

**THE MAKING OF A COMPETENT BOARD:  
PRE-APPOINTMENT TRAINING, CONTINUOUS  
PROFESSIONAL DEVELOPMENT AND QUALIFICATION  
REQUIREMENTS FOR NON-EXECUTIVE DIRECTORS AND  
MEMBERS OF SUPERVISORY BOARDS OF LISTED  
COMPANIES ACROSS THE EUROPEAN UNION]**

Type of paper: Review Article  
Submission date: [21.04.2026]

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## Abstract

This paper offers a comparative analysis of the legal, regulatory and soft-law frameworks governing three closely entangled dimensions of the competence architecture of non-executive directors and members of supervisory boards (NEDs) of listed companies across Europe: pre-appointment training, continuous professional development (CPD), and qualification requirements for appointment. Drawing on national contributions coordinated through the ecoDa Education Committee, complemented by desk research on company law, stock-exchange rules, national corporate governance codes and the supervisory guidance of EBA, ESMA and EIOPA, and situated within the scholarly literature on board effectiveness and director human capital, the study compares eighteen European jurisdictions. The findings reveal an almost unanimous principles-based architecture: no Member State treats any of the three dimensions as a formal statutory precondition for NED appointment. Yet this apparent regulatory restraint coexists with a dense mesh of soft-law expectations, professional-body obligations and sector-specific suitability regimes which together produce, de facto, a European floor of competence. The paper argues that the true regulatory grammar of NED competence in Europe is neither hard law nor soft law in isolation, but their stratified interaction.

## Keywords

corporate governance, non-executive directors, board education, continuous professional development, director qualifications,

## 1. Introduction

Over the last two decades the figure of the non-executive director – or, in two-tier systems, the member of a supervisory board – has undergone a quiet but decisive metamorphosis. Once conceived as a part-time honorific, a station of dignity more than of duty, it has become a demanding professional function whose holders are now expected to combine strategic judgment, technical literacy and ethical discernment in equal measure. The post-2008 strengthening of financial-sector supervision, successive waves of company-law reform, the rise of ESG, climate, cyber and digital oversight at board level, and the growing assertiveness of institutional investors have all conspired to broaden the competence expected of those who sit in the governance rooms of listed companies (Kirkpatrick, 2009; Hopt, 2011; Ferrarini, 2017).

The theoretical foundations for this evolution are well established. Agency theory, since Fama and Jensen (1983), has cast the non-executive director as a monitor of managerial discretion, and the seminal survey by Hermalin and Weisbach (2003) has shown how board composition and competence are endogenous to the firm's governance environment. Resource-dependence and human-capital perspectives (Hillman and Dalziel, 2003; Adams, Hermalin and Weisbach, 2010) have enriched this picture by treating the board as a bundle of knowledge, experience and relational capital, the quality of which materially affects firm performance and risk oversight. Empirical studies of financial expertise (Güner, Malmendier and Tate, 2008), board experience diversity (Kim and Starks, 2016) and director-level human capital (Adams, Akyol and Verwijmeren, 2018) have consistently identified competence composition as a first-order determinant of board effectiveness.

Post-crisis work on financial-institution boards (Minton, Taillard and Williamson, 2014; De Haan and Vlahu, 2016) has further documented that technical knowledge at board level is associated with better risk-management outcomes, lending weight to the supervisory expectation of continuous suitability.

Yet this convergence of expectation has not produced a convergence of rules. The regulatory techniques by which Member States translate broad competence demands into concrete obligations remain strikingly heterogeneous. Some jurisdictions place their faith almost entirely in soft-law codes and the discretion of nomination committees; others overlay a dense layer of prudential regulation upon listed financial institutions; a small number impose quasi-mandatory training through stock-exchange listing rules; and a few – Luxembourg being the paradigmatic case – combine a comparatively modest equity-listed population with a disproportionately powerful supervisory apparatus, so that the practical shape of NED competence is determined less by company law or by governance codes than by the fit-and-proper expectations of the financial supervisor. This diversity reflects profound differences in legal tradition, ownership concentration, market structure and regulatory philosophy (La Porta et al., 1998; Enriques and Volpin, 2007; Hopt, 2011), and any comparative analysis that ignores those differences risks reducing a rich institutional landscape to a misleading catalogue.

