



Tracking the Percentage of Women on the Board by Country

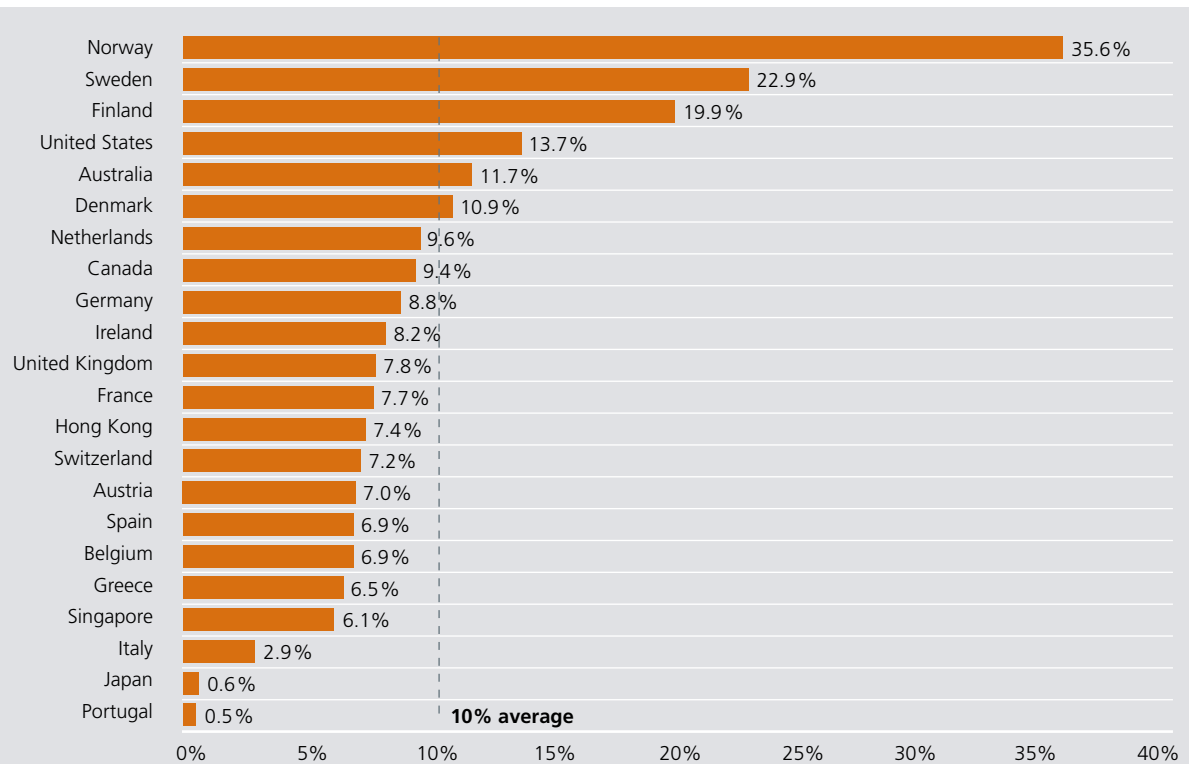
In the fourth quarter of 2008 two influential organisations came out with reports highlighting the importance of gender diversity in management.

McKinsey & Company, an international management consulting firm, in *Women Matter 2*, which focuses on leadership practices in corporations, stated, "Gender diversity is not just a social concern. Our new study suggests that it could also create a **competitive edge** to address the global challenges that corporation will face in the near future."

While the Second Swedish National Pension Fund – AP2, in its *Corporate Governance report* wrote, "For the first time in ten years, the trend of a growing number of women on corporate boards has been broken. According to the Second AP Fund's index, the proportion of women on corporate boards declined from 19.3 to 18.6 percent. The proportion of women in executive management positions remained unchanged at just under 13 percent... During the autumn, the Fund plans to initiate a dialogue with companies (nominating committees and managements) in various industries that feature the lowest proportion of women in their executive managements and on their boards."

Clearly, for reasons of both competitiveness and engagement, it is important to be able to track who are the leaders and laggards on this important issue. While using our system one can evaluate this data on a company or portfolio basis, for the graph below we decided to look at the question on a country by country basis. As you can see there is a 10 percent average of women on corporate boards, with Norway leading the way with an average of 35.6 percent and Portugal lagging behind with an average of 0.5 percent.

Average Percentage of Women on the Board



Source: ASSET4

In order to create this chart we used the *assetmasterProfessional*[™] solution and its MyIndicator functionality in order to create a customised KPI to answer the question, "What is the average percentage of women on the board by country?" The MyIndicator consisted of two data points (one that lists the names of the board members and one that indicates the gender of each board member). If a company did not report on the gender of its board members, it was not included in the average. Once we had this information we simply exported it with our Excel Add-In and graphed the data. Of course this information can be broken down on a company level or by portfolio as well.