



MEN LEAD BUSINESS OPERATIONS OF LISTED COMPANIES

– Women end up in support functions

December 2011

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Introduction

Finland is often considered to be a model country for gender equality. In many ways this is true; women participate fully in working life and legislation supports equality. A process has been set up to diminish the gender pay gap. Women have reached almost all of the highest positions in the private sector. Currently Finland's President is female. The same applies to e.g. the Minister of Finance, President of the Supreme Court. Finland has had two female Prime Ministers. Every ministerial post (incl. Minister of Defense) has been held by a woman. Currently 9 Ministers out of 19 are women and 42.5 per cent of the members of the Parliament are women. We have also had a female Speaker of the Parliament. Nowadays there is even a female bishop. Furthermore, the number of women on boards of listed companies has risen considerably over the past years.

On the other hand, segregation of the labor market into women's and men's work is exceptionally strong in Finland. This is true for both horizontal and vertical segregation. Some branches, such as health and child care as well as education, are clearly women-dominated (horizontal segregation). Vertical segregation in the Finnish labor market appears so that men are over-represented in leading positions. Women on the other hand have a higher education than men in average.

Finland Chamber of Commerce has actively supported women's leadership in business life and decided to study women leaders' situation to see whether real change has been achieved. This report covers all Finnish listed companies of Helsinki Stock Exchange, 124 companies altogether. The study is based on information given by the companies on their websites. Information about board members has been collected during the summer of 2011 and about executive management teams and CEO's education in September 2011.

Finland Chamber of Commerce promotes women's leadership due to its wish to secure the availability of the best possible employees and top management for our businesses. Companies lose potential if top management is selected only among the most knowledgeable and suitable men, not among the best persons.

This report of Finland Chamber of Commerce shows that women's number on boards of Finnish listed companies has increased considerably due to various active measures, particularly among the large listed companies. However, hardly any increase has been achieved concerning the top management of listed companies. No listed company has a woman CEO when research for the study was made. As of December 2011, one listed company has a female CEO. The women members of executive management teams are almost solely heading support functions. There are hardly any women leading business operations of listed companies. This means in practice that a significant increase of women CEO's in listed companies cannot be expected in the near future

Glass ceiling was identified in the study

This report of Finland Chamber of Commerce shows the location of the glass ceiling. It was identified to be at executive management teams concerning line management and business functions.

In Finland women's number on boards of listed companies has been considerably increased without quota legislation. The Finnish model has received international attention as an alternative way to increase women's participation on corporate boards. However, the number of women CEO's in Finland lags behind other western countries.

Increasing women's number as CEO's or in line management is not an easy task. Evidently quotas cannot be used for selecting company management. Also the Corporate Governance Code can be used in a very limited manner for this purpose. However, transparency can be enhanced and thus ensure wider recognition of the issue and changing of attitudes.

Listed companies in Finland

The study covers all Finnish listed companies of Helsinki Stock Exchange, 124 altogether. The companies are divided into three categories by their market capitalization: large-caps (over 1 billion Euros), mid-caps (150 million Euros to 1 billion Euros) and small-caps (under 150 million Euros). There are 26 large cap companies, 39 mid caps and 59 small caps. Although almost half of the companies are small caps, some of the large caps companies are among the largest companies in the world in their sector, such as Nokia and UPM Kymmene.

A couple of the companies are currently in a delisting process. Almost half of the shares in Helsinki Stock Exchange are owned by foreigners.

Preparation of the report

This report of Finland Chamber of Commerce is based on the information given by listed companies of the Helsinki Stock Exchange on their websites, as well as various other studies and sources. The information on company websites was collected by assistant Jenna Pitkänen in the summer and September 2011. Results were analyzed by legal counsel Anne Horttanainen. The report was written by Leena Linnainmaa, Deputy Director General of Finland Chamber of Commerce.

Promoting women business leaders

Currently, the number of women on the boards of large listed companies is rather satisfactory in Finland. The increase of women members since 2000 is due to concrete measures with the clear target of increasing women's number. These steps include the political decisions made by the Government concerning women's number on the boards of state-owned companies as well a recommendation in the Corporate Governance Code for Listed Companies. The media has also played a major role. Studies conducted on women business leaders have also promoted the issue.

On the other hand, generally speaking there have been not very many targeted measures to increase the number of women to CEO's in listed companies or top line management. There has been a belief that the situation will improve in time. This report of Finland Chamber of Commerce shows that this hope is

not based on facts as no real improvement has happened. However, one major change among executive management teams has happened; nowadays there are quite many women leading the support functions of listed companies.

Studies on women leaders and company profitability

Numerous studies have been conducted in Finland and elsewhere on how women's presence in top management impacts firm profitability and other success.

Studies don't prove that women as such would contribute to higher profitability but perhaps women's presence in top management correlates with these companies' openness to new ideas and visions which promote company success as these companies don't perhaps stick to old patterns.

Study by Suomen Asiakastieto

The credit rating agency Suomen Asiakastieto published a study in the summer of 2005 which showed that large Finnish companies (TOP500) led by women were clearly more profitable than companies in average.¹ The return on equity in companies with a woman CEO was 18.5 per cent and considerably higher than in companies led by a male CEO (14.2 %). The highest average on return on equity was in companies with a woman CEO and chair of the board (24.6 %). Two thirds of companies led by a woman reached AAA-rating while the figure for all TOP500 companies was one third.

Study by EVA

The Finnish Business and Policy Forum EVA published in 2007 a study covering 14 020 Finnish companies called Female Leadership and Firm Profitability.² The results indicated that a company led by a female CEO is on average slightly more than a percentage point – in practice about ten per cent – more profitable than a corresponding company led by a male CEO. This observation held even after taking into account size differences and a number other factors possibly affecting profitability. The share of female board members also has a similar positive impact. These findings were significant and important not only from a statistical and research perspective but also from a business standpoint. After the results were published it has not been possible to argue that a company suffers if there are women in top management. This study may still be the largest study of its kind in the world.

Studies in other countries

Several studies on the connection of the presence of women leaders and firm profitability have been published in many countries. We can refer to just a few in this report.

The international consultancy McKinsey published in 2007 the study Women Matter: Gender diversity, a corporate performance driver.³ The study finds that the most profitable companies are those where women have the strongest representation in the board or top management. McKinsey has continued its work and has now published four reports.

¹ Women leaders make profits. A study by Suomen Asiakastieto Oy, published on 11 July 2005.

² EVA Analysis: Female Leadership and Firm Profitability, 24 September 9.2007 by Annu Kotiranta, Anne Kovalainen and Petri Rouvinen. www.eva.fi.

³ <http://www.mckinsey.com/locations/paris/home/womenmatter.asp>

Similar results have been achieved by e.g. Catalyst in a study called *The Bottom Line: Connecting Corporate Performance and Women's Representation on Boards* covering 353 Fortune 500 companies published in 2004.⁴ Companies with the highest representation of women on their top management teams experienced better financial performance than companies with the lowest women's representation. This finding holds for both financial measures analyzed: Return on Equity (ROE), which is 35 percent higher, and Total Return to Shareholders (TRS), which is 34 percent higher.

Equivalent results have been found e.g. in a study by Roy Adler of Pepperdine University called *Women in Executive Suite Correlate to High Profits* covering 215 Fortune 500 companies over 19 years (1980-1998).

The role of the media

The active role of the Finnish media has contributed to the increasing number of women on corporate boards. The media has followed the development of women's number. Even naming and shaming has been used when women have been lacking in the top positions of companies.

For example, the weekly financial magazine *Talouselämä* publishes an annual issue on women business leaders and holds a gala event. Numerous other newspapers have often written about the issue, thus in practice contributing to the interest of the business sector in the issue.

The role of opinion-leaders

The increasing number of women business leaders is to a large extent related to a changing attitude climate. Women leaders acting as role models as well as opinion-leaders play a major role in changing attitudes. Diminishing comments colored the discussion during the first years of the new millennium. E.g. one newspaper took a stand that companies don't need "quota coffee makers" on their boards.

Public ridicule has disappeared when competent women have been elected to company boards and opinion-leaders have taken a supportive public stand. Several politicians play a major role. E.g. Mari Kiviniemi, Minister of Public Administration and Local Government took an active role during the preparation of the 2008 Corporate Governance Code.

In August 2006, the Prime Minister of Finland, Mr Matti Vanhanen and the Minister for Social Affairs and Health, Ms Tuula Haatainen sent a letter to some 100 of the largest listed companies encouraging business leaders to join the debate on finding new measures to incorporate the expertise and competence of women in economic decision-making. The letter expressed the view that the expertise and experience of women will contribute new strengths enabling Finnish companies to achieve success.