Against this background, the present paper extends the cross-country review originally undertaken under the auspices of the ecoDa Education Committee from nineteen to thirty jurisdictions, and subjects the resulting evidence to a comparative reading informed by the governance codes in force and by the scholarly literature on board effectiveness. It addresses, in turn, whether NEDs of listed companies must undergo mandatory training or professional development before joining the board; whether, once appointed, they must maintain continuous professional development; and whether they must hold specific professional qualifications to be appointed.

## **2. Research Objectives**

The paper pursues four explicitly formulated research objectives, each conceived so as to generate findings of use to national directors' associations, regulators, listed companies and individual NEDs. The first is to map, on a comparable basis and using the most recent consolidated versions of the relevant instruments, the statutory, regulatory and soft-law requirements applicable to pre-appointment training, continuous professional development and professional qualifications of NEDs of listed companies across the twenty-seven Member States of the European Union together with Norway, Switzerland and the United Kingdom. The second is to identify points of convergence and divergence across these jurisdictions, distinguishing with analytical precision between obligations arising from general company law, national corporate governance codes, stock-exchange listing rules, sector-specific prudential regulation and professional-body self-regulation. The third is to assess the relative contribution of hard law, soft law and professional self-regulation to the professionalisation of the NED role, locating the comparative evidence within the scholarly literature on board human capital and financial-sector suitability. The fourth is to derive practical policy implications for national directors' associations, regulators, listed companies and individual

NEDs, with a view to strengthening board effectiveness and enhancing cross-border comparability within the European Single Market.

The operational research questions that follow from these objectives may be stated simply. Do the thirty jurisdictions require NEDs of listed companies to undergo mandatory training or professional development before joining the board? Do they require sitting NEDs to maintain continuous professional development, and if so with what quantified threshold? Do they require NEDs to hold specific professional qualifications in order to be appointed? And, across all three dimensions, through which regulatory instrument – hard law, soft law, professional-body rule or supervisory guideline – is the obligation, where it exists, actually transmitted?

### **3. Conceptual Framework: Three Layers, One Obligation**

The competence requirements that press upon an NED of a listed European company arise from three distinct regulatory layers that operate cumulatively rather than alternatively. Understanding this stratification is indispensable if one is to read the national findings without misinterpreting silence as absence.

The first layer is general company law. It typically sets minimum eligibility conditions – legal capacity, absence of disqualification, specific incompatibilities – but rarely prescribes substantive competence standards. In the overwhelming majority of jurisdictions, it says nothing at all about what a director must know before taking office, or about how that knowledge must be maintained thereafter. This silence is doctrinal, not accidental: continental and common-law traditions alike have historically preferred to regulate directors through duties of conduct (care, loyalty, good faith) rather than through duties of prior certification (Hopt, 2011; Conac, Enriques and Gelter, 2007).

The second layer is soft law, operationalised through national corporate governance codes applied on a comply-or-explain basis. Here the language of induction, ongoing training and competence reappears, no longer in the register of prohibition but in that of expectation. Codes rarely impose numerical thresholds; they place responsibility on the chair, on the nomination committee or on the board as a whole to ensure that knowledge is cultivated and refreshed. Enforcement is refracted through market discipline and investor scrutiny rather than through judicial sanction – a mode of governance whose effectiveness has been extensively analysed, and occasionally contested, in the comparative governance literature (MacNeil and Li, 2006; Cuomo, Mallin and Zattoni, 2016; Arcot, Bruno and Faure-Grimaud, 2010).

The third layer is sector-specific prudential regulation. For listed banks, insurers and investment firms, the joint EBA/ESMA suitability guidelines (EBA/GL/2021/06) and the EIOPA Guidelines on System of Governance, as applied by national competent authorities and – for significant institutions – by the European Central Bank under the Single Supervisory Mechanism, transform soft expectations into hard obligations. Boards of regulated entities must adopt formal training policies, allocate resources, perform gap assessments and evidence continuous suitability – not because a code so recommends, but because a supervisor will so require (Ferrarini, 2017; Hopt, 2021). This third layer is the silent centre of gravity of European NED education: where it applies, it binds; where it does not apply, it exerts a quiet normative pull on general governance practice.

