%		2	6	
9	REDROW	Household Goods and Home Construction	33%	33%	2	6	
9	SERCO GROUP	Support Services	33%		3	9	
9	SYNERGY HEALTH	Health Care Equipment and Services	33%	33%	2	6	
9	TR PROPERTY INVESTMENT TRUST	Equity Investment Instruments	33%		2	6	
9	WH SMITH	General Retailers	33%		2	6	
9	WORLDWIDE HEALTHCARE TRUST	Equity Investment Instruments	33%		2	6	
25	AMLIN	Non-Life Insurance	30%	20%	3	10	
25	N BROWN GROUP	General Retailers	30%		3	10	
25	CLOSE BROTHERS GROUP	General Retailers	30%		3	10	
25	SHAFTESBURY	Real Estate Investment Trusts	30%		3	10	
29	BERENDSEN	Support Services	29%		2	7	
29	DE LA RUE	Support Services	29%		2	7	
29	DECHRA PHARMACEUTICALS	Pharmaceuticals and Biotechnology	29%		2	7	
29	HOME RETAIL GROUP	General Retailers	29%		2	7	
29	MICHAEL PAGE INTERNATIONAL	Support Services	29%		2	7	
29	PROVIDENT FINANCIAL	Financial Services	29%		2	7	
29	SPIRENT COMMUNICATIONS	Technology Hardware and Equipment	29%		2	7	

FTSE 250 Company (March 2014)		Sector	Women on Boards		Board members		RAG
			2014 actual	2015 target	Women	Total	
29	TELECITY GROUP	Software and Computer Services	29%		2	7	
29	VESUVIUS	General Industrials	29%		2	7	
38	DCC	Support Services	27%		3	11	
39	3I GROUP	Financial Services	25%		2	8	
39	ALENT	Chemicals	25%		2	8	
39	ASHMORE GROUP	Financial Services	25%		2	8	
39	BARRATT DEVELOPMENTS	Household Goods and Home Construction	25%		2	8	
39	BETFAIR GROUP	Travel and Leisure	25%		2	8	
39	BTG	Pharmaceuticals and Biotechnology	25%		2	8	
39	CARILLION	Support Services	25%		2	8	
39	DUNELM GROUP	General Retailers	25%		2	8	
39	FOREIGN & COLONIAL INVESTMENT TRUST	Equity Investment Instruments	25%		2	8	
39	HENDERSON GROUP	Financial Services	25%		2	8	
39	LANCASHIRE HOLDINGS	Non-Life Insurance	25%		3	12	
39	MITIE GROUP	Support Services	25%		2	8	
39	PZ CUSSONS	Personal Services	25%		2	8	
39	RPS GROUP	Support Services	25%	25%	2	8	
39	WITAN INVESTMENT TRUST	Equity Investment Instruments	25%		2	8	
54	DIGNITY	General Retailers	22%	25%	2	9	
54	DIXONS RETAIL	General Retailers	22%		2	9	
54	DRAX GROUP	Electricity	22%		2	9	
54	GRAINGER	Real Estate Holding and Development	22%	18%	2	9	
54	GRENCORE GROUP	Food Producers	22%		2	9	
54	HAYS	Support Services	22%		2	9	
54	INTERNATIONAL PERSONAL FINANCE	Financial Services	22%		2	9	
54	KENMARE RESOURCES	Mining	22%		2	9	
54	RIGHTMOVE	Media	22%		2	9	
54	ST. MODWEN PROPERTIES	Real Estate Investment and Services	22%		2	9	
54	TAYLOR WIMPEY	Household Goods and Home Construction	22%	22%	2	9	
54	UBM	Media	22%		2	9	
66	BALFOUR BEATTY	Construction and Materials	20%		2	10	
66	BANKERS INVESTMENT TRUST	Equity Investment Instruments	20%		1	5	
66	BRITISH EMPIRE SECURITIES & GENERAL TRUST	Equity Investment Instruments	20%		1	5	
66	CAIRN ENERGY	Oil and Gas Producers	20%		2	10	
66	EDINBURGH DRAGON TRUST	Equity Investment Instruments	20%		1	5	
66	ELEMENTIS	Chemicals	20%		1	5	
66	FIDELITY EUROPEAN VALUES	Equity Investment Instruments	20%	20%	1	5	
66	HALMA	Electronic and Electrical Equipment	20%		2	10	
66	INMARSAT	Mobile Telecommunications	20%		2	10	
66	INTERNATIONAL PUBLIC PARTNERSHIPS	Equity Investment Instruments	20%		1	5	
66	INTU PROPERTIES	Real Estate Investment Trusts	20%		2	10	
66	JUPITER FUND MANAGEMENT	Financial Services	20%	20%	2	10	
66	LADBROKES	Travel and Leisure	20%		2	10	

