

**Ministry of Education, Culture and
Science**

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Reference
452285

Date 18 October 2012
Subject Women on company boards

(courtesy translation)

Dear Vice-President Reding,

Further to the letter entitled *Women on company boards* dated 14 September 2012, which I signed along with colleagues from eight other Member States, and anticipating the publication of the Commission's proposal in this regard, I would like to use this letter to re-emphasise and further explain my point of view.

The aforementioned letter focuses on the importance of having more women in top company positions. Achieving this ambition in each Member State will depend on taking an approach to the issue that is tailored to each country's situation and having sufficient time for each approach to yield results. The Dutch government has raised the importance of a specific approach on several occasions, taking the position that tailoring an approach to each sector and company and flexibility are crucial.

With the Parliament's support, the Dutch government has implemented an ambitious policy for tackling this issue. The amended Dutch corporate governance rules of the Civil Code (Burgerlijk Wetboek regels over bestuur en toezicht in naamloze en besloten vennootschappen), which will enter into effect on 1 January 2013, set a legal target figure requiring that at least 30% of the members of Executive Boards and of the members of Supervisory Boards must be women and at least 30% must be men. This legal target figure will apply to some 4,200 to 6,100 large companies, who will be subject to the "comply or explain" rule.

In addition to this target figure, the Talent to the Top Charter also plays a significant role in the Dutch approach. The average percentage of top-level women employed at the signatories to the Charter (which now represents approximately 700,000 employees) has risen in recent years. Nevertheless, last week I strenuously urged the signatories to step up their efforts to show more ambition and progress.

In the Senate of the Dutch Parliament the Minister of Safety and Justice has promised to evaluate the amended corporate governance rules in three years'

time. This will provide an opportunity to re-examine the extent to which it would be advisable to implement additional measures.

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This issue merits the government's full attention, also at the European level. We can learn much from one another within Europe. That is why the Netherlands attaches such great importance to comparing its approach of self-regulation and company involvement such as the Dutch Corporate Governance Code, promoting the Talent to the Top Charter and implementing the 30% legal target figure for large companies as of 1 January 2013 to the approaches being taken in other Member States. The Dutch government is also very interested in the results of the European Commission's public consultation in order to determine whether these contain useful ideas that could be implemented in the Netherlands. We can also learn a great deal about promoting more women to top-level positions from the experience gained at the various European Union institutions and organisations.

I understand that the European Commission will soon issue a statement on the approach that can be used to encourage companies to increase the number of women in top-level positions. The Commission will also address the question of whether a directive would be the right instrument. By signing the letter dated 14 September 2012, I indicated that the Netherlands does not support the adoption of legally binding European-level provisions for women on company boards. I also question whether such a directive would be reconcilable with the principle of subsidiarity, an important assessment criterion for the Member States. Finally, I am also concerned about how, notwithstanding the relevance of the European Parliament, national Parliaments would respond to a proposal for such a directive.

I am confident that the European Commission will take a balanced decision. Furthermore I can well imagine that issuing a recommendation to the Member States, rather than imposing a directive, would create more opportunities to enter into dialogues intended to explore how we can join forces to increase the number of women in top-level positions.

You and I have shared our views on this topic on 2 February 2012. I appreciate your attention and commitment to this issue and I sincerely hope that the coming years will enable us to work together to achieve more results in this area.

Yours sincerely,

Marja van Bijsterveldt- Vliegenthart,
Dutch Minister of Education, Culture and Science

c.c.: President European Commission Jose Manuel Barroso