



Women on Boards

*A Statistical Review by
Country, Region, Sector and Market Index*

GovernanceMetrics International®

March 2, 2009

On March 2, 2009, GovernanceMetrics International (GMI), the corporate governance research and ratings firm, released new ratings and research reports for all 4,200 companies in its database.

The background and skill set of board members, plus their relationship to the company and to other directors, are of course fundamental corporate governance matters. Many GMI clients feel strongly that today's boards need to be more diversified, not just in terms of experience but also on fundamental issues like gender. "Companies that have diverse boards perform better than those with similar director profiles in terms of ethnicity, gender and skill sets", according to a report recently delivered to the California Public Employees' Retirement System's (CalPERS) Investment Committee.

Starting with today's release, each GMI Rating Report – specifically the Board of Directors Summary - includes statistics to compare the percent of women on the board in question to the average for companies in the same sector and to companies in the same home market or region.

Some of what we found will not come as a surprise. There are clear sectoral differences, for example: 4.9% of the directors currently serving on the average board in the Automobile & Parts sector worldwide are women, compared to 13.5% for Retail. The average for all companies rated by GMI worldwide is 8.9%.

Regional differences are even more apparent. In Japan, for example, women comprise less than 1% of the average board. Scandinavia, on the other hand, has the highest average representation by far as a region, with women representing 12.1% of the average board in Denmark, 21% in Finland, 35.9% in Norway and 23% in Sweden. Norway happens to be an interesting case study. In 2003, amendments to the Public Limited Companies Act provided for a requirement for certain minimum numbers of directors from each gender. Depending on the number of board members, a company may be required to have somewhere between 33% and 50% of the board from each gender. This has led to a dramatic increase in the number of women on boards of Norwegian companies.

We also found a clear market cap effect. Among the various indexes tracked by GMI, the S&P 500 fared best, where women currently represent 15.1% of the average board. By comparison, women represent 11.9% of the average board within the S&P MidCap 400 Index and 9.1% within the S&P SmallCap 600.

While the new board gender information will not affect GMI ratings, we do think it will help our clients by providing them with empirical data to benchmark within sectors, countries or regions. As noted, the new company-level data will be accessible to clients starting today via GMI Rating Reports. This summary is meant to provide a high-level overview of women on boards by country, region, sector and index. GMI sector and super-sector groupings are based on the Dow Jones / FTSE Industrial Classification Benchmark (ICB) system. All board statistics are as of February 15, 2009.

For further information, please contact GMI by calling + 1 212 949 1313, sending an email to info@gmiratings.com or by visiting our website at www.gmiratings.com.

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Country / Region	Number of Companies Rated by GMI	Average % of Women on Boards
Australia	111	9.9%
Hong Kong	79	7.6%
Japan	456	0.9%
New Zealand	12	11.4%
Singapore	59	5.7%
Industrialized Asia-Pacific	717	3.6%
Austria	18	6.7%
Belgium	25	6.5%
Denmark	26	12.1%
Finland	27	21.0%
France	104	8.2%
Germany	95	9.0%
Greece	27	9.5%
Iceland	1	14.3%
Ireland	19	7.1%
Italy	51	3.6%
The Netherlands	30	10.3%
Norway	23	35.9%
Portugal	12	0.4%
Spain	46	6.6%
Sweden	50	23.0%
Switzerland	53	8.4%
UK	398	7.8%
Industrialized Europe	1005	9.6%
Canada	136	11.3%
US	1761	11.4%
North America	1897	11.4%
China	66	6.6%
India	54	4.1%
Indonesia	15	4.1%
Malaysia	26	4.2%
Pakistan	2	4.6%
Philippines	4	23.0%
South Korea	86	1.0%
Taiwan	73	6.4%
Thailand	11	8.7%
Emerging Markets - Asia	337	4.7%
Czech Republic	6	4.4%
Hungary	4	10.2%
Poland	15	10.2%
Russia	25	5.8%
Turkey	15	9.7%
Emerging Markets -Europe	65	7.8%
Egypt	8	7.1%
Israel	17	12.5%
Morocco	4	0.0%
South Africa	41	14.6%
Emerging Markets - Middle East & Africa	70	12.4%
Argentina	4	4.1%
Brazil	59	3.9%
Chile	13	2.4%
Colombia	6	11.3%
Mexico	26	6.5%
Peru	4	3.6%
Emerging Markets - Latin America	112	4.7%
Total Emerging Markets	584	6.0%
Total	4203	8.9%