⁴ <http://www.catalyst.org/publication/82/the-bottom-line-connecting-corporate-performance-and-gender-diversity>

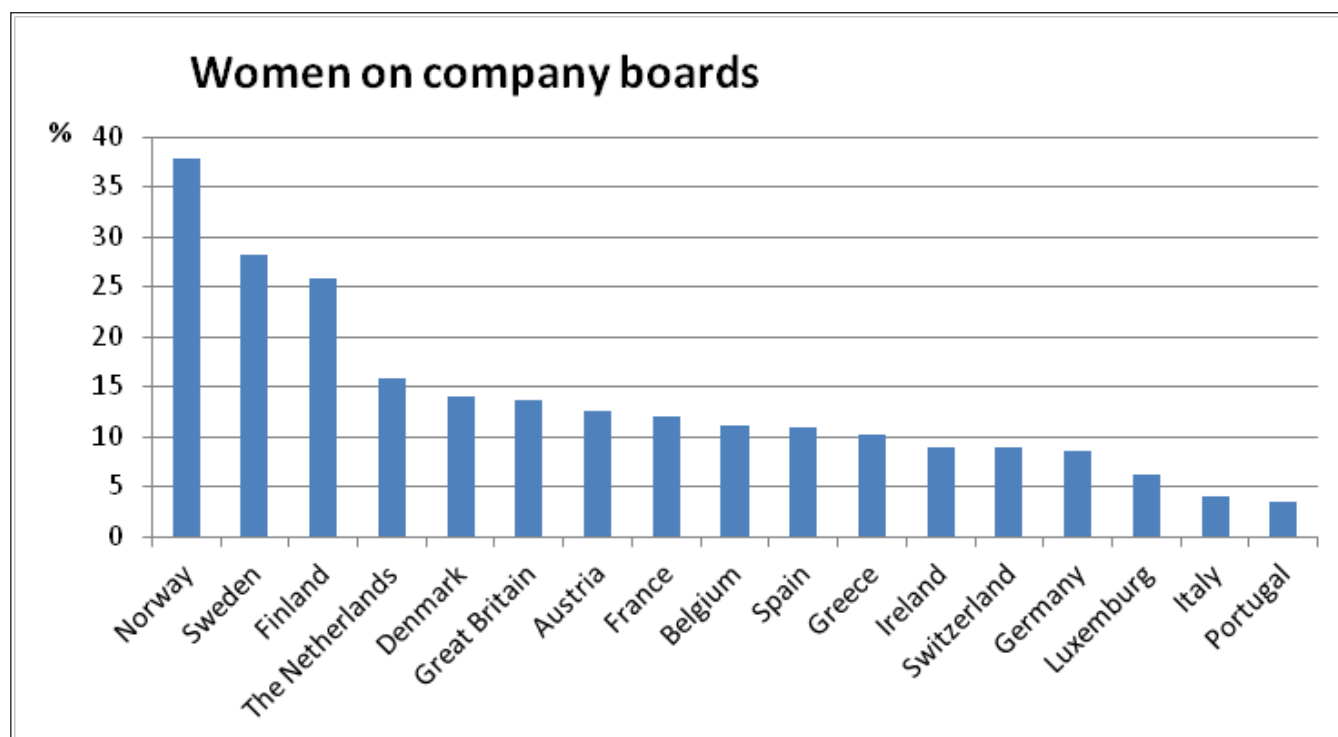
The most important public speech in this respect was probably the statement given in December 2006 by Jorma Ollila, chairman of Business Policy Forum EVA as well as Nokia and Shell, that more women are needed in management positions. According to Mr Ollila, the success of the nation requires a widening perspective and traditional ways of financial policy are not sufficient to guarantee the future success of Finland. According to him women have potential that needs to be used more efficiently and there are studies supporting the belief that women are good managers. He also said that the small number of women is still related to attitudes and practical issues in working life. After Mr Ollila's statements no more public ridicule has been heard and most discussion is appropriate.⁵

Women on company boards

The number of women on listed companies' boards has increased significantly since 2000. The world record is held by Norway due to its quota legislation. All Nordic countries are ahead of the rest of the world in this respect. In some countries women's board positions are still very rare. Differences even between the European countries are large.

European Professional Women's Network⁶ conducts biannual studies on women's board membership in the 300 largest European listed companies.

Women on company boards, European TOP 300



Source: EuropeanPWN Boardwomen Monitor 2010

⁵ it has to be said that there are still some individual cases where public discussion is still not appropriate. After the publication of the Finnish version of this report, the weekly financial magazine Talouselämä published a letter from a member of public stating that the reason for the low number of women in top management positions is due to the lower intelligence quota of women. In the following issue, the magazine published the answer of the writer of this report referring to facts based on studies on IQ showing the first-mentioned statement wrong and based on attitudes.

⁶ www.europeanpwn.net

The above-mentioned figures concern only the largest European companies. As for overall figures, in Finland 18 per cent of board members are women. In Lithuania women hold 14 per cent of all directorships in listed companies.⁷ In Italy 6.3 per cent of all board members in listed companies are women.⁸ In Sweden the boards of listed companies have 22 percent women members.⁹ In the Netherlands, 11 of directors are women.¹⁰ In Spain 9.9 per cent of directors are women.¹¹

In France the number of women directors in large listed companies has started to increase. SBT 120 companies have 17.2 per cent women and the largest companies (CAC 40) have 21.1 per cent women on their boards.¹²

In the UK, women hold 12.5 per cent of all directorships, 5.5 per cent of executive directorships and 15.5 per cent of non-executive directorships in FTSE 100 companies. In FTSE 250 companies the figures for women directors are as follows: all directorships: 8%, executive directorships: 4% and non-executive directorships: 10%. There are no official figures for smaller listed companies but women are estimated to hold 7-8 per cent of directorships.¹³ In 2011, 23% of all board appointments between March and October were of women.¹⁴



⁷ Information received from Nasdaq OMX Vilnius on 28 September 2011.

⁸ Women on boards in Italy, publication of Consob (Commissione Nazionale per le Società e la Borsa), table 2.

⁹ Information received from the Swedish Corporate Governance Board on 28 September 2011.

¹⁰ Information received from Monitoring Committee Dutch Corporate Governance Code on 28 September 2011.

¹¹ Information received from CMNV on 28 September 2011.

¹² Information received from Association Française des Entreprises Privées on 28 September 2011.

¹³ Information received from the Financial Reporting Council on 28 September 2011.

¹⁴ The Guardian, 3 November 2011.

The UK government has set a goal that large listed companies should have 25 per cent women directors by 2015. In Finland this number has been reached already while 26 per cent of directors of large-cap companies were women in 2011.

The situation may differ in different countries not only for the number of women directors but for other features, too. In Finland, large listed companies have more than double the number of women directors than small-cap companies, whereas in Italy the highest figures are found in small-cap companies. The reason for the high Italian figure in small-caps is that family-affiliated women are more present in smaller companies with a concentrated ownership. Only 60 per cent of family affiliated women board members have a bachelor's degree or higher while the figure is 95 per cent for non-family affiliated women directors. Furthermore, firms with at least one female director have lower board attendance than all-male boards due to the lower attendance figures of family affiliated women directors.¹⁵ In other countries where family affiliation is not a usual ground for women's board memberships women's attendance is not lower in board meeting than men's.

Companies with no women directors

In Finland, 78 per cent of listed companies have women on boards. The majority of the companies with all-male boards are small caps in Finland. In Lithuania, the figure is 57 per cent.¹⁶ In the UK, there are 13 all-male boards in the FTSE-100, down from 21 in 2010.¹⁷ In Italy less than half of listed companies have any woman on their boards (46.4 %).¹⁸ In the Netherlands, only 39 per cent of companies have at least one woman in the Executive or Supervisory Board.¹⁹

Quotas or targets

Quotas have been under a lot of discussion as a way to increase women's number on company boards. In July 2011 the European Parliament gave a resolution in favor of quotas.²⁰ Norway was the first country to give legislation on quotas for company boards. Other countries, e.g. France, have followed the example.

¹⁵ Information of the Italian situation from Women on boards in Italy, publication of Consob (Commissione Nazionale per le Società e la Borsa)

¹⁶ Information received from Nasdaq OMX Vilnius on 28 September 2011.

¹⁷ The Guardian, 3 November 2011.

¹⁸ Women on boards in Italy, publication of Consob (Commissione Nazionale per le Società e la Borsa), table 2.

¹⁹ The Dutch "Female Board Index" 2010.

