

ARTICLE

GENDER PARITY ON BOARDS: FRANCE FINALIZES IMPLEMENTATION OF THE EU DIRECTIVE

M&A | 29/09/25 | Gwendoline Hong Tuan Ha Virginie Desbois

Decree No. 2025-744 of 30 July 2025 (the “**Decree**”) sets out the implementing measures for Ordinance No. 2024-934 of 15 October 2024 (the “**Ordinance**”), which transposes into French law the European “*Women on Boards*” Directive (EU) 2022/2381.

The Decree clarifies the practical rules relating to:

- the inclusion of employee representatives sitting on boards of directors or supervisory boards (**ARS**) in the calculation of gender balance; and
- the establishment of a candidate selection process when the required gender balance is not achieved.

1. Inclusion of Employee Representatives in Gender Balance Calculations

As a reminder, the Ordinance gradually incorporates employee representatives into the calculation base for gender balance on the boards of certain SAs, SEs, and SCAs. [[1]]

Because these employee representatives form a **distinct group**, the Decree specifies that the minimum proportion of each gender must be assessed based on the total number of members within that group (as shown in the annexed table reproduced in the Decree).

Upon reviewing the table, it appears that distinct groups composed of two members may consist of two women, two men, or one of each, without affecting compliance. In practice, French companies rarely have more than two such representatives, which significantly limits the impact of these new provisions.

The Decree also sets out rules governing elections and replacements of employee representatives to ensure gender balance:

- **Election procedures must be coordinated** to maintain parity, including the substitution of candidates where necessary.
- In the event of a **vacancy**, new elections or appointments must preserve gender balance.

The provisions relating to employee representatives will enter into force:

- on 1 January 2026 for listed companies exceeding the thresholds set by the transposed directive (more than 250 employees and €50 million in turnover or €43 million in total assets); and
- on 1 January 2027 for other companies subject to gender balance requirements (listed companies regardless of size and nonlisted companies exceeding the same thresholds).

2. Candidate Selection Process for Listed Companies Exceeding the Directive Thresholds

(> 250 employees and either turnover > €50 million or total assets > €43 million)

Starting **30 June 2026**, if the composition of a company’s board of directors or supervisory board fails to meet gender balance requirements, or if the executive board’s gender balance objectives have not been defined or achieved:

- any new appointment must follow a **structured selection process** established by the board; and
- this process must include:
 - pre-defined, objective selection criteria applied in a non-discriminatory manner; and
 - a **preference for candidates of the under-represented gender**, where candidates possess equivalent qualifications, unless exceptional circumstances justify otherwise.

In the event of a dispute, the burden of proof lies with the company, which must demonstrate that any departure from this rule was objectively justified.





**Minimum number of employee-elected directors or
Number of employee-elected directors or employee representatives of the under-represented
employee representatives sitting on the gender required to comply with the gender balance
board of directors or the supervisory board rule set out in Articles L. 225-27-2 and L. 225-79-3
of the French Commercial Code**

1	-
2	-
3	1
4	1
5	2
6	2
7	3
8	3
9	4
10	4
11	5
12	5
13	6
14	6
15	6
16	7
17	7
18	8

[1] <https://www.august-debouzy.com/fr/blog/2134-transposition-de-la-directive-women-on-boards-en-france-publication-de-lordonnance-n-2024-934-du-15-octobre-2024>

