

# FTSE executives Penny James and Nimesh Patel appointed co-chairs of the FTSE Women Leaders Review

- Penny James, Direct Line CEO, and Nimesh Patel, Spirax-Sarco Engineering CFO, to steer new FTSE Women Leaders Review
- both leaders will seek to build on the success of Hampton-Alexander and Davies Reviews in urging businesses to open up more opportunities for women at the highest level
- in February the Review published its first report, which found that almost 40% of UK FTSE 100 board positions are now held by women, and announced new recommendations

Penny James and Nimesh Patel have today (Thursday 14 April) been confirmed as co-chairs of the government-backed FTSE Women Leaders Review, which monitors women's representation in leadership positions at the UK's biggest companies.

Following on from the highly successful Hampton-Alexander and Davies Reviews, the FTSE Women Leaders Review urges companies to continue raising their game on gender diversity and open up opportunities to everyone.

Penny James is CEO of Direct Line Group, which encompasses well-known British brands including Churchill and Green Flag, as well as Senior Independent Director at Hargreaves Lansdown. Before joining Direct Line, Penny held a number of senior roles in the insurance industry.

Nimesh Patel is CFO of Spirax-Sarco Engineering, a FTSE 100 company based in the South-West of the UK, having previously served in the same role for the De Beers Group. Nimesh is also a Trustee of ReachOut, a mentoring charity for young people from disadvantaged backgrounds.

Business Secretary Kwasi Kwarteng said:

Companies are more profitable and prosperous when they embrace the talents of the whole population. That's why we want to ensure everyone, whatever their background, has equal opportunity to succeed and achieve on merit.

While our voluntary, business-led approach has opened up more senior opportunities for women, there's always room for improvement.

Penny and Nimesh, with their impressive track records at the highest levels of business, will be perfectly placed to help continue to champion women in the boardroom.

Denise Wilson, who was instrumental to the success of the previous Hampton-Alexander Review, will continue as Chief Executive, bringing with her extensive knowledge and experience that will be invaluable in this next phase.

Minister for Women and Equalities, Liz Truss, said:

I welcome the appointment of the new co-chairs and the recommendations of the FTSE Women Leaders Review. Increasing the representation of women at senior levels is not only the mark of forward-thinking organisations, it's just good business sense.

We will shortly put forward a range of measures to advance equality for women at work, increasing opportunity, and tackling the issues that are holding women back as we look to ensure that everyone can reach their full potential.

CEO of Direct Line, Penny James, said:

I believe that if you are in a position to effect change you should so I was glad to accept this tremendous opportunity. The case for increasing women's representation on boards and in senior leadership is well known and it's now time to build on the advances, remove barriers to progression and drive further change. I look forward to working alongside Nimesh, Denise Wilson, the Review's CEO who has led the work so successfully, and the Review's supporters to advocate for and encourage business to deliver on its recommendations and provide transparency on progress.

CF0 of Spirax-Sarco Engineering, Nimesh Patel, said:

It's an honour to help lead the next phase of this Review which will not only seek to increase the gender representation in the boardroom and in Leadership teams, but will help break the bias, ensuring that there are more women in key senior roles. I'm looking forward to working alongside Penny and Denise to promote the empowerment needed to create a more equal set of opportunities across UK businesses.

Over the last 10 years, the government's unique voluntary approach to improving women's representation – without the use of mandatory quotas – has proven successful.

In February, the FTSE Women Leaders Review published its first report setting out the state of women's representation on boards as of the end of 2021. It found that the UK had climbed to second in the international rankings for women's representation on boards at FTSE 100 level, with almost 40% of UK

FTSE 100 board positions now held by women, compared with 12.5% just 10 years ago.

The Review has also set out important new recommendations to encourage British companies to build on this progress including:

- the voluntary target for FTSE 350 Boards and for leadership teams is increased to a minimum of 40% women's representation by the end of 2025
- FTSE 350 companies to have at least one woman in the Chair, Senior Independent Director role on the Board and/or one woman in the Chief Executive Officer or Finance Director role by the end of 2025
- extending the scope of the FTSE Women Leaders Review beyond FTSE 350 companies to include the largest 50 private companies in the UK by sales

## **Background**

The FTSE Women Leaders Review is an independent, business-led framework supported by the government, which sets recommendations for Britain's largest companies to improve the representation of Women on FTSE 350 Boards and in FTSE 350 Leadership positions. It is sponsored by KPMG and Lloyds Banking Group.

The FTSE Women Leaders Review tracks progress on 24,000 Board and Leadership roles and builds on the excellent work of both the Hampton-Alexander and Davies Reviews over the last 10 years. The previous 33% target set in 2016, for Women on Boards was met in the aggregate for the FTSE 350 at the end of 2020, with the number of Women in Leadership just falling short of the target.

## **Women on Boards – 2021 Progress**

Source – BoardEx, 10 January 2022

1. Reported numbers for Women on Boards of FTSE 350, as of 10 January 2022 show:

- FTSE 100 is at 39.1%
- FTSE 250 is at 36.8%
- FTSE 350 is at 37.6%

2. The number of women in the Chair role has increased to 48 across the FTSE 350, up from 39 in 2020.

3. The UK FTSE 100 is in 2nd place when compared internationally to 11 countries also working hard to improve the gender balance on the boards of public listed companies. This is up from 5th place in 2020 and the highest ranking since tracking began.

4. There are 4 companies in FTSE 350 with a women CEO and Chair duo, as of 10 January 2022:

- Admiral Group Plc
- Severn Trent Plc

- Pennon Group Plc
- Direct Line Insurance Group Plc

Note: This will increase to 5 companies in April 2022 as Taylor Wimpey recently announced (7 February 2022) a new female CEO appointment.

5. The number of FTSE 350 Boards that have met or exceeded the previous 33% target has increased to 278 Boards, up from 220 in 2020.

6. The number of FTSE 350 Boards that have met or exceeded the new 40% target is 141, 49 boards in the FTSE 100 and 92 in the FTSE 250.

## **Women in Leadership – 2021 Progress**

Source – FTSE Women Leaders Portal, 31 October 2021

7. Reported numbers for Women in Leadership (defined as the Executive Committee & Direct Reports to the Executive Committee on a combined basis), as of 31 October 2021 show:

- FTSE 100 is at 32.5%
- FTSE 250 is at 30.7%
- FTSE 350 is at 31.5%

8. The number of All-Male Executive Committees in the FTSE 350 has decreased again in the last year to 16, down from 28 in 2020. Source: FTSE Women Leaders data collection portal.

## **The new recommendations**

9. There are 4 new recommendations that were announced in February 2022 to fuel further progress in this next phase:

- the voluntary target for FTSE 350 Boards and for FTSE 350 Leadership teams is increased to a minimum of 40% women's representation by the end of 2025
- FTSE 350 companies should have at least one woman in the Chair, Senior Independent Director role on the Board and/or one woman in the Chief Executive Officer or Finance Director role by the end of 2025
- key stakeholders should continue to set best-practice guidelines or use alternative mechanisms to encourage any FTSE 350 Board that has not yet achieved the previous 33% target for the end of 2020, to do so
- the scope of the Review is extended beyond FTSE 350 companies to include the largest 50 private companies in the UK by sales

10. For further information, read the full [FTSE Women Leaders Review report](#) or contact us on [info@ftsewomenleaders.com](mailto:info@ftsewomenleaders.com) or [ftsewomenleaders@beis.gov.uk](mailto:ftsewomenleaders@beis.gov.uk).