FTSE 250 Company (March 2014)		Sector	Women on Boards		Board members		RAG
			2014 actual	2015 target	Women	Total	
66	LAW DEBENTURE CORP	Equity Investment Instruments	20%		1	5	
66	MONKS INVESTMENT TRUST	Equity Investment Instruments	20%		1	5	
66	NATIONAL EXPRESS GROUP	Travel and Leisure	20%		2	10	
66	OPHIR ENERGY	Oil and Gas Producers	20%		2	10	
66	PLAYTECH	Travel and Leisure	20%		1	5	
66	RIT CAPITAL PARTNERS	Equity Investment Instruments	20%		2	10	
66	SCOTTISH MORTGAGE INVESTMENT TRUST	Equity Investment Instruments	20%		1	5	
66	ST. JAMES'S PLACE	Life Insurance	20%		2	10	
66	STAGECOACH GROUP	Travel and Leisure	20%	22%	2	10	
66	TALKTALK TELECOM GROUP	Fixed Line Telecommunications	20%		2	10	
66	UNITE GROUP	Real Estate Investment and Services	20%		2	10	
90	INVESTEC	Financial Services	19%	25%	3	16	
91	BOOKER GROUP	Food and Drug Retailers	18%		2	11	
91	DOMINO'S PIZZA GROUP	Travel and Leisure	18%	20%	2	11	
91	LONMIN	Mining	18%		2	11	
91	PREMIER OIL	Oil and Gas Producers	18%		2	11	
95	AVEVA GROUP	Software and Computer Services	17%		1	6	
95	BODYCOTE	Industrial Engineering	17%		1	6	
95	COLT GROUP SA	Fixed Line Telecommunications	17%		2	12	
95	CREST NICHOLSON HOLDINGS	Household Goods and Home Construction	17%		1	6	
95	DS SMITH	General Industrials	17%	25%	1	6	
95	EDINBURGH INVESTMENT TRUST	Equity Investment Instruments	17%		1	6	
95	F&C COMMERCIAL PROPERTY TRUST	Real Estate Investment and Services	17%		1	6	
95	FENNER	Industrial Engineering	17%		1	6	
95	FIDELITY CHINA SPECIAL SITUATIONS	Equity Investment Instruments	17%	25%	1	6	
95	GENESIS EMERGING MARKETS FUND L	Equity Investment Instruments	17%		1	6	
95	GO-AHEAD GROUP	Travel and Leisure	17%	17%	1	6	
95	HISCOX	Non-Life Insurance	17%		2	12	
95	JPMORGAN EMERGING MARKETS INVEST TRUST	Equity Investment Instruments	17%		1	6	
95	MERCANTILE INVESTMENT TRUST	Equity Investment Instruments	17%		1	6	
95	MICRO FOCUS INTERNATIONAL	Software and Computer Services	17%		1	6	
95	MURRAY INCOME TRUST	Equity Investment Instruments	17%		1	6	
95	OCADO GROUP	Food and Drug Retailers	17%		2	12	
95	POLAR CAPITAL TECHNOLOGY TRUST	Equity Investment Instruments	17%		1	6	
95	RPC GROUP	General Industrials	17%		1	6	
95	SOCO INTERNATIONAL	Oil and Gas Producers	17%		2	12	
95	TED BAKER	Personal Goods	17%		1	6	
95	TEMPLE BAR INVESTMENT TRUST	Equity Investment Instruments	17%		1	6	
95	UDG HEALTHCARE	Food and Drug Retailers	17%		2	12	
95	UK COMMERCIAL PROPERTY TRUST	Real Estate Investment and Services	17%		1	6	

