

## GENDER QUOTAS FOR COMPANY BOARDS



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Marc DE Vos  
Philippe CULLIFORD  
(eds.)



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## SETTING THE SCENE

Since the creation of what would eventually become the European Union, gender equality has been an important principle of EU law, both as a market principle and as a social right. Numerous directives and an important body of cases have implemented these principles across all EU Member States. EU equality law is mostly formal in its approach of non-discrimination, while exceptionally embracing a more substantive approach that favours overall outcomes over individual merit and equality of opportunity. The position of women in company boards has increasingly received attention from that substantive angle.

Gender quotas for company boards indeed address the highest rungs of the economic ladder from the perspective of guaranteeing a minimal target of gender diversity *per se*. While this move has gained traction in various European countries and at the EU level as such, its interaction with general non-discrimination law is far from straightforward, as *M. De Vos* demonstrates in this book. Moreover, the basic premises of improved corporate governance and company performance that underpin many of the quota initiatives are themselves not beyond doubt, as *H. De Wulf* points out in his introductory chapter.

Notwithstanding these caveats, the opinion that it is positive for companies to have more women in their board of directors has grown in all the countries that have participated in this project.<sup>1</sup> However, it is also clear that the evolution in public opinion varies significantly from country to country. Public opinion in Iceland, for instance, is more critical of company boards that do not meet gender equality standards than public opinion in Spain, as we learn from the articles of *A. Kovalainen* for Finland and *R. Pala Laguna* for Spain.

Not all European countries have (as yet) embarked upon formal law making to boost gender diversity in the board room. There is a wide and sometimes also complementary experience with soft law under the guise of corporate governance codes and various recommendations, the scope of which often extends beyond that of any formal quotas. Several contributions to this book describe the nature and impact of soft law approaches in their respective countries, while others trace the emergence of hard law rules with a similar purpose.

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<sup>1</sup> Belgium, Finland, France, Germany, Iceland, the Netherlands, Norway and Spain.

There is, indeed, a growing tide of imposed and formal quotas to boost gender diversity in board rooms in several European countries. This book describes many of the recent initiatives in that regard, both inside the European Union and beyond. The European Commission, with Commissioner Reding at the political forefront, has claimed its stake in the quotas debate by offering a template for an EU Directive that would generalize and coordinate efforts to impose gender diversity at company boards across the European Union. *A. Stein* presents both the preparation and the contours of an initiative that seeks to balance a clear-cut political agenda for more female representation with the overall gender neutrality archetype of the EU law of which the Commission itself is the institutional guardian.

Gender quotas for company boards are a controversial subject. The contributions to this book do not avoid the debate and provide the reader with clear insights, whether they are societal, legal, or economic. As *B. Waas* mentions in his article, the human right to property and the freedom of association are at first sight obstacles against imposing gender quotas on the boards of directors of private companies. Quotas are difficult to square with an anti-discrimination vision rooted in individual fairness and merit, rather than in group membership. This tension exists and persists well beyond the level of EU discrimination law, as *B. Gressy* illustrates for France.

Wherever the reader stands on the topic, the topicality of gender quotas for company boards is beyond doubt. This book seeks to offer timely information and analysis, both on the broader and cross-country dimensions of corporate governance, economic performance, and EU law, and on the domestic agenda in eight relevant European countries. The contributors to this book not only come from different countries but also partially from different fields. We have indeed strived to integrate the various cross-disciplinary perspectives that are required to fully appreciate the topic but that often remain partially out of view in the single-dimension approaches that dominate academic research. In order to respect the specifics and authenticity of each discipline, we have deliberately chosen to respect the diversity in research and reference styles.

Ours is certainly not the last word on a topic that remains in full swing in a period where many policy and law makers are reconsidering some basic rules of the capitalist economy. Nor does it pretend to offer a fully comprehensive analysis of all the potentially relevant issues. But it will offer the interested reader a broad and honest perspective that integrates various angles and allows for cross-country comparisons. May it contribute to an informed and pragmatic societal debate.