Luxembourg offers an especially clear illustration of this dynamic, since the overwhelming centre of gravity of its governance practice lies not in its comparatively modest equity-listed population but in the population of CSSF-regulated entities whose boards populate the national governance market (Zetzsche, 2020; Riassetto and Storck, 2019).

These three layers operate cumulatively. An NED of a listed bank is subject to general company law, to the applicable corporate governance code and to the prudential suitability regime at the same time. The resulting composite obligation is invariably more demanding than any single layer in isolation, and it varies significantly depending on the sector in which the listed company operates. To speak of “the” European rule on NED competence is therefore to commit a categorical error: what exists, rather, is a multi-layered architecture whose concrete demands emerge only at the point of intersection between law, code and supervision.

*Table 1. The three-layer architecture of NED competence requirements.*

Layer	Instruments	Binding force	Enforcement
<b>1. General company law</b>	Civil/commercial codes, companies acts, listing rules (eligibility, incompatibilities)	Mandatory	Courts, commercial registries
<b>2. Soft law (governance codes)</b>	National corporate governance codes; stock-exchange best-practice recommendations	Comply-or-explain	Market discipline, investor scrutiny, disclosure
<b>3. Sector-specific prudential regulation</b>	EBA/ESMA/EIOPA suitability guidelines; national supervisory frameworks	Mandatory (sectoral)	National competent authorities, ECB (SSM)

*Source: authors' elaboration based on ecoDa national contributions and desk research.*

#### 4. Scope and Method

The study covers thirty European jurisdictions: the twenty-seven Member States of the European Union – Austria, Belgium, Bulgaria, Croatia, Cyprus, Czechia, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain and Sweden – together with Norway, Switzerland and the United Kingdom. Although Norway, Switzerland and the United Kingdom are not EU Member States, their governance frameworks are closely intertwined with the European regulatory environment and their inclusion enriches rather than distorts the comparative picture. The inclusion of Luxembourg, in turn, is analytically indispensable: as one of the two principal centres of European fund management and an important hub for cross-border financial services, its regulatory arrangements serve as a privileged observation point for the interaction between the general governance regime and prudential supervision.

The methodology combines three sources. First, national contributions were gathered from members of the ecoDa Education Committee, providing authoritative country-level insights grounded in local practice; for Luxembourg, this contribution was complemented by documentation prepared by the

Institut Luxembourgeois des Administrateurs (ILA) on training requirements for board members. Second, desk research was conducted on corporate governance codes, company law, listing rules and financial supervisory guidance to extend the geographical coverage to the eleven jurisdictions not represented in the original ecoDa exercise – Bulgaria, Cyprus, Czechia, Estonia, Greece, Hungary, Latvia, Lithuania, Portugal, Slovakia and Slovenia – to standardise terminology and to verify claims against primary sources in their most recent consolidated versions. Third, the comparative material was situated within the scholarly literature on board effectiveness and director human capital, so that regulatory practice could be read against the empirical evidence on what actually improves board performance. The analysis is restricted to listed companies and to non-executive (or, in two-tier systems, supervisory) board members. Sector-specific requirements in banking, insurance and investment services are discussed as contextual overlays rather than in exhaustive detail.

## **5. Pre-Appointment Training: The Landscape of Induction**

The first empirical finding admits no equivocation: in none of the thirty jurisdictions examined does general company law impose mandatory training or formal certification as a statutory precondition for appointment as a non-executive director of a listed company.

### **5.1. A near-universal statutory silence**

This statutory silence is remarkably consistent across legal families – Germanic, Romance, Nordic, common-law and post-transition alike – and across regulatory styles, whether interventionist or liberal (Hopt, 2011; Enriques and Volpin, 2007). The baseline rule, simply stated, is that any person who meets the minimal eligibility conditions imposed by company law (legal capacity, absence of disqualification, compliance with incompatibility rules) may be validly appointed to the board of a listed company without having undergone any prior training.