FTSE 250 Company (March 2014)		Sector	Women on Boards		Board members		RAG
			2014 actual	2015 target	Women	Total	
119	BERKELEY GROUP HOLDINGS	Household Goods and Home Construction	15%		2	13	
120	BELLWAY	Household Goods and Home Construction	14%		1	7	
120	BRITVIC	Beverages	14%		1	7	
120	CABLE & WIRELESS COMMUNICATIONS	Fixed Line Telecommunications	14%		1	7	
120	CARPHONE WAREHOUSE GROUP	General Retailers	14%		1	7	
120	CATLIN GROUP	Oil and Gas Producers	14%		1	7	
120	DEVRO	Food Producers	14%		1	7	
120	DIPLOMA	Support Services	14%		1	7	
120	ENQUEST	Oil and Gas Producers	14%		1	7	
120	ESSENTRA	Support Services	14%		1	7	
120	FIDESSA GROUP	Software and Computer Services	14%		1	7	
120	FOXTONS GROUP	Real Estate Investment and Services	14%		1	7	
120	GRAFTON GROUP	Support Services	14%		1	7	
120	GREENE KING	Travel and Leisure	14%	14%	1	7	
120	HALFORDS GROUP	General Retailers	14%		1	7	
120	HOWDEN JOINERY GROUP	Support Services	14%		1	7	
120	ITE GROUP	Media	14%		1	7	
120	KELLER GROUP	Construction and Materials	14%		1	7	
120	KIER GROUP	Construction and Materials	14%		1	7	
120	NMC HEALTH	Health Care Equipment and Services	14%		1	7	
120	NORTHGATE	Support Services	14%		1	7	
120	OXFORD INSTRUMENTS	Electronic and Electrical Equipment	14%		1	7	
120	PENNON GROUP	Gas, Water and Multiutilities	14%	25%	1	7	
120	QINETIQ GROUP	Aerospace and Defence	14%		1	7	
120	RANK GROUP	Travel and Leisure	14%		1	7	
120	REGUS	Support Services	14%		1	7	
120	SAVILLS	Real Estate Investment and Services	14%		1	7	
120	SIG	Support Services	14%		1	7	
120	TULLETT PREBON	Financial Services	14%		1	7	
120	ULTRA ELECTRONICS HLDGS	Aerospace and Defence	14%		1	7	
120	WORKSPACE GROUP	Real Estate Investment Trusts	14%		1	7	
150	EUROMONEY INSTITUTIONAL INVESTOR	Media	13%	13%	2	15	
150	AZ ELECTRONIC MATERIALS	Chemicals	13%		1	8	
150	BBA AVIATION	Industrial Transport	13%		1	8	
150	COMPUTACENTER	Software and Computer Services	13%		1	8	
150	CRANSWICK	Food Producers	13%		1	8	
150	DAIRY CREST GROUP	Food Producers	13%		1	8	
150	ELECTRO COMPONENTS	Support Services	13%		1	8	
150	GREAT PORTLAND ESTATES	Real Estate Investment Trusts	13%		1	8	
150	ICAP	Financial Services	13%		1	8	
150	INTERMEDIATE CAPITAL GROUP	Financial Services	13%		1	8	
150	LAIRD	Technology Hardware and Equipment	13%	25%	1	8	
150	MARSTON'S	Travel and Leisure	13%		1	8	
150	PERFORM GROUP	Media	13%		1	8	
150	PREMIER FARNELL	Support Services	13%	25%	1	8	
150	RATHBONE BROTHERS	Financial Services	13%		1	8	