Marc DE VOS and Philippe CULLIFORD

# CONTENTS

<i>Setting the Scene</i> .....	v
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## **Chapter 1. Do Gender Quotas Contribute to Better Corporate Governance?**

Hans DE WULF .....	1
I. Introduction: an efficiency perspective .....	1
II. What do we mean by “better corporate governance at board level”? .....	2
III. Impact of quotas on firm performance: financial performance and board performance .....	5
A. Methodological problems, and why it would be counterintuitive to find a link between director gender and performance .....	5
B. Overview of some of the research on board gender composition and firm performance .....	9
C. Does greater gender diversity at board level lead to better board processes? .....	20
D. Critical mass theory: the magic number of three female directors ..	22
E. Specific quotas-related research .....	25
IV. Are quotas necessary to create growth in the number of female directors? .....	27
A. The effect of quotas .....	27
B. Are there viable alternatives for quotas? .....	29
V. Conclusion: quotas probably contribute to justice and equity, even though gender-balanced boards may not be more efficient than all-male ones .....	30
Annex. Studies referred to in Table 1 .....	33

## **Chapter 2. Gender Quotas and EU Discrimination Law**

Marc DE VOS .....	35
I. Introduction and purpose .....	35
II. Equality, positive action, and discrimination in EU Law .....	36
A. Formal and substantive equality .....	36
B. Positive action .....	38
C. Positive discrimination .....	40
D. Positive action and indirect discrimination .....	41

III.	Positive action, quotas, and the <i>Acquis</i> in EU gender discrimination law.....	42
A.	Article 2(4) of the original equal treatment directive.....	42
B.	Positive action and positive discrimination.....	43
C.	Optional nature, objective contents, and purpose .....	43
D.	The evolution towards a proportionality test.....	45
E.	Article 157(4) TFEU – Equal Treatment Directive 2006/54/EC.....	47
1.	Textual observations .....	47
2.	ECJ case law.....	48
F.	The Gender <i>Acquis</i> and quotas: a very thin line to toe.....	50
IV.	Conclusions and perspectives for gender quotas in company boards....	53

**Chapter 3. The Commission Proposal for Improving Gender Balance in Company Boards**

	Andreas STEIN and Rosalinde VAN DER VLIES .....	57
I.	The need for EU action .....	58
A.	Objectives pursued.....	59
B.	The EU’s right to act.....	63
C.	Legal basis .....	66
II.	The main elements of the Commission proposal.....	68
A.	The 40% objective for non-executive board members .....	68
B.	The preference rule.....	71
C.	Transparency and reporting obligations .....	73
D.	Sanctions .....	75
E.	Proportionate intervention.....	78
III.	Conclusions.....	81

**Chapter 4. The Law of 28 July 2011 to Guarantee the Presence of Women on the Decision-Making Bodies of Autonomous Public Undertakings, Listed Companies and the National Lottery**

	Philippe LAMBRECHT .....	83
I.	Introduction .....	83
II.	Preparatory work.....	83
A.	Initial proposal .....	83
B.	Opinion of the Council of State .....	85
C.	Amended proposal.....	90
III.	New provisions introduced by the law .....	100
A.	Certain economic public undertakings and the National Lottery ..	101
B.	Listed companies .....	103
IV.	Conclusion .....	106



<b>Chapter 5. Role of Self-Regulation in Listed Companies Recruitment of Women into Top Positions in Finland</b>	
Anne KOVALAINEN and Linda HART. ....	109
I. Introduction . . . . .	109
II. Historical/conceptual framework . . . . .	110
III. Recent political debate on quotas for boards of companies . . . . .	112
IV. Before and after self-regulation: the figures. . . . .	113
A. Background. . . . .	113
B. Variation by business sector . . . . .	117
V. Analysis: the case of Finland . . . . .	118
VI. Conclusion . . . . .	120
References . . . . .	121
<b>Chapter 6. France: The Measures of Positive Discrimination within the Boards of Directors of Undertakings</b>	
Brigitte GRESY . . . . .	123
I. The context . . . . .	123
II. Numerous obstacles. . . . .	124
III. A legal arsenal built on the model of the political gender parity. . . . .	124
A. The measures of positive discrimination in the political field . . . . .	125
B. The attempts to broaden to the economic field . . . . .	126
C. January 2011: the vote on the law on the quotas . . . . .	127
IV. A satisfactory implementation. . . . .	127
A. Notable advancements but monitoring is required. . . . .	127
B. Challenges of performance and fairness and consequences in terms of professionalising. . . . .	129
V. A different logic for the feminisation of the CODIR and COMEX. . . . .	129
<b>Chapter 7. Gender Quota in Company Boards: Germany</b>	
Bernd WAAS. . . . .	131
I. Introduction . . . . .	131
II. The legal framework . . . . .	132
A. Corporate law . . . . .	132
B. Co-determination law . . . . .	135
III. Legal initiatives to establish a quota. . . . .	137
A. Federal parliament . . . . .	138
1. Initiative of Alliance 90/The Greens . . . . .	138
2. Initiative of the Social Democratic Party . . . . .	138
B. Federal Council. . . . .	139
1. Initiative of North Rhine-Westphalia. . . . .	139
2. Initiative of Hamburg and Brandenburg . . . . .	139