The United Kingdom offers perhaps the purest expression of this baseline. No formal legal or regulatory qualification is required to join the board of a UK-listed company; minimum eligibility is limited to being at least sixteen years of age, providing explicit consent, and not falling within the statutory disqualification categories. The Companies Act 2006 is almost silent on qualifications for directors – strikingly, its qualification provisions target the company secretary of a public company, not the directors themselves (sections 271 and 273). A similar statutory minimalism prevails in the Irish Companies Act 2014, in the German and Austrian Stock Corporation Acts, in the Croatian Companies Act, in the Polish Commercial Companies Code, in Romanian Company Law no. 31/1990, in the Czech Act on Business Corporations and the Slovak Commercial Code, in the Hungarian Civil Code (Act V of 2013), in Bulgarian Commercial Law, in the Greek Law 4548/2018 on sociétés anonymes (and its companion Law 4706/2020 on corporate governance for listed companies), in the Portuguese Código das Sociedades Comerciais, in the Companies Acts of Estonia, Latvia, Lithuania, Slovenia and Cyprus, and in the Scandinavian company-law tradition (Tipurić, 2008; Clarke, 2017). The Luxembourg Law of 10 August 1915 on commercial companies, which applies to listed sociétés anonymes, belongs unmistakably to the same family: it imposes no formal training requirement – no certificate, no minimum number of hours, no prior qualification –

as a condition of valid appointment to the board of a Luxembourg-listed SA (Institut Luxembourgeois des Administrateurs, 2025).

## 5.2. The narrow exceptions

Against this backdrop of statutory silence, three exceptions deserve particular attention because they mark the outer limits of what European legal systems are presently willing to prescribe.

The first, and most precise, is the French rule on employee-elected directors. Article L.225-30-2 of the French Commercial Code entitles directors elected by employees, or appointed under Article L.225-27-1, to training adapted to the exercise of their mandate, at the company's expense. The statutory minimum is not less than forty hours per year, and for directors who have never previously held office, the training must commence within four months of election or appointment. An analogous rule, found in Article L.225-71 of the same Code, extends the same forty-hour entitlement to employee-elected members of supervisory boards in two-tier sociétés anonymes. The rule is narrowly tailored: it applies only to the employee-elected sub-category and leaves shareholder-elected directors outside its scope. Nevertheless, it is the only example among the thirty jurisdictions surveyed of a general-law provision imposing a quantified, directly enforceable training entitlement on a category of directors of listed companies – a modest but symbolically important breach in the dominant principles-based consensus.

The second exception operates at a different level altogether. Nasdaq Stockholm's listing rules require all board members of a newly listed company to undergo training on listing-related obligations. This is not a company-law duty imposed on a class of directors but a listing-rule duty imposed on the company as a condition of admission to trading, and transmitted through it to the whole board. Nasdaq itself offers voluntary training for newly appointed directors, and a Nasdaq-approved full-day programme is delivered by the Board Academy. The Bucharest Stock Exchange is moving cautiously in a similar direction through the 2025 edition of its Corporate Governance Code, and the Athens Exchange has, since the entry into force of Greek Law 4706/2020 on 17 July 2021, edged towards a more interventionist posture by way of the Hellenic Capital Market Commission's suitability policy guidance, which structures the recruitment and induction of board members of listed companies more tightly than was previously the case. These stock-exchange-led interventions illustrate how market infrastructure can, in particular jurisdictions, assume a quasi-regulatory role in the professionalisation of listed-company boards, partially compensating for the restraint of general legislators (Christiansen and Koldertsova, 2009).

The third exception, and the one that matters most for the extension undertaken here, is the Luxembourg arrangement. Companies whose shares are admitted to trading on the regulated market of the Luxembourg Stock Exchange must apply the X Principles of Corporate Governance issued by LuxSE on a comply-or-explain basis. Principle 3, which governs the composition of the board of directors and of board committees, is buttressed by Recommendation 3.6, under which the company shall ensure that new directors receive induction training on the way the company operates, enabling them to contribute in the best possible manner to the work of the board; the company shall, moreover, allocate adequate resources to the induction and ongoing training of its directors.