SuperSector	Number of Companies Rated by GMI	Average % of Women on Boards
Automobiles & Parts	76	4.9%
Banks	291	10.5%
Basic Resources	205	6.3%
Chemicals	136	7.9%
Construction & Materials	145	6.1%
Financial Services	238	8.8%
Food & Beverage	154	9.4%
Health Care	254	10.9%
Industrial Goods & Services	664	7.4%
Insurance	148	10.8%
Media	142	11.6%
Oil & Gas	239	7.3%
Personal & Household Goods	235	10.0%
Real Estate	211	8.7%
Retail	256	13.5%
Technology	370	6.4%
Telecommunications	109	9.6%
Travel & Leisure	161	8.7%
Utilities	169	12.1%
Total	4203	8.9%

Sector	Number of Companies Rated by GMI	Average % of Women on Boards
Aerospace & Defense	49	6.4%
Alternative Energy	12	11.3%
Automobiles & Parts	76	4.9%
Banks	291	10.5%
Beverages	44	9.9%
Chemicals	136	7.9%
Construction & Materials	145	6.1%
Electricity	103	12.0%
Electronic & Electrical Equipment	130	6.1%
Equity Investment Instruments	54	8.9%
Fixed Line Telecommunications	64	11.2%
Food & Drug Retailers	57	15.0%
Food Producers	110	9.2%
Forestry & Paper	32	9.0%
Gas, Water & Multiutilities	66	12.1%
General Financial	184	8.8%
General Industrials	80	7.5%
General Retailers	199	13.0%
Health Care Equipment & Services	137	11.9%
Household Goods	83	11.7%
Industrial Engineering	144	6.1%
Industrial Metals	106	5.6%
Industrial Transportation	100	7.3%
Leisure Goods	51	4.3%
Life Insurance	48	12.9%
Media	142	11.6%
Mining	67	6.1%
Mobile Telecommunications	45	7.3%
Nonlife Insurance	100	9.8%
Oil & Gas Producers	152	6.9%
Oil Equipment, Services & Distribution	75	7.3%
Personal Goods	86	11.9%
Pharmaceuticals & Biotechnology	117	9.8%
Real Estate Investment & Services	83	8.8%
Real Estate Investment Trusts	128	8.6%
Software & Computer Services	143	6.9%
Support Services	161	9.7%
Technology Hardware & Equipment	227	6.1%
Tobacco	15	8.8%
Travel & Leisure	161	8.7%
Total	4203	8.9%

Index	Average % of Women on Boards
Dow Jones STOXX 600	11.1%
FTSE 350	8.2%
MSCI EAFE Index	7.6%
MSCI World Index	10.2%
Nikkei 225	1.0%
Russell 1000	12.9%
S&P 500	15.1%
S&P MidCap 400	11.9%
S&P SmallCap 600	9.1%

About GMI

GMI's rating system incorporates hundreds of data points across six broad categories of analysis: board accountability, financial disclosure and internal controls, executive compensation, shareholder rights, ownership base, takeover provisions, plus corporate behavior and social responsibility. Companies are rated relative to others in the GMI database on a scale of 1.0 (lowest) to 10.0 (highest). Subscribers to GMI are able to view a company's overall rating, section ratings, red flags (flags are issued by GMI from time to time to highlight specific characteristics that present notable cause for concern) plus several pages of written analysis. GMI clients include leading pension funds, investment managers, banks, insurance companies, credit rating agencies, regulatory agencies, stock exchanges and professional service firms in 16 different countries throughout North America, Latin America, Europe and the Asia-Pacific region.

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