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## Facts on the Danish model for more women in management

### Background

The Danish government aims at creating equal access for men and women to corporate management. Women represent a significant and qualified share of societal resources. These resources need to be utilised more actively in corporate management in order to ensuring Denmark's competitiveness in the future.

The Danish model strikes an excellent balance between the need for real progress in increasing the share of women on boards of directors and ensuring flexibility for companies.

### The Danish government's model for more women in corporate management

The model consists of four elements, targeting both private-sector companies and public-sector companies.

1. First, the 1,100 or so largest companies are required to set a *target figure* for the proportion of the under-represented gender in the supreme management body (board of directors or the like). The individual company is thus specifically to set a target which is realistic and ambitious for the company itself.
2. Second, the 1,100 or so largest companies must have a *policy* for increasing the proportion of the under-represented gender at the management levels of the companies in general. This means that the individual company must establish the optimum recruitment basis in the light of its specific needs and ideas.
3. Third, companies must *report on* the status of fulfilment of the target set out in the annual report, including, if so, why the companies failed to achieve the target set. Moreover, companies must present the policy in the annual report, how the policy is implemented and what has been achieved. If the companies fail to do so, they may be fined.
4. Fourth, regardless of size, state-owned companies must set targets and prepare a policy to increase the share of women in management. Today, state-owned companies should have an equal gender composition – some public-sector companies should even only have an equal gender composition to the extent possible. It is a new policy that they are to set targets and prepare a recruitment policy. Local and regional authorities are encouraged to prepare common guidelines for how to increase the share of women in management at regional or local level.

Items 1-3 will be implemented via amendments to company law and the Danish Financial Statements Act.