Guideline 1 specifies further that the company shall provide its new directors with corporate governance training, to be delivered either internally or by specialist external institutions (Luxembourg Stock Exchange, 2024). Although the obligation remains formally a soft-law one – comply-or-explain rather than imperative – the combination of an explicit resourcing duty with a named training expectation places Luxembourg in the upper range of European soft-law prescriptiveness, functionally closer to the Dutch model than to the more laconic formulations of the Nordic or Central European codes (Riassetto and Storck, 2019).

### **5.3. The narrow exceptions**

Between the statutory silence of company law and the narrow exceptions just described lies the true centre of gravity of pre-appointment training in Europe: the recommendation, embedded in almost every national corporate governance code, that newly appointed directors be offered a structured induction programme. The vocabulary varies – “introduction programme” in the Dutch and Spanish codes, “induction” in the Belgian, Italian, Luxembourg and UK codes, “tailored induction” in the Irish code, “onboarding” in the Middlednext code – but the substantive expectation is strikingly similar.

The Dutch Corporate Governance Code (consolidated in its 2025 English version of the 2022 text) goes furthest within the soft-law register: it provides that an introduction programme must be organised for every newly appointed supervisory or non-executive director. The 2024 Irish Corporate Governance Code, closely aligned with the UK Code, likewise requires the chair to ensure a full, formal and tailored induction. The Italian Corporate Governance Code, approved in January 2020 and applicable since 2021, recommends induction programmes covering the business model, the regulatory framework, risk management and internal control. The Hellenic Corporate Governance Code (June 2021), issued by the Hellenic Corporate Governance Council and applicable to companies listed on the Athens Exchange, articulates a substantively similar expectation, while the Portuguese IPCG Corporate Governance Code (revised in 2023) recommends that companies ensure adequate induction and continuing development of board members so as to safeguard a balanced and suitable diversity of skills, knowledge and professional experience. The Luxembourg X Principles, in Recommendation 3.6 and Guideline 1, occupy an intermediate but prescriptive position: they tie the induction expectation to a specific resourcing obligation and explicitly contemplate that governance training may be outsourced to specialist external institutions – a discreet acknowledgement of the central role played by ILA in the Luxembourg director-education market. The Danish Recommendations, the Finnish Corporate Governance Code, the Austrian ÖCGK, the German DCGK, the CNMV Good Governance Code, the AFEP-MEDEF and Middlednext codes, the NUES Code in Norway, the Slovenian Corporate Governance Code for Listed Companies (revised 2024, in force since January 2025), the Bulgarian National Code for Corporate Governance (2024 revision under FSC review), the BSE Corporate Governance Recommendations in Hungary (in force since 1 January 2021), the Corporate Governance Code for Slovakia (revised 2017), the Czech Corporate Governance Code (issued by the Czech Institute of Directors, in its 2018 edition), the Latvian Corporate Governance Code, the Cypriot Corporate Governance Code maintained by the Cyprus Stock Exchange, the Zagreb Stock Exchange Code (2024), the Best

Practice of WSE Listed Companies 2021 and the 2025 Bucharest Stock Exchange Code all converge on the same recommendation, albeit with varying degrees of specificity.

The UK Corporate Governance Code 2024, published by the Financial Reporting Council on 22 January 2024 and applicable to financial years beginning on or after 1 January 2025, addresses induction indirectly through its principles on board composition and effectiveness rather than through a dedicated training provision. Yet in the British context the absence of a detailed code provision is more than compensated for by the density of professional-body and sector-specific expectations that surround the appointment process. In regulated sectors, the FCA, PRA and Bank of England's Senior Managers and Certification Regime impose rigorous pre-appointment scrutiny; outside regulated sectors, the IoD and the Chartered Governance Institute UK & Ireland shape the market expectation of what a well-prepared director looks like (Mallin, 2019).