C. Federal government . . . . .	140
IV. Constitutional framework . . . . .	141
A. Freedom of property . . . . .	141
B. Freedom of association . . . . .	142
C. Equality before the law . . . . .	144
V. Conclusion . . . . .	146

**Chapter 8. Gender Quota on the Boards of Corporations in Iceland**

Gudbjörg Linda RAFNSDÓTTIR, Thorgerdur EINARSDÓTTIR and Jón Snorri SNORRASON . . . . .	147
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I. The background . . . . .	147
II. Law on gender quotas in Iceland . . . . .	152
III. Domestic debate on quotas and practical influence on corporate governance . . . . .	153
IV. Discussion . . . . .	156
V. References . . . . .	156

**Chapter 9. The Dutch Solution: No Quota but Legal Targets**

Chantal REMERY . . . . .	159
--------------------------	-----

I. Introduction . . . . .	159
II. Women in top positions: public policies and public pressure . . . . .	159
III. Gender diversity in the Dutch Corporate Governance Code . . . . .	162
IV. Women on boards: legal targets . . . . .	164
V. Legal targets on diversity: current situation and expected impact . . . . .	165
VI. Recent developments: the Dutch response to the EU proposal of 40% women on boards . . . . .	168
VII. Conclusions . . . . .	169
VIII. References . . . . .	170

**Chapter 10. The Norwegian Gender Balance Law – A Benchmark?**

Morten HUSE . . . . .	173
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I. Introduction . . . . .	173
II. History and background for the law . . . . .	174
A. Corporate governance in Norway . . . . .	174
B. For about forty years . . . . .	175
C. Programs to increase the number of women on boards . . . . .	176
D. A sunset law . . . . .	177
E. A summary . . . . .	178
III. Consequences of the law . . . . .	179
A. Multi-board members . . . . .	179
B. Replacing the old boys’ network . . . . .	180

C. Who are the golden skirts? .....	181
IV. Has the law been a success? .....	182
A. The warnings that were raised .....	183
B. The business case for the law and women on boards .....	183
C. Is the Norwegian experience relevant for other countries? .....	185
V. References .....	186

**Chapter 11. The Balanced Representation of Men and Women on the Board of Directors of Companies Listed on Stock Exchanges and Public Undertakings: The *Status Quaestionis* in Spain**

Reyes PALÁ LAGUNA .....	189
I. Introduction .....	189
A. The <i>status quaestionis</i> in public law .....	189
1. The Organic Act 3/2007 of 22 March for effective equality between women and men (Effective Equality Act, 2007) .....	189
B. The <i>status quaestionis</i> in private law .....	191
1. The Effective Equality Act, 2007 and gender equality in mercantile companies' boards of directors .....	191
a. Introduction. The inexistence of binding rules on gender equality on the boards of companies .....	191
b. Companies' disclosure requirements .....	193
II. Corporate governance of listed companies and other bodies with securities admitted to trading on a regulated market .....	193
A. Corporate governance rules and regulations .....	193
B. The path to gender equality .....	199
1. Some data of listed companies .....	199
2. The codes of corporate governance as proof of the failure in the achievement of a balanced presence of women and men on the boards and the need to foresee sanctions both in the public company sector as well as in the private company sector to comply with the 40% objective .....	200
III. Conclusion .....	203
<i>About the Authors</i> .....	205