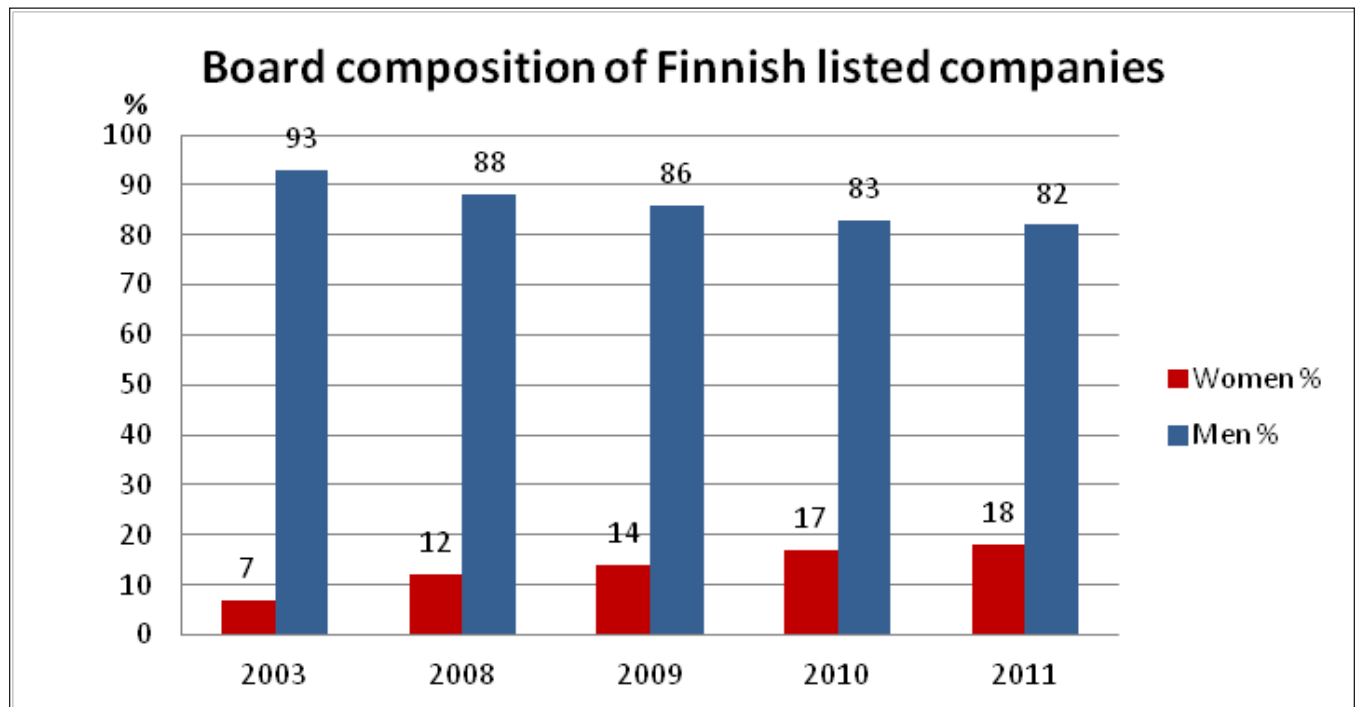
²⁰ Women and business leadership, European Parliament resolution of 6 July 2011 (2010/2115(INI)), point 16 (b).

Country	Quota legislation	CG Code
Australia		X
Austria		X
Belgium	x	X
Denmark	x, state owned company	X
Estonia		X
Finland		X
France	x	
Germany		X
Great Britain		
Iceland	x	
Italy	x	X (refers to law)
Norway	x	
Poland		X
Slovenia		X
Spain	x	
Sweden		X
The Netherlands	x	X
United States		

As the figures above show, many European countries have taken measures to promote women's participation in boards of listed companies. However, there is not much interest or development in some countries which increases the probability of EU measures.

Women board members in Finland

Finnish listed companies have today in average 18 per cent women on board, while in 2003 the figure was 7 per cent. The number of women has increased significantly since 2003 as a result of active measures of the Government and business sector.



Sources for the figures

2003: Luottolista 5/2004, Asiakastieto Oy (publication of a rating agency)

2008-2010: The report of the Government of Finland on Equality between women and men, 2010.

2011: Finland Chamber of Commerce

Some ten years ago the boards of listed companies had in practice “100 per cent male quotas”. Finland functions as an example on how significant development has been achieved through self-regulation. The European Parliament recognized the effectiveness of Finland’s Corporate Governance Code in its resolution in July 2011.²¹ No other country was mentioned in this context.

In Finland, the Gender equality program of the Government for 1997-1999 included a target of increasing women’s number to 30 per cent on state-owned company boards. Since the Government of Ms Anneli Jäätteenmäki, Prime Minister of Finland in 2003, the Finnish Government programs have included ambitious and detailed targets for women’s number on state-owned and partially owned company boards.

²¹ Women and business leadership, European Parliament resolution of 6 July 2011 (2010/2115(INI)), point 6.

In 2004 the Finnish Government set a target of 40 per cent women board members in state-owned companies. This target was reached already in spring 2006. This has been an important factor in promoting women on company boards because partially state-owned companies include several important and well-known listed companies in Finland. The ambitious and detailed target-setting is also included in the Gender equality program for 2008-2011 by the present Government.

In August 2006, Mr Matti Vanhanen, the Prime Minister of Finland, and Ms Tuula Haatainen, the Minister for Social Affairs and Health, sent a letter to ca 100 of the largest listed companies encouraging business leaders to join the debate on finding new measures to incorporate the expertise and competence of women in economic decision-making.

During the preparation of the Corporate Governance Code of 2008, the strong encouragement to promote women's board memberships in the Code given by Ms Mari Kiviniemi, at that time Minister of Public Administration and Local Government, was an important factor in persuading the corporate sector to accept a stronger approach in the Corporate Governance Code. The corporate sector wished to avoid quota legislation and thus the strong gender recommendation in the Corporate Governance Code of 2008 was created (see below Recommendation in the Finnish Code).

Women directors are often foreigners

An interesting phenomenon concerning women's board memberships is that women directors are more often foreigners than their male colleagues. This phenomenon concerns particularly the initial period when women start to be elected to boards. When more women have worked as board members, more local candidates are found for board positions. It seems that when business leaders get used to the idea of having female directors they start to identify potential women candidates more easily.

In Finland the practice favoring foreign women candidates has not yet turned, while four of the seven new female board members were foreigners in spring 2011. After the annual general meetings held in spring 2011, 18 per cent of women directors were foreigners in Finland. 11 women held positions in large-cap companies, 13 in mid-cap companies and 1 in small cap companies. The number of foreign women directors is relatively large since over half of listed companies have no foreign directors.

In the Netherlands 75.1 percent of male directors are Dutch whereas only 60.7 per cent are Dutch. The trend has, however, already turned in the Netherlands while all new women directors (8) were Dutch in 2010. In 2008 only 51.1 percent of women directors were Dutch and in 2009 the figure was 56.1 per cent.²²

²² The Dutch "Female Board Index" 2010.

In some countries board diversity has been enhanced mostly so that there are more foreigners than women on boards. The number of foreign board members varies significantly in different countries at least in large listed companies.

Country	International board members
Ireland	73,9
Luxemburg	69,6
Switzerland	60,0
The Netherlands	47,3
Belgium	35,0
Great Britain	30,8
Sweden	28,8
France	21,3
Portugal	20,3
Greece	18,9
Denmark	18,4
Finland	17,6
Norway	16,3
Germany	15,6
Italy	11,1
Austria	10,9
Spain	9,5
Altogether	25,0 %

Source: EuropeanPWN Boardwomen Monitor 2010

Women directors are younger

A common phenomenon is that in average women directors are younger than their male colleagues. A study by Egon Zehnder covering 340 largest European companies in 17 countries found that women directors are younger than men.²³ The average age of women directors was 53.5 years and men directors 58.6 years. It should be noted, however, that the study covered only large companies and it may not necessarily give a full picture of all listed companies.

Finland was the only country covered by the study where there was hardly any difference between the average ages of male (55.9 years) and female directors (55.2 years). So Finland is the exception to the rule that women directors tend to be younger than their male counterparts.

²³ Global Board Index, European board diversity analysis 2010, Egon Zehnder International.

Pay gap of directors

It has been said that there is a pay gap between male and female directors due to men having more board committee seats. This would be an interesting topic for a further study.

Women directors in state-owned companies

The government can take a key role in promoting women business leaders without resorting to quota legislation. In some countries change has been achieved through political decisions setting targets for women's participation on corporate boards.

Finland and Sweden are examples of this procedure. In Sweden the number of women directors in state-owned companies is 49 per cent.²⁴

Furthermore, the board composition of Danish state-owned companies is regulated in the Equality Act setting a target of 30 per cent board seats for both genders.²⁵

Finnish Government promoting women directors

The real kick-off for increasing women's number on corporate boards was achieved by the systematic actions of the Finnish government. The Gender equality program of the Government for 1997-1999 included a target of increasing women's number to 30 per cent on state-owned company boards. Since the Government of Ms Anneli Jäätteenmäki, Prime Minister of Finland in 2003, the Finnish Government programs have included ambitious and detailed targets for women's number on state-owned and partially owned company boards.

In 2004 the Finnish Government set a target of 40 per cent women board members in state-owned companies. This target was reached already in spring 2006. This has been an important factor in promoting women on company boards because partially state-owned companies include several important and well-known listed companies in Finland. The ambitious and detailed target-setting is also included in the Gender equality program for 2008-2011 by the present Government. In 2010, fully state-owned companies had 45 per cent women directors on their boards. As for listed companies with majority state ownership the figure was 39 per cent. For state majority-owned non-listed companies women's share was 27 per cent.

The figures are not quite as high for state minority-owned companies. For such listed companies women's share was 29 per cent and for unlisted companies it was 17 per cent in 2010.

The relatively high number of women on Finnish listed companies' boards is partially due to the policy concerning state-owned companies. The large majority of listed companies are not state-owned, so women's number on non-state owned companies' board is the decisive factor for the over-all number of women. For example, neither listed company with at least half of board members being women is a state-owned company.

²⁴ Information received from the Swedish Corporate Governance Board on 28 September 2011.

²⁵ Lov om ligestilling af kvinder og mænd, § 11(2), 30.5.2000.