The Baltic Republics – Estonia, Latvia and Lithuania – exemplify a related pattern. None of the three imposes a statutory training precondition, but each has gradually developed a soft-law expectation of induction for listed-company directors. In Latvia, the Corporate Governance Code maintained by the Corporate Governance Advisory Board (Ministry of Justice, in cooperation with private-sector experts) recommends induction. Across the three states, the Baltic Institute of Corporate Governance (BICG) – itself an ecoDa-endorsed body – operates a structured Board Member Education Programme delivered in Tallinn, Riga and Vilnius which has, in practice, become the principal vehicle through which competence expectations are satisfied for NEDs of Baltic-listed companies.

#### **5.4. The sectoral overlay**

The picture changes markedly when attention shifts from the general listed-company regime to regulated sectors. Under the Joint ESMA/EBA Guidelines on the Assessment of the Suitability of Members of the Management Body and Key Function Holders (EBA/GL/2021/06) and the EIOPA Guidelines on System of Governance, listed credit institutions, investment firms and insurance undertakings must assess the suitability of prospective board members before appointment. National competent authorities – BaFin in Germany, the FMA in Austria, DNB and AFM in the Netherlands, the Bank of Italy and IVASS, the Bank of Spain and CNMV, the ACPR in France, Finanstilsynet in the Nordics, the CSSF and CAA in Luxembourg, KNF in Poland, the Central Bank of Ireland, the MFSA in Malta, the Bank of Portugal and the CMVM, the Hellenic Capital Market Commission and the Bank of Greece, the FSC and the Bulgarian National Bank, the Czech National Bank, the National Bank of Slovakia and the National Bank of Romania, the National Bank of Hungary (MNB), the Bank of Slovenia, the Bank of Lithuania, the Bank of Latvia, the Bank of Estonia, the Cyprus Securities and Exchange Commission and the Central Bank of Cyprus, the FCA/PRA in the United Kingdom and FINMA in Switzerland – translate these guidelines into binding fit-and-proper or suitability assessments (Ferrarini, 2017; Hopt, 2021). The practical consequence is that an appointment to the board of a listed bank or insurer is conditioned on a prior supervisory evaluation of knowledge, experience and integrity, and frequently accompanied by targeted induction training on prudential, AML/CFT, ESG, climate, ICT and cyber-risk matters.

Luxembourg illustrates this sectoral overlay with an intensity that few other jurisdictions match. The CSSF does not impose a single generic mandatory training course for all board members, but its circulars transform continuous suitability into a demanding practical regime. Under CSSF Circular 20/758, applicable to banks and investment firms, board members must possess adequate collective and individual knowledge, institutions must ensure continuous training, and suitability is assessed not only at appointment but on an ongoing basis; failure to maintain competence can trigger remedial measures or removal. Under CSSF Circular 18/698, applicable to alternative investment fund managers, management companies and regulated funds, board members are required to understand risk management, compliance, delegation and oversight, and continuing professional development is expected, monitored and frequently documented during CSSF inspections (Commission de Surveillance du Secteur Financier, 2018, 2020). The CSSF further expects all members of the board of directors and senior management to maintain sufficient up-to-date AML/CFT knowledge, evidenced through regular training, treating failure as a governance deficiency. The cumulative weight of these circulars is such that, for Luxembourg NEDs of regulated entities, training and continuing professional development – while not legally mandated in the strict sense – are effectively required in substance.

This sectoral overlay has an important second-order effect. In jurisdictions where the listed population is dominated by financial institutions (the United Kingdom, the Netherlands, Ireland, Germany, France, Cyprus, Malta, and – with particular intensity – Luxembourg), prudential expectations travel outwards, subtly shaping the market-wide understanding of what adequate board preparation looks like. In smaller markets, where the financial sector is proportionally less dominant, the same diffusion is weaker and the gap between general and sectoral regimes remains more visible. The empirical literature on post-crisis bank governance (Minton, Taillard and Williamson, 2014; De Haan and Vlahu, 2016; Zetsche, 2020) offers a complementary reading: the sectoral overlay is intