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

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