Corporate Governance Codes

Corporate Governance Codes can play a major role in increasing women's participation on boards. Today, numerous national corporate governance codes include recommendations on gender (see figure on page 9).

However, the wordings differ considerably from a binding nature to mere mentioning the issue.

If a corporate governance code is meant to really increase women's participation on boards, the recommendation on gender should include a duty to have women directors instead of a mere wish. The Finnish Corporate Governance Code can be used as a best practice example in this respect.

Recommendation in the Finnish Code

The Finnish Corporate Governance Recommendation of 2003 was the first national code in the world to mention the sex of board members:

It is imperative for the board's work and its effective functioning that the board is composed of directors with versatile and mutually complementary capabilities and skills. The age mix and the proportions of both sexes can also be taken into account in the composition of the board.

This text was included in the Code by the business sector's own initiative. It was not a strong approach but it was the beginning and helped to pave way for a stronger approach later.

In 2008, an updated Finnish Corporate Governance Code was issued. Following public discussion and special emphasis announced by Ms Mari Kiviniemi, at that time Minister of Public Administration and Local Government, a much stronger approach was adopted. Recommendation 9 of the Finnish Corporate Governance Code for Listed Companies now states as follows:

Both genders shall be represented on the board.

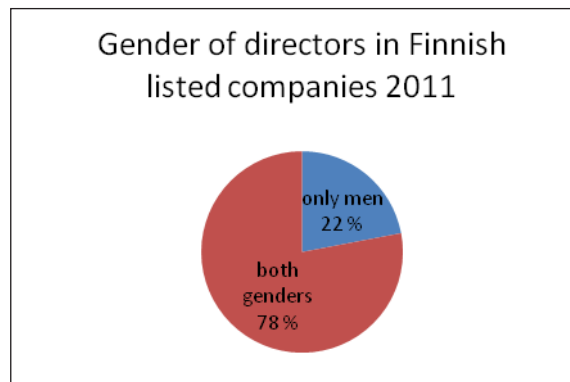
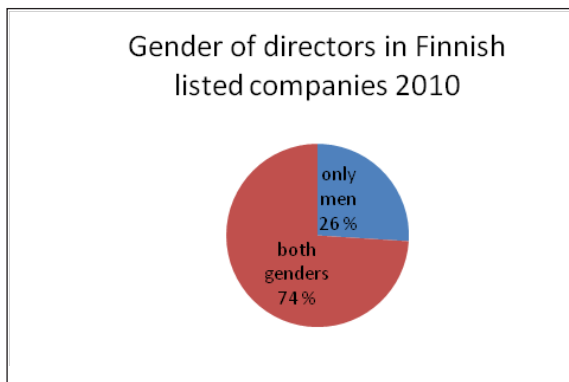
This recommendation has been applicable from the first annual general meeting held after 1 January 2010. The recommendation was kept unchanged in the updated Corporate Governance Code issued in June 2010.

If a company does not comply with the recommendation, it must account for and explain the deviation from the Code. Actually, although some other national codes handle diversity on the boards, the Finnish Code is the only one requiring an explanation if there are not both genders on the board of a company. This requirement makes it effective.

The general experience in the Finnish market is that most companies are reluctant to depart from the Code due to the publicity of the departure. So there was confidence that a recommendation requiring an explanation if not complied with will have an effect. This confidence was not unfounded.

In 2008, when the Code was issued, only 51 per cent of Finnish listed companies had a female board member while 49 per cent of the companies had all-male boards. After the recommendation was given, the ratio soon started to change. In 2009, already 59 per cent of the companies had at least one female board member even though the recommendation had not yet entered into force.

In spring 2010, the number of companies with at least one woman board member rose to 74 per cent of all listed companies. This can be seen as a success as the change from 51 to 74 per cent happened in two years and without much controversy. In spring 2011, the number rose to 78 per cent. Listed companies with no women board members are mostly very small. Naturally, in the future the figure will have to be still higher in order to be a continuing success story.

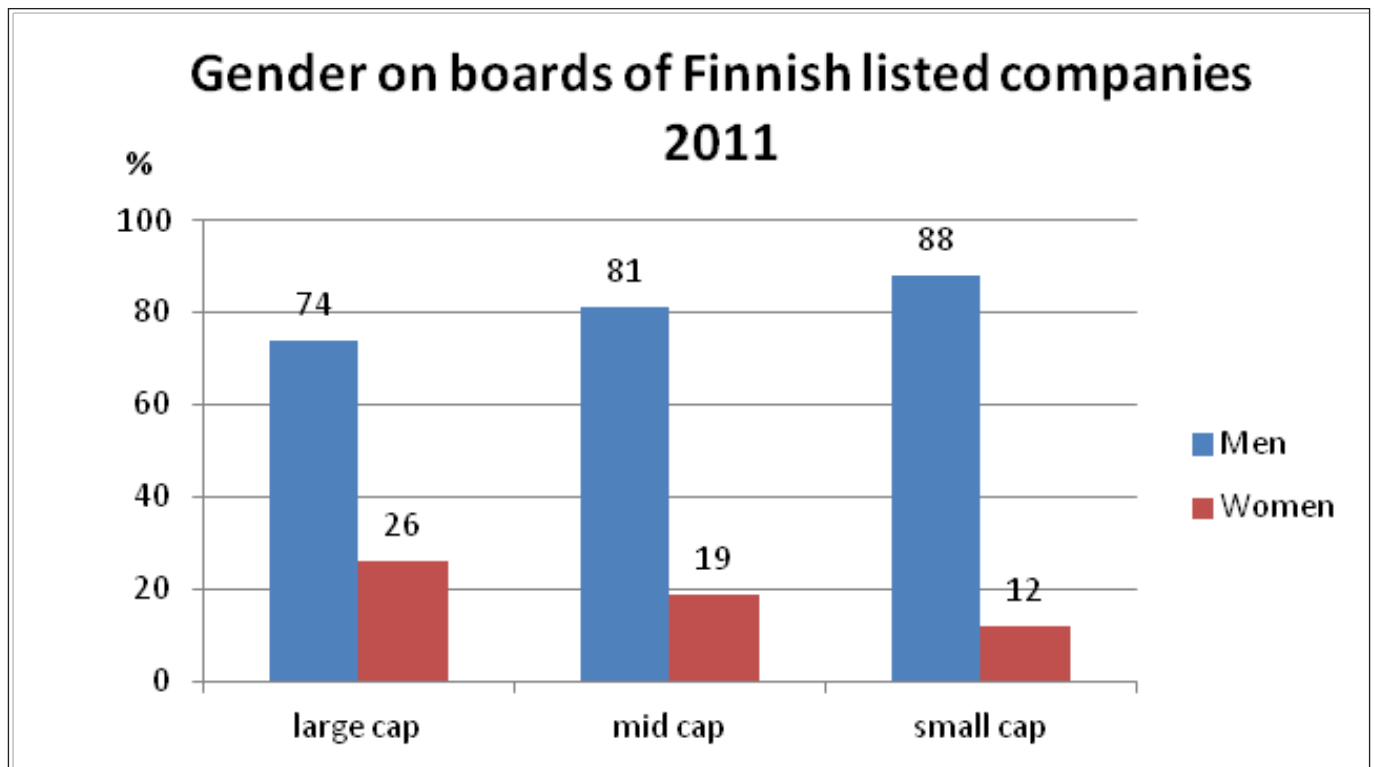


At first sight the impression might be that the figure for 2011 should have been even higher. When the situation is looked upon more closely, it can be seen why this is not the case and why binding quota legislation is not the best option for increasing the number of women directors in the Finnish listed companies. The issue concerns small listed companies.

All large cap companies comply with the recommendation. Almost all Finnish listed companies with all-male boards are small companies (22 companies). In addition, four mid-cap companies have only male directors.

If small-cap companies are not taken into account, 92 per cent of listed companies have both genders on their boards. Many of the Finnish small-cap companies are very small indeed, with market value of e.g. only 10 or 20 million Euros.

Finnish large-cap companies have 26 per cent women directors on their boards. Small-cap companies have 12 per cent and mid-cap reaches 19 per cent.



The Finnish business sector mostly opposes quota legislation but has gradually learnt to accept alternative ways to accelerate change because it has been widely acknowledged that women's number in decision-making positions has not been satisfactory compared to women's high education and strong participation in the work-force.

The Corporate Governance Code is binding for listed companies according to the Stock Exchange Rules. The Helsinki Stock Exchange actively monitors the compliance of the Code by listed companies.

Deviations from the Code

The Finnish Corporate Governance Code is based on Comply or Explain principle. The Code is binding for listed companies as a part Stock Exchange regulations. If a company does not comply with the recommendation, it must account for and explain the departure from the Code. This requires public disclosure. The disclosure duty has proved to be an efficient way to increase the number of women directors, especially because the Finnish media has actively followed the development and supported change.

The explanations for not complying with the recommendation vary to some extent but the most popular one is that a suitable women candidate has not been found. Some companies have added, however, that it is their long-run goal to find a woman board member. As it seems somewhat difficult to find a credible explanation for the lack of women members, some companies have failed to give any. This is naturally a breach against the Code, as well as against stock exchange regulation and legislation. Helsinki Stock Exchange monitors the code.

