



**The Forum of Executive Women
2006 Annual Women on Boards Study
Charts Some Progress on Board Diversity with More to Be Done**

"I wish more corporations would recognize and appreciate the value of proactively diversifying their boards. We have and we are thrilled with the result. Diversity has made our board better and more effective. It has provided management with fresh perspectives on business issues facing our firm. In today's business climate, it is more important than ever before to ensure that you have the best corporate governance, and that means proactively seeking out board members who can add value in diversified ways."

James J. Maguire, Jr., President and CEO
Philadelphia Consolidated Holding Corporation
A Forum 2006 Corporate Star Recipient
Three women board members

The Forum of Executive Women, the region's premier organization of influential women leaders, released the research results from its sixth annual Women on Boards study, a look at how the boards at 100 of the largest publicly held companies in the Philadelphia region reflect diversity. Despite some insightful statements like those from the CEO of Philadelphia Consolidated Holding Corporation, the landscape has changed little since last year.

Key Findings From The Report

In the 100 largest publicly held companies in the Philadelphia region for 2005:

- Women Executives: 8.6 percent (10.2 % in 2004)
- Women on Boards: 9.8 percent (9.3% in 2004)
- Women in C-Level Positions: 4.3 percent (9.6% in 2004)
- Women Top Five Earners: 6.5 percent (7.3% in 2004)
- Of the boards with women represented, there are six nominating committee chairs that are women -- two more than last year.
- Of the 33 new board seats that became available, six (15.8 percent) were filled with women (6.6% in 2004)

"The numbers have not moved significantly from last year," said Kyra G. McGrath, President, The Forum of Executive Women. "They've stayed flat, or in a few cases, gone in the wrong direction. On the positive side, we are encouraged that the 2005 data shows that two more nominating committee member chairs are women and that the nearly 16 percent of available open board seats were filled with women last year – a big increase. Additionally, in the past several years, the Forum has partnered with a number of area companies to help them identify and place six qualified women on their boards."

The lack of support for women's leadership overall follows a nationwide pattern, as outlined in "Time for a Charge," a report issued earlier this year by The InterOrganization Network, (ION) of which The Forum of Executive Women is a founding member. Philadelphia is one of eight regions in which a significant number of public companies lack a woman on the board, joining Georgia, Florida, Massachusetts, California, Michigan, Wisconsin and Chicago in this dismal trend.

One study in *The Economist* reported that research from America, Britain and Scandinavia shows a strong correlation between shareholder return and a higher proportion of women executives. “Our country could take a lesson from Norway, which earlier this year mandated that 40 percent of its public companies’ board members be female,” said McGrath. “It’s a lofty goal – and we have a long way to go.”

The Forum of Executive Women continues to encourage companies to advance women and diversity on Boards. Action is needed for boards to include women who can add quality of governance and diversity of business thinking. For support in identifying talented women for corporate boards or additional information, email info@foew.com, or visit www.foew.com.

The Women on Boards 2006 report was produced by the Center for Social and Economic Research at West Chester University.