



European  
Commission

# Gender Balance on Corporate Boards

## > Driving up gender equality and breaking the glass ceiling



November 2022

There are too few women in top jobs. Less than a third of board members of EU's largest companies are women, even though 60% of university graduates are female.

The EU is introducing new rules to accelerate progress, improve gender balance on corporate boards and ultimately break the glass ceiling.

### Gender Balance on corporate boards directive: new targets and criteria

- ▶ **A new target for large listed EU companies** of at least 40% of the under-represented sex among non-executive board members or 33% among all directors by 30 June 2026.
- ▶ **Transparent, gender-neutral and merit-based appointment criteria** for companies that do not meet the targets.
- ▶ **Priority to the under-represented sex**, where two candidates are equally qualified. Companies must disclose their qualification criteria should the unsuccessful candidate request it.
- ▶ **Individual commitments for companies** to reach gender balance among executive directors.
- ▶ **Companies that fail to meet the objectives must report the reasons** and the measures to address this shortcoming.
- ▶ **Penalties for companies that fail to comply with selection and reporting obligations.** Penalties could include fines or annulment of the contested director's appointment.
- ▶ **Information on companies' reaching targets will be made public**, as a peer-pressure tool to complement enforcement.

The directive is meant to be **temporary** and in principle is set to expire on **31 December 2038**.

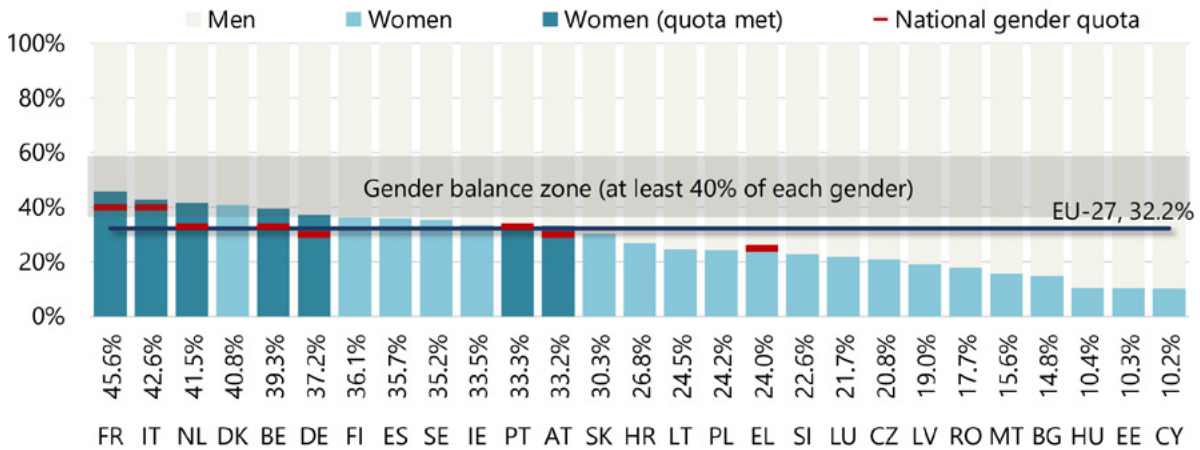


## Why is action necessary?

- Top positions remain largely occupied by men
- Women account for less than one in ten board chair and CEO positions
- Less than a third of board members in large listed companies are women

The proportion of women on the boards of the largest listed companies in EU Member States reached an all-time high of 32.2% in October 2022 – but is still below the gender balance threshold of 40%.

### Share of women and men on the boards of the largest listed companies in the EU, October 2022

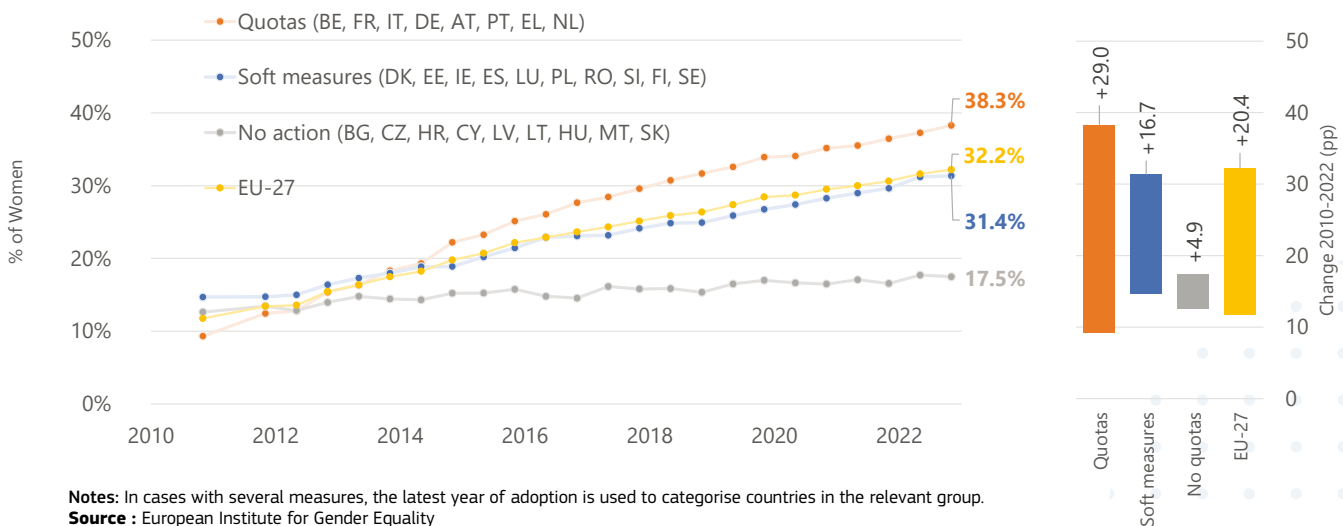


National gender quota targets: FR, IT (40%), BE, NL, PT (33%), DE, AT (30%), EL (25%).  
 Source : European Institute for Gender Equality

## Quotas and soft measures drive progress

- Currently, eight Member States have national gender quotas applicable to the boards of listed companies.
- The impact of binding gender quotas is clear. On average, in October 2022, women accounted for 38.3% of the board members of the largest listed companies in Member States with national binding quotas, compared to 31.4% in those with soft measures, and just 17.5% in those that have taken no action at all.

### Proportion of women on the boards of the largest listed companies in EU Member States with and without national gender quotas, 2010-2022



Notes: In cases with several measures, the latest year of adoption is used to categorise countries in the relevant group.  
 Source : European Institute for Gender Equality