Finland Chamber of Commerce studied compliance with the recommendation in spring 2011 from the corporate governance statements for 2010 or from company websites. Often the explanations were rather general in nature or even missing.

EXPLANATIONS FOR DEPARTURE FROM GENDER RECOMMENDATION

Company / committee found no suitable women candidates	4
Company / committee found no suitable women candidates familiar with the business sector of the company	6
Election conducted according to shareholders proposals	1
The composition of the board is sufficient	4
Small company with limited resources for seeking candidates	1
No explanation, refers to long-term	6
No explanation	3
Departure not disclosed	4

Corporate Governance Codes in other countries

The Swedish Corporate Governance Codes have since 2004 included a recommendation that listed companies should strive for equal gender distribution on the board. The recommendation differs significantly from the binding wording of the Finnish recommendation. The Swedish Codes set no concrete duties or goals for electing women directors.

Similar recommendations supporting the election of women directors without concrete goals are included the corporate governance codes of several countries, such as Belgium, Germany, Great Britain and the Netherlands. The French code includes concrete figures but the recommendation was given after the French quota law proposal was in the Parliament and thus was not fully a self-regulatory measure by business initiative.

Quota legislation

Quota legislation is commanding increasing support in many European countries.

Quotas in Norway

The first quota law was enacted in Norway where the business sector failed to take active measures to increase the number of women directors even after the threat of quota legislation had been announced. Quotas were initially proposed by Mr Ansgar Gabrielsen, Trade Minister representing the conservative party. Later on the quota law was enacted by the actions of non-conservative parties.

The Norwegian quota law came into force in 2008 and sets a quota of 40 per cent in average of both genders on the boards of all public companies, not just listed companies. Non-compliance with the law is sanctioned, and the final sanction is the dissolving of the company that is breaking the law. No company

has been dissolved. There is anecdotal evidence that some (but very few) companies have changed their status from public companies to private companies in order to avoid the quota. All public companies comply, and the figure for women's board membership is over 40 per cent.

The Norwegian quota law has caused some unwanted results, e.g. the so-called golden skirt phenomenon (see below).

Quotas in France

Another binding sanctioned law was enacted in France where no self-regulatory measures such as a recommendation in the Corporate Governance Code were taken by the business sector before quota law was proposed. The law covers all listed companies as well as unlisted companies with more than 500 employees and 50 million Euros turnover. Listed companies have to elect 20 per cent women members by 2013 and 40 per cent by 2017. Unlisted companies must reach 40 per cent by 2017.

The French quotas are sanctioned so that board elections in non-compliance of the law are void and directors' fees cannot be paid. The number of women directors in large listed companies has started to increase so that SBT 120 companies have 17.2 per cent women and the largest companies (CAC 40) have 21.1 per cent women on their boards.²⁷

Quotas in other countries

Quota legislation has been enacted in several other European countries, too. In Spain, quotas were enacted already in 2007 but the law comes into force in 2015 when 40 per cent of directors have to be women. After the law was enacted, women directors' number in large companies has risen from 4.3 per cent (2006) to 10.3 per cent (2010).

Furthermore, the parliaments of Belgium, Iceland, Italy and the Netherlands have enacted quota laws. In Germany the issue is discussed eagerly, and Ursula von der Leyen, Federal Minister for Labor, has announced that legislative measures should be taken if women's number does not grow rapidly on the supervisory boards of large companies.

Sweden's quota proposal

In Sweden Minister Margareta Winberg "threatened" companies with gender quota law proposals in 2002 unless the number of women directors increases. The following year women directors' number doubled showing that a mere threat of quotas can be effective.

In 2006 a quota law proposal was prepared in the Swedish Ministry of Justice. General elections followed soon after and the new Justice Minister of the conservative government issued a decision in 2007 that quota legislation will not be enacted. At first the increasing of women directors' number stagnated but today 22 per cent of directors of Swedish listed companies are women.

²⁷ Information received from Association Française des Entreprises Privées on 28 September 2011.

Side effects of quota legislation

Quota legislation has wide support in Europe which is evident through the numerous new quota laws in Europe. Naturally quota laws are the fastest way of increasing women directors' number. However, there may be some unwanted side effects. The golden skirt phenomenon is probably the most obvious.

Golden skirt phenomenon

Quota legislation may have some unwanted effects as has been experienced in Norway. When quotas are enforced, many new women candidates are needed at the same time. In Norway some women have held numerous parallel board positions, even well over ten directorships. Evidently this kind of development is not desirable.

A necessary requirement for efficient board work is that board members have sufficient motivation and time to devote for board work. Nobody can be dedicated enough for board work if he or she has a large number, e.g. ten, board positions in listed companies. The average number of women's board positions is four in Norway while the European average is two.²⁸

Quota legislation has failed to increase the number of women CEO's or top positions in line management in Norway. In this respect quota legislation has not fulfilled its goals.

In Finland the number of women's board memberships has increased through self-regulation. Golden skirt phenomenon is unknown in the Finnish listed companies. Merely 19 women have two board memberships in Finnish listed companies. Only five women have two board memberships in Finnish large-cap companies.

The non-existence of the golden skirt phenomenon in Finland shows the advantages of self-regulation as the method of increasing women's participation in board work. This is even more so if it is remembered that the original goal of the Norwegian quota legislation – increasing women's number in top management positions – has not been reached.

Impact on stock price

Enacting quota legislation may have some impact on stock price. This was shown in a study by the University of Michigan concerning Norway where the study found that the constraint imposed by the quota caused a significant drop in the stock price at the announcement of the law and a large decline in Tobin's Q over the following years, consistent with the idea that firms choose boards to maximize value. The quota led to younger and less experienced boards.²⁹

Number of directors

It has been estimated that one negative effect of quota legislation could be the growing number of directors elected to boards. If the number of directors grows with no other reason than adding women members the composition may be too large for effective board work.

²⁸ 40% for Norway's 'golden skirt' board members: do companies need quotas for women? Cafebabel.com. 07/03/11.

²⁹ The Changing of the Boards: The Impact on Firm Valuation of Mandated Female Board Representation. A study by Amy Dittmar and Kenneth Ahern for Ross School of Business at the University of Michigan 18 March 2009.

The effect of quotas on small listed companies

In Finland gender quotas for company boards may turn out to be a new barrier to growth and stock exchange listings. As the Finnish large-cap companies already have 26 per cent women directors whereas small-cap companies have only 12 per cent, quotas would de facto affect mostly small companies. Considering the future of the Helsinki Stock Exchange, this might further diminish the low interest in stock exchange listings.

This is a matter of concern while the number of listed companies has been decreasing for several years in Helsinki due to delisting after company take-over and the lack of IPO's. The few growth companies don't seem to be interested in listing due to the existing heavy regulation and unneutral taxation compared to unlisted companies.

EU-level action

The European Union is increasingly interested in women's board memberships. "Equality in decision-making is not yet a fact," EU Fundamental Rights Commissioner Viviane Reding told a hearing of the European Parliament's women's rights and gender equality committee on 14 July 2010. "I do not rule out the possibility of putting forward legislation in this area," she added.

In March 2011 Commissioner Reding gave the European companies one year time to increase women's participation on corporate boards: "We need to use all of our society's talents to ensure that Europe's economy takes off. This is why the dialogue between the Commission and the social partners is so important. I believe that self-regulation could make a difference if it is credible and effective across Europe. However, I will come back to the matter in a year. If self-regulation fails, I am prepared to take further action at EU level."³⁰

In July 2011 the European Parliament issued a resolution supporting gender quotas if steps taken by companies and the Member States are found to be inadequate.³¹

Furthermore, the European Commission has dealt with the issue in two consultations on corporate governance.³²

Considering the continuing interest of the EU in women's participation on boards', the very slow progress of the number of women directors in some Member States increases the probability of EU-level action. The already existing quota legislation in several Member States may have the same effect, making it easier to resort to legislation after so many countries have done so on their own behalf.

³⁰ Press release 1 March 2011 IP/11/242 "EU Justice Commissioner Viviane Reding meets European business leaders to push for more women in boardrooms"

³¹ Women and business leadership, European Parliament resolution of 6 July 2011 (2010/2115(INI)), point 16 (b).

³² GREEN PAPER, The EU corporate governance framework, COM(2011) 164 final, 5.4.2011; GREEN PAPER, Corporate governance in financial institutions and remuneration policies, COM(2010) 284 final, 2.6.2010

Legislation enhancing transparency

Quota legislation is not the only kind of legislative action targeted for promoting women business leaders.

In 2004 the Swedish Annual Accounts Act was amended to include a duty on companies to provide information on gender distribution at a management level in its annual accounts. That information is required concerning board members, the managing director and other members of a company's management. Companies with a maximum of 10 employees are exempted from this duty of information.³³ The 2004 amendment was justified by the Swedish Government on the grounds that the measure will contribute to a better distribution of women and men in leading positions of the business sector without causing significant costs to companies.

In the UK, the need to increase transparency is currently under consideration.