FTSE 250 Company (March 2014)		Sector	Women on Boards		Board members		RAG
			2014 actual	2015 target	Women	Total	
150	RENISHAW	Electronic and Electrical Equipment	13%		1	8	
150	SENIOR	Aerospace and Defence	13%	15%	1	8	
150	SPECTRIS	Electronic and Electrical Equipment	13%		1	8	
168	AG BARR	Beverages	11%		1	9	
168	BIG YELLOW GROUP	Real Estate Investment and Services	11%		1	9	
168	BREWIN DOLPHIN HOLDINGS	Financial Services	11%		1	9	
168	BWIN.PARTY DIGITAL ENTERTAINMENT	Travel and Leisure	11%		1	9	
168	COBHAM	Aerospace and Defence	11%		1	9	
168	CRODA INTERNATIONAL	Chemicals	11%		1	9	
168	CSR	Technology Hardware and Equipment	11%		1	9	
168	F&C ASSET MANAGEMENT	Financial Services	11%		1	9	
168	HOMESERVE	Support Services	11%		1	9	
168	INCHCAPE	General Retailers	11%		1	9	
168	KAZAKHMYS	Mining	11%		1	9	
168	MAN GROUP	Financial Services	11%		1	9	
168	MILLENNIUM & COPTHORNE HOTELS	Travel and Leisure	11%		1	9	
168	MITCHELLS & BUTLERS	Travel and Leisure	11%		1	9	
168	PARAGON GROUP OF COMPANIES	Financial Services	11%		1	9	
168	POLYMETAL INTERNATIONAL	Mining	11%		1	9	
168	RENTOKIL INITIAL	Support Services	11%	20%	1	9	
168	ROTORK	Industrial Engineering	11%	12.5%	1	9	
168	SPIRAX-SARCO ENGINEERING	Industrial Engineering	11%		1	9	
168	SUPERGROUP	Personal Goods	11%		1	9	
168	WS ATKINS	Support Services	11%	33.3%	1	9	
189	AFREN	Oil and Gas Producers	10%		1	10	
189	CAPITAL & COUNTIES PROPERTIES	Real Estate Investment and Services	10%		1	10	
189	EVRAZ	Industrial Metals and Mining	10%		1	10	
189	INTERSERVE	Support Services	10%		1	10	
189	MONEY SUPERMARKET.COM GROUP	Media	10%		1	10	
189	SEGRO	Real Estate Investment and Services	10%		1	10	
195	JARDINE LLOYD THOMPSON GROUP	Non-Life Insurance	9%		1	11	
195	MORGAN ADVANCED MATERIALS	Electronic and Electrical Equipment	9%		1	11	
195	PHOENIX GROUP HOLDINGS	Life Insurance	9%	21%	1	11	
195	WOOD GROUP (JOHN)	Oil Equipment and Services	9%		1	11	
199	AFRICAN BARRICK GOLD	Mining	8%		1	12	
199	BEAZLEY	Non-Life Insurance	8%	10%	1	12	
199	PARTNERSHIP ASSURANCE GROUP	Life Insurance	8%		1	12	
199	DERWENT LONDON	Real Estate Investment and Services	8%		1	13	
202	3I INFRASTRUCTURE	Equity Investment Instruments	0%		0	6	
202	888 HOLDINGS PLC	Travel and Leisure	0%		0	5	
202	AL NOOR HOSPITALS GROUP	Health Care Equipment and Services	0%		0	10	
202	BANK OF GEORGIA HOLDINGS	Banks	0%		0	8	
202	BH GLOBAL	Equity Investment Instruments	0%		0	6	
202	BH MACRO	Equity Investment Instruments	0%		0	6	

FTSE 250 Company (March 2014)		Sector	Women on Boards		Board members		RAG
			2014 actual	2015 target	Women	Total	
202	BLACKROCK WORLD MINING TRUST	Equity Investment Instruments	0%		0	6	
202	BLUECREST ALLBLUE FUND	Equity Investment Instruments	0%		0	5	
202	BOVIS HOMES GROUP	Household Goods and Home Construction	0%		0	6	
202	CALEDONIA INVESTMENTS	Equity Investment Instruments	0%		0	10	
202	CENTAMIN	Mining	0%		0	6	
202	CITY OF LONDON INVESTMENT TRUST	Equity Investment Instruments	0%		0	5	
202	DAEJAN HOLDINGS	Real Estate Investment and Services	0%		0	5	
202	DOMINO PRINTING SCIENCES	Electronic and Electrical Equipment	0%		0	7	
202	ENTERPRISE INNS	Travel and Leisure	0%		0	6	
202	ENTERTAINMENT ONE	Media	0%		0	9	
202	ESSAR ENERGY	Oil and Gas Producers	0%		0	8	
202	FERREXPO	Industrial Metals and Mining	0%		0	8	
202	FIRSTGROUP	Travel and Leisure	0%	20%	0	9	
202	FISHER (JAMES)& SONS	Industrial Transportation	0%		0	7	
202	GENUS	Pharmaceuticals and Biotechnology	0%		0	6	
202	HANSTEEN HLDGS	Real Estate Investment Trusts	0%		0	8	
202	HELLERMANNNTYTON GROUP	Electronic and Electrical Equipment	0%		0	7	
202	HERALD INVESTMENT TRUST	Equity Investment Instruments	0%		0	5	
202	HIKMA PHARMACEUTICALS	Pharmaceuticals and Biotechnology	0%		0	9	
202	HUNTING	Oil Equipment and Services	0%		0	6	
202	IG GROUP HOLDINGS	Financial Services	0%		0	9	
202	IMAGINATION TECHNOLOGIES GROUP	Technology Hardware and Equipment	0%		0	8	
202	IP GROUP	Financial Services	0%		0	8	
202	JD SPORTS FASHION	General Retailers	0%		0	5	
202	JOHN LAING INFRASTRUCTURE FUND	Equity Investment Instruments	0%		0	5	
202	KCOM GROUP	Fixed Line Telecommunications	0%		0	6	
202	KENTZ CORP	Oil Equipment and Services	0%		0	7	
202	LONDONMETRIC PROPERTY	Real Estate Investment Trusts	0%		0	9	
202	MERCHANTS TRUST	Equity Investment Instruments	0%		0	4	
202	MERLIN ENTERTAINMENTS	Travel and Leisure	0%		0	9	
202	PAYPOINT	Support Services	0%		0	10	
202	PERPETUAL INCOME & GROWTH INVESTMENT TRUST	Equity Investment Instruments	0%		0	6	
202	PERSONAL ASSETS TRUST	Equity Investment Instruments	0%		0	5	
202	PETRA DIAMONDS	Mining	0%		0	7	
202	RESTAURANT GROUP	Travel and Leisure	0%	17%	0	5	
202	RIVERSTONE ENERGY	Equity Investment Instruments	0%		0	9	
202	SCOTTISH INVESTMENT TRUST	Equity Investment Instruments	0%		0	5	
202	SYNTHOMER	Chemicals	0%		0	9	
202	TELECOM PLUS	Fixed Line Telecommunications	0%		0	6	
202	TEMPLETON EMERGING MARKETS INVESTMENT TRUST	Equity Investment Instruments	0%		0	7	
202	VEDANTA RESOURCES	Mining	0%		0	7	
202	XAAR	Electronic and Electrical Equipment	0%		0	8	

Annex C

Research Published 2013/14

Listed below is just some of the key reports that have been published in the last year:

- Cranfield School of Management, *The Female FTSE Board Report 2014*, March 2014
- Tomorrow's Company, *Tomorrow's Global Leaders: how to build a culture that ensures women reach the top*, March 2014
- KPMG, *Cracking the Code*, March 2014
- Recruitment and Employment Confederation (REC), *Room at the top: women and the role of executive search*, March 2014
- Charlotte Sweeney, *Women on Boards: Voluntary Code for Executive Search Firms – Taking the Next Step*, March 2014
- Accenture, *Career Capital*, February 2014
- McKinsey, *Forward Looking Boards*, February 2014
- PwC, *Mining for Talent*, February 2014
- Spencer Stuart, *UK Board Index 2014*, February 2014
- Green Park, *Leadership 10,000 Report*, February 2014
- Women's Business Council, *Maximising Women's contribution to future economic growth – A view from business six months on*, December 2013
- Financial Reporting Council, *Developments in Governance 2013, The impact and implementation of the UK Corporate Governance and Stewardship Codes*, December 2013
- Government Equalities Office, *Think Act Report – two years on*, December 2013
- Male Champions for Change, *Accelerating the advancement of women in leadership: Listening, Learning, Leading*, November 2013
- 30% Club, *Mothers on Boards*, August 2013