Press Release

Launch of 1st "EPWN European BoardWomen Monitor" 2004

Another North-South Divide: Women on Boards

Paris, June 14 - In Europe's top 200 companies[1], women occupy 8% of corporate boardroom seats. A small majority of these companies have appointed at least one woman to their boards (62%) while 28% have more than one. Norway and Sweden boast substantially higher representation while Italy, Belgium and Spain some of the lowest. The first EPWN European BoardWomen Monitor, run by the European Professional Women's Network (www.EuropeanPWN.net) in partnership with Egon Zehnder International, looks at the number of women on the boards of Europe's top companies. It aims to set a baseline of where women stand in corporate Europe and track their progress with a bi-annual update of the study.

National Differences

The most significant variable in the accession of women into corporate boards is the nationality of the company. Europe can be segmented into three general groups regarding board gender diversity:

> **The Trail-Blazers**
> As ever, the Scandinavian countries top the list. Norway is No.1 with 22% women on boards while Sweden is second with 20%, well above the European average of 8%. Finland comes in with 14%.
>
> **Middle of the Roaders**
> France, Germany and the UK provide the largest numbers of female board members, but the overall percentage for these countries is around the European average (at 6%, 10% and 10% respectively). The French and German numbers are strengthened by a number of labour appointees. The Netherlands also fits into this group with 7%.
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> **Slow Going**
> Italy trails the European group in having only 2%, the lowest score in Europe. Belgium, Spain and Denmark are not much further ahead, with 3%, 3% and 4% respectively.

However, interpreting these numbers requires taking into account that in several countries, a significant number of the female board members are labour union appointees. For example, in France 10 of the 41 female board members were union appointees and in Germany, 66 of the 83. That the unions may be more progressive with regard to gender issues than are many boards is a conclusion that may be drawn as a result. Also, certain countries have statistics that overstate the current situation for women in the private sector. The very top companies in each country are not representative of large firms in general, but usually outperform others not only in performance but also in their corporate policies. So, for example, across all its publicly listed companies, the average number of women on boards in Norway falls to 8%.

In comparison, recent studies in the US (by Catalyst), put the US figure for women on Fortune 500 corporate boards at 13.6% in 2003 and only 10% of these companies have no women board directors (compared to Europe's 38%). This puts the European average of its top companies well below the average of their American counterparts.

[1] The top 200 European industrial and service companies based on revenue published by Les Echos and Reuters in 'Le Grand Atlas des Entreprises', see Survey Methodology for details

Retail and Telecom Sectors Lead the Way

Retail and telecoms were, perhaps unsurprisingly, the two sectors with above average female representation, with 12% and 11% respectively. The retail sector largely serves women who are the primary purchasers of consumer goods. For the same reasons, it is somewhat unexpected to find the food sector with some of the lowest statistics for women on boards. The telecoms sector, as a relatively new sector, has sometimes been portrayed as being more open to women while insurance and pharmaceuticals are two industries that have made long-term efforts in attracting and promoting women.

Corporate Champions

Considerable differences exist in the number of women on boards at different companies. The "champions" in the countries with the highest statistics are :

France :	Publicis 27% Sodexho Alliance 27%
Germany :	Deutsche Post, Deutsche Bank 30%, Metro 25%
Italy :	La Fondiaria-SAI 20 %
Netherlands :	ABN Amro 17**%**
Norway :	Statoil 44%, Norsk Hydro 33%
Switzerland :	Migros 21%
Sweden:	Telia 36%. SAS 33%
UK :	Astrazeneca 29%, SHELL Transport, 27%

SECTORS WITH MOST WOMEN on BOARDS	% Women on Boards
Retail	**12%**
Telecoms	**11%**
Insurance	**10%**
Pharmaceuticals	**10%**
Oil	**9%**
SECTORS WITH FEWEST	
Food	**4%**
Steel	**1%**

No Pipeline, No Progress

If the figures for European boards seem low, the figures for women on Management Committees or in the top levels of company management are even lower around (5% on average across Europe). This does not bode well for the future development of female board members and undercuts one of the standard comments that time will solve the issue. In Norway for example, which heads the European group on the number of women on corporate boards (22%), the number of women in upper management is only 9%. The same is true of Sweden, which boasts 20% of women on Corporate Boards but only 11% of women in upper management. However, these countries retain their lead in both categories across Europe.

Providing Reliable Pan-European Data on the Position of Women in Europe's Boardrooms

This survey is the first data gathering exercise on the subject of women on Boards across Europe. Some figures are already available in certain countries (e.g. Norway, the UK) but are rarely aggregated and communicated on a comparative pan-European basis. The European Professional Women's Network, in establishing the "EPWN European BoardWomen Monitor", seeks to provide women and companies with reliable data on the progress of female representation at the highest levels of the private sector, by country, by industry and by company. This will allow women to make informed choices and analyses about the context in which they are crafting their careers. And offers companies a benchmark of what is being done where with what results and benefits – for employees, markets and shareholders.

Survey Methodology

The survey was carried out by Egon Zehnder International using publicly available information. It focuses on the 200 largest companies in Europe by sales, plus the 20 largest banks and 20 biggest insurance companies, having their worldwide headquarter in their home-country. The top European companies were based on the ranking by revenue published by Les Echos and Reuters in 'Le Grand Atlas des Entreprises'. In addition, for those countries (with the exception of Luxembourg and Ireland) that have less than 10 companies included in the "top 200" in Europe list, we added their next largest companies to offer a reasonable representation of each country. In all, some 270 companies were considered. The data was collected in late March and early April, 2004.

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European Professional Women's Network

Egon Zehnder International

What is EuropeanPWN (www.EuropeanPWN.net)?

EPWN's mission is to create a pan-European voice for professional women to promote professional progress, power and impact. EPWN offers professional women an opportunity for networking with peers - both online and off - in cities across Europe. Regular monthly events with professional women across the continent are enhanced by a powerful interactive online networking platform and a resource-rich website. For professional women and the companies interested in them.

EPWN's member networks are located in Austria (Vienna), Belgium (Brussels and Flanders), France (Paris and Sophia Antipolis), Italy (Milan), the Netherlands (Amsterdam), Norway (Oslo), Switzerland (Zurich), United Kingdom (London). Through EPWN approximately 2,000 international professional women from across Europe are connected. IBM is a Platinum Partner of the network, Deloitte a Gold Partner.

What is Egon Zehnder International?

Egon Zehnder International was founded in 1964 with a distinctive vision and structure aimed at achieving two basic goals - to place our client's interests first and to lead our profession in creating value for our clients through the assessment and recruitment of top-level management resources. The Firm specializes in assessing and recruiting business leaders with outstanding track records who will create competitive advantage and sustainable value.

Our culture of seamless collaboration and global knowledge sharing allows us to go well beyond recruitment in facilitating and influencing business relationships towards value creation. Underpinning our unique structure is our private ownership which ensures we are motivated solely by the desire to exceed our client's expectations and we remain independent of any outside shareholder interests. We function in three principal areas: executive search, management appraisal, and board consulting. The firm has 56 offices, all of which are wholly-owned and has approximately 300 Consultants around half of whom are part of the single profit-centre partnership.

European Professional Women's Network

Egon Zehnder International