Women chairpersons in listed companies

A female chairperson is a rarity in listed companies even though the number of women directors is rising. The first female to chair a Finnish large-cap company was elected in spring 2011 when Sari Baldauf was elected to be the chairperson of Fortum Corporation. Currently there are four female chairpersons in Finnish listed companies (3.2 per cent of chair persons).

The situation is similar in Sweden where 3 per cent of chairpersons are female (9 female chairpersons and 246 male).³⁴

Women CEO'S are a rarity

The number of women reaching top management positions in listed companies is lower in Finland than in Sweden, UK or USA. As for all companies including non-listed, the position of Finland is relatively low compared to other European countries: in 2007 Finland was 25th among 27 EU Member States. At that time 17 per cent of managing directors were women in Finland whereas in the EU Member States every third managing director was a woman.³⁵

No women CEO's in Finnish listed companies

During the time of the study (September 2011,) there were no women CEO's in any of the Finnish listed companies. As of December 2011, there is one: Nina Kopola (small-cap company Suominen Corporation). Before Ms Kopola the latest woman CEO was Marina Vahtola of Oral Hammaslääkärit Plcj until spring 2011. There have been only very few women CEO's in listed companies in Finland.

Despite the growing number of women directors in Finnish listed companies, a similar development has not occurred concerning managing directors. Actually the number of women CEO's is lower in Finland than in the UK and USA.

³³ Årsredovisningslagen Chapter 5, Paragraph 18b.

³⁴ Gender Equality Index 2010 of Folksam (Folksams Jämställdhetsindex 2010: Fortsatt manlig dominans i börsbolagens toppskikt)

³⁵ The report of the Government of Finland on Equality between women and men, 2010, page 106.

³⁶ CNNMoney, 23.5.2010

Women CEO's in other countries

In the USA the number of women CEO's is small in listed companies but still higher than in Finland. Fortune 500 companies have 12 women CEO's. The number is lower than in 2010 when 15 women were CEO's.³⁶ In 2007 Fortune 500 companies had 13 women CEO's and one of them in a Fortune 50 company.³⁷ The last 10 years have witness a positive development since in 1996 only one woman led a Fortune 500 company.³⁸

In the UK, FTSE100 companies have 5 women CEO's.³⁸ So, even the UK leads Finland in this respect.

In Sweden 23 women have acted as a CEO of a listed company while ca 1860 men have been CEO's.³⁹ Currently 8 women are CEO's of Swedish listed companies out of ca 300 CEO's (2.5 per cent).⁴⁰

In Spain 1.2 per cent of CEO's in listed companies are women while in Lithuania the figure is 5.7 per cent (2 women CEO's of altogether 35 companies).⁴¹

Germany's situation resembles that of Finland: none of the largest 100 companies have a woman CEO.

The largest companies in the world have more women CEO's than Finnish listed companies while Fortune Global 500 companies have 12 women CEO's. In 2006 the figure was 7.⁴²

Educational background of CEO's

In Finland most CEO's of listed companies have a master's degree in engineering or economics. 42.7 per cent of CEO's have a technical education, 45.2 per cent have been educated in economics while 7.2 per cent have a degree in law. Two CEO's have a degree in political science, medicine or agriculture-forestry.

The CEO's of large listed companies have an engineering degree more often than average listed companies (18 CEO's of 26). In mid-cap companies the emphasis is more on economics (21 CEO's of 39). In small-cap companies the figure is equal for technical and economics studies.

Several CEO's have two degrees (27 CEO's). The typical combination is a master's degree in engineering and a degree in economics (12). In this study all reported educations were counted without estimating which might be the primary educational background. As a result, the study shows a figure over 100 per cent for the different educations. Furthermore, MBA and eMBA were counted as a degree in economics which increases the number of CEO's with two degrees by 11 persons. The CEO's in question usually have a master's degree already, e.g. in engineering.

According to the Recommendation 55 of the Finnish Corporate Governance Code, a listed company shall describe the educational background of its CEO on the company website. Considering this, it was somewhat surprising that 6 companies failed the describe the education of its CEO on the company website.

³⁷ CNNMoney, 2007 Fortune 500 Women CEOs

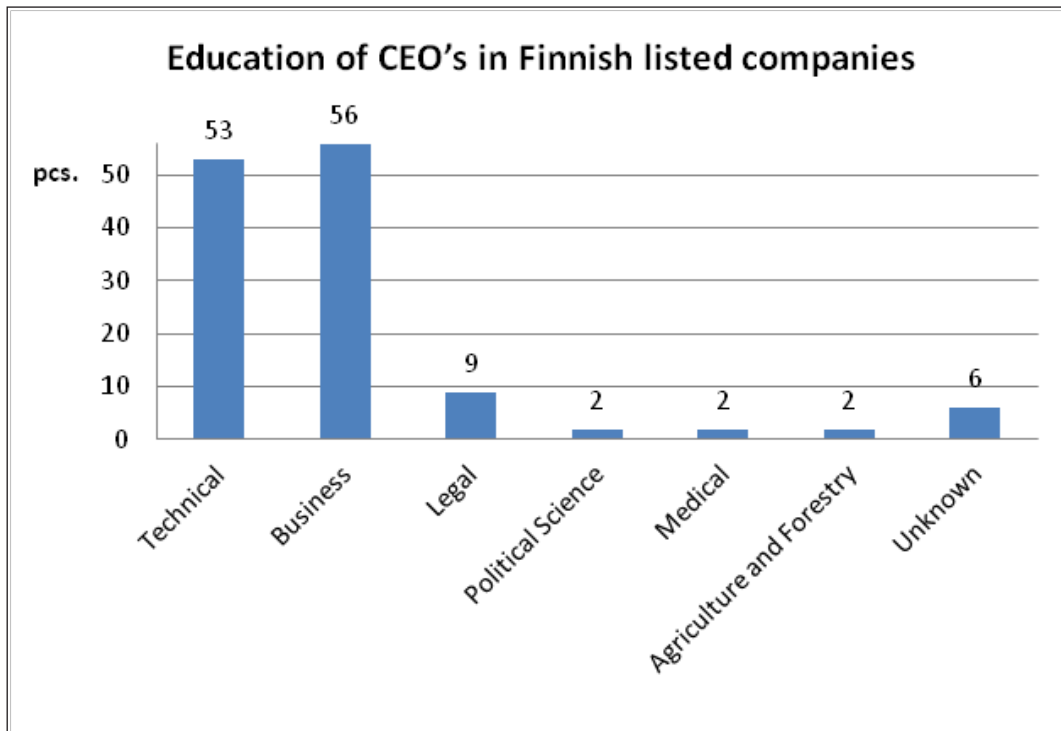
³⁸ USA Today, Women CEOs slowly gain on Corporate America, 2 January 2009

³⁹ CNN Money, information updated on the website on 3 May 2010.

⁴⁰ Svenska Dagbladet Näringsliv, 8.3.2011

⁴¹ Information received from the Swedish Corporate Governance Board on 28 September 2011.

⁴² Information received from Nasdaq OMX Vilnius on 28 September 2011.



In Finland senior management of companies often have a technical education which may have some impact on the number of women in top management considering that the large majority of technical students are male. In 2011, only 26 per cent of the new students accepted to study at the technical faculties of Aalto University were women.⁴³

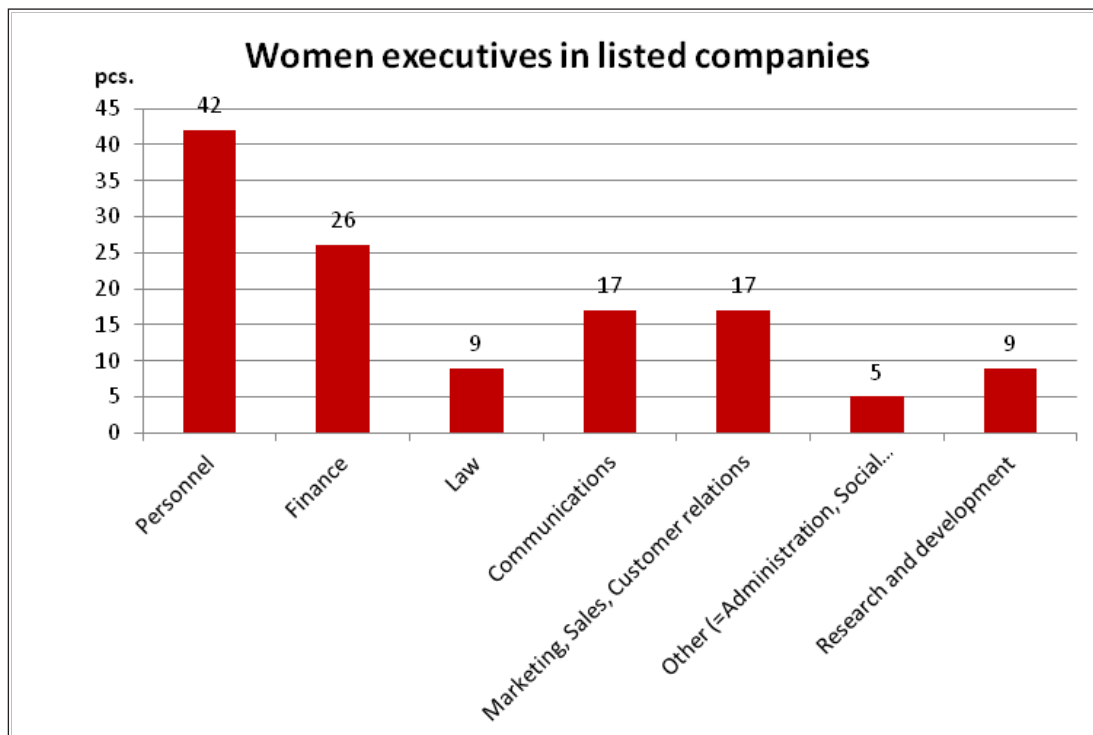
The basis for the choices for studies is formed at an early age. Consequently, segregation will prevail for many years, and combating segregation of study choices is a slow way to increase the number of women executives. The Federation of Finnish Technology Industries has for several years campaigned for more female students in technology.

Women in executive management teams of listed companies

The number of women directors has increased considerably in Finland during the past eight years due to systematic proactive measures. However, there has been no development in the number of women CEO's. Furthermore, there has been no positive development in the top management level especially if the areas of responsibility of women executives are taken into account.

Most women on the executive management level work in support functions such as HR, communications, legal or financial affairs. Very few women work in line management or lead business operations of listed companies. Undoubtedly this fact has its consequences. This is a major factor behind the non-existence of women CEO's of listed companies. CEO's are chosen among managers of business operations, not among executives in charge of support functions. Furthermore, board members are mostly selected among CEO's.

⁴³ CNNMoney 24.7.2006

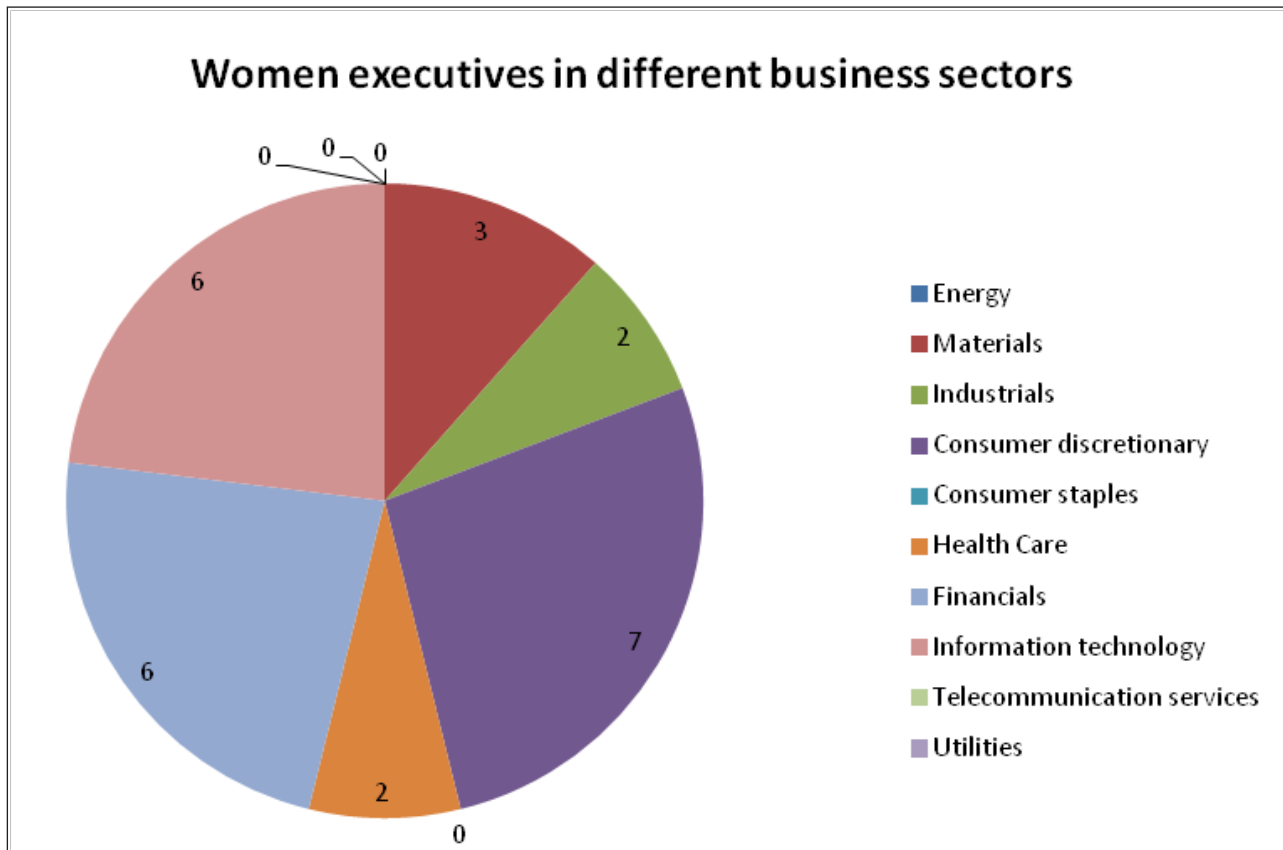


Finnish listed companies have 900 executive managers of whom 146 are women (16 per cent). Large-cap companies have relatively more women executives (17.6 %) than smaller listed companies. There were 15.1 per cent women executives in mid-cap companies and 16.3 per cent in small-cap companies.

Glass ceiling discovered

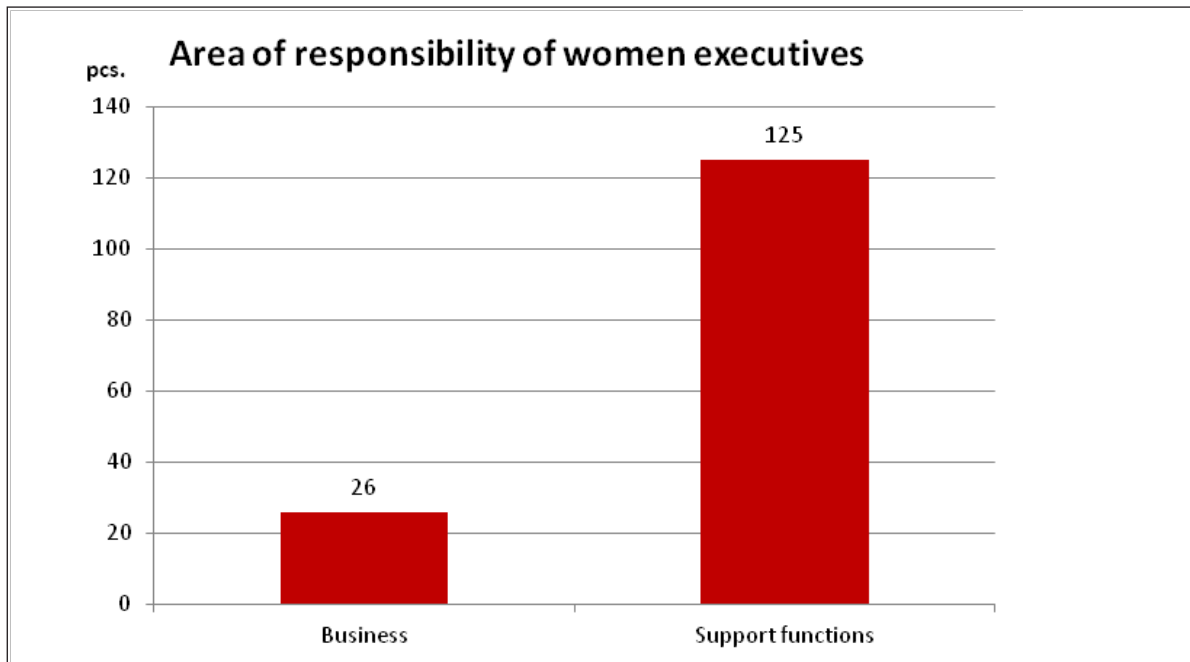
All in all, the study discovered only 26 women with line management or business operations responsibility on executive management team level (3 %). 8 of these women worked for large-caps, 13 for mid-caps and only 5 in small-cap companies. It is striking how few women actually lead business operations of listed companies, in particular in small-caps. This study found the exact location of the glass ceiling: it is on the executive management team level between support functions and line management.

Also the branch of the business has an impact on the results. The study found only 3 women leading business operations of any of the companies of the materials sector. Interestingly, all of them worked in mid-caps. In the services sector there were slightly more women; 7 women lead business operations in consumer discretionary companies and 6 women in the financial sector. No women were found to lead business operations in any of the listed companies of the following sectors: energy, consumer staples, telecommunication services and utilities. These figures are from September 2011. It is known that a couple of women have been appointed to line management since our research was made.



More women executives in support functions

Extremely few women have advanced to lead the business operations of listed companies. There are considerably more women executives in support functions, especially in HR. One third of Finnish listed companies have a woman HR director on the executive management team level. One fifth of listed companies have a woman CFO (26) and one seventh has a female marketing director (17). It was pleasing to find that 9 women lead research and product development. Also 9 listed companies have a woman chief legal officer/general counsel on the executive management team level. It should be noted, though, that head lawyers are not executive management team members in all listed companies, which means that more than 9 listed companies have a female general counsel.



Why don't women advance to line management?

The number of women in line management of listed companies is almost non-existing. There is no single reason behind the situation but many factors. Traditions, attitudes, stereotypes, women's choices for education, women's lacking activity and excessive self-criticism, difficulties of reconciling working life with private life, insufficient networking and the lack of role models and mentors can be identified as reasons for the current situation.

There is anecdotal evidence from headhunters about women's insufficient activity and excessive self-criticism. Many headhunters say that according to their experience women are not positive enough about when contacted about recruitment and for this reason are often left outside recruiting processes.

In Finland there is ample infrastructure and services supporting women's participation in working life. Most Finnish women work full time. Children's day care is organized mandatorily by municipalities, long family leaves are secured in the law, and meals are provided at schools. Furthermore, individual taxation of spouses and individual social security systems support women's active participation in working life. The services and rights do not, however, lead to women's advancement to top management positions.

In many countries where support functions and services are not organized in such a generous manner, there are at least as many women in top management positions as in Finland. For example, there is no child care provided by municipalities in the Netherlands where most women work only part-time. In spite of this, as many Dutch women as Finnish women advance to top management positions.⁴⁴ This shows that enhancing the general prerequisites for women's participation in working-life does not enhance women's possibilities to advance to top positions.

⁴⁴ Women reaching top management positions in Finland and the Netherlands, Martine Grootenboer, International Business, Universiteit Maastricht, Final Thesis International Business, 2005

The generous family leaves guaranteed by the law in Finland are problematic for women while women use most of the leaves which means that the costs and disadvantages are mostly carried by women's employers. Finnish statistics show that women under the age of 35 with a high education have considerably less seldom a permanent job than their male counterparts. Naturally, long breaks can slow down women's advancement in their career.

As for education, it is evident that women's choices will continue to deter women's advancement to top positions for a long time considering the small number of women studying in technical universities while most top executives in Finland have a master's degree in engineering or economics.

Research on women executives

Gender stereotypes based on traditional roles of men and women can be seen in the opinions and evaluations where women's management style, commitment and motivation can be experienced to be different from men's. According to research, these kinds of generalizations are questionable. But even though the generalizations may not be based on facts, they can have an impact on women's career development. It has been noticed in research that leadership is mainly combined with masculinity which may lead to favoring of male managers.⁴⁵

There are interesting differences in studies on views on women leaders and studies on leadership styles. In studies on opinions it has been commonly observed that different features and expectations and combined with women leaders than with male leaders, and that leadership is combined with characteristics that are typically felt to be masculine. Until now there is no consistent proof of gender differences in leadership. It may be assumed that gender stereotypes affect the opinions and evaluations given by people participating in studies based people's opinions since in these studies the leadership styles of men and women are found to differ considerably. So it seems that the differences between male and female leaders are more based on attitudes and expectations than real differences in behavior.⁴⁶

Research on women leaders does not support the assumptions that women are less committed to their work, more centered in their families or less career oriented. Obviously having a family does not rule out even a strong commitment to work or career, and having no family does not guarantee commitment to work as such.⁴⁷ Although stereotypes are based on generalizations on women's family commitments and on lower work motivation are not factual, they can lead to interpretations that may affect women negatively.

Women's and men's difference as leaders is more a stereotype than a fact. Changing attitudes is slow but role models and networking can contribute to it. Undoubtedly, the increasing number of women executives changes attitudes by itself. One method to change attitudes could be mentoring where male executives function as mentors for women.

⁴⁵ Gender stereotypes in an organisation (Sukupuolistereotypiat organisaatioissa – Suomen Ekonomiliitto SEFE ry:hyn kuuluvien johtajien näemyksiä naisjohtajuudesta Organisaatiot ja johtaminen). Master's thesis by Sini Ojala, 2011, Aalto University.

⁴⁶ Ibid.

⁴⁷ Ibid.

Future challenges and the role of Finland Chamber of Commerce

The Finnish business sector has succeeded in having an increasing number of women directors on the boards of listed companies. This does not allow us to rest - the number of top executive positions is still extremely low. Until December 2011, none of the Finnish listed companies had a woman CEO. In executive management teams women are typically HR, communications, legal affairs or financial directors, not managing business operations. CEO's are usually selected from managers of business operations, not managers of support functions. Furthermore, board members are most often selected among CEO's. Our next step should be to focus on attracting more women to lead business operations. This would eventually also lead to a higher number of women on corporate boards.

Finland Chamber of Commerce is committed to actively promote women's access to top executive positions. It is, however, unrealistic to foresee a rapid increase in women CEO's and top executives in listed companies. In spite of that, there are many measures that can be taken in order to contribute to change.

Equality planning at work-place

In Finland, The Act on Equality between Women and Men requires all employers of 30 or more employees to produce a gender equality plan. The gender equality plan shall include an assessment of the gender equality situation in the workplace, including details of the employment of women and men in different jobs and a survey of the grade of jobs performed by women and men, the pay for those jobs and the differences in pay. On the basis of this assessment, the gender equality plan shall include necessary measures planned for introduction or implementation with the purpose of promoting gender equality and achieving equality in pay. There should also be a review of the extent to which measures previously included in the gender equality plan have been implemented and of the results achieved.

Many employers both on the private and public sector fail to fulfill their duty concerning equality planning or it is done minimally. The resources of equality authorities are extremely limited and don't allow efficient monitoring. If companies wish to promote change, they have to take the matter in their own hands and work on equality planning.

Implementation of EVA recommendations

An effective manner to promote women's advancement to top positions would be to use the recommendations given by the Finnish Business and Policy Forum EVA in 2007 (see also above Study by EVA).

The steering committee of EVA's "Women to the Top" project compiled ten recommendations based on the findings of the EVA Report "Women to the Top! – A Leader Regardless of Gender".

EVA recommendations include the following measures.

1. The board of directors of a company should make a decision according to which the best resources are used regardless of gender.
2. Companies should draft plans aiming to promote equal opportunities for women and men.
3. In large companies a person should be named to be responsible for developing ideas and means for safeguarding and promoting workforce diversity.
4. Achievement of workforce diversity should be taken into consideration already in the recruitment process.
5. Especially at the beginning of their careers women should be advised to seek diverse work experiences and take responsibility.
6. Small and medium-sized companies should be encouraged to expand via suitable means.
7. Companies should offer equal opportunities in the recruitment phase to both men and women.
8. The lists of potential candidates drawn up by head hunters should be monitored in early stages of the recruiting process: if the group of candidates includes only men, it should be possible to question the appropriateness of the list.
9. Mentor and advisor schemes are a good way to screen and train potential climbers of the career ladder.
10. We should try to influence the world of thought of girls already at an early stage.

Real commitment to above-mentioned measures recommended by EVA would certainly promote women's leadership in companies.

Enhancing transparency

Companies could also consider enhancing transparency so that listed companies would describe in their annual reports the ratio of men and women in their management and boards. This would be a simple method to provide information and drawing attention to the issue without causing costs to companies. In Sweden this is required by law and does not cover just listed companies but a large number of unlisted companies, too (see also above Legislation enhancing transparency).

Action of Finland Chamber of Commerce

Finland Chamber of Commerce has actively promoted women's leadership for a decade and follows the situation in Finland and abroad. FCC is one of the parties issuing the Corporate Governance Code for listed companies in Finland.

Finland Chamber of Commerce also participated in the Women on Board project coordinated by Eurochambres with the target of increasing women's number on the boards and committees of chambers of commerce.

Representatives of Finland Chamber of Commerce have represented the Finnish model of increasing women's number on corporate boards on many international fora, such as the Council of Europe, World Bank and on several occasions in Brussels and Germany.

FCC launches a mentoring program for women executives

Finland Chamber of Commerce will launch a mentoring program for women executives during the first half of 2012. The program is planned to last 1.5 years. Male executives will be invited to act as mentors.

Cross-mentoring programs have been successfully carried out in the UK⁴⁸ and Canada. In these programs male top executives and chairmen of boards of large companies have acted as mentors. One of the positive results of these programs has been that male mentors have reported the experience to have been very positive due to the new insight and understanding of women executives' challenges.

The Confederation of Norwegian Industries NHO launched the Female Future program after quota legislation was enacted in Norway (www.nho.no).

Conclusion

The Finnish business sector has taken measures to promote women's leadership in business. To some extent, considerable results have been achieved, most notably in the increasing number of women board members in listed companies. Future success and the increasing number of women CEO's and women in line management require companies to commit to contribute to change in the future, too. Finland Chamber of Commerce wishes to have a key role in promoting women's access to top positions.

⁴⁸ http://www.praesta.co.uk/_resource/_upload/1660630653.pdf

Does the Glass Ceiling Exist for Women in Business?

This report Finland Chamber of Commerce covers all Finnish listed companies of Helsinki Stock Exchange, 124 companies altogether. The report describes how women's number on boards of Finnish listed companies has increased considerably due to various active measures, particularly among the large listed companies. However, hardly any increase has been achieved concerning the top management of listed companies. Executive management is almost solely in men's hands. Only in support functions such as HR a considerable number of women executives can be found. The report includes international comparisons and also discusses the reasons for the current situation and ways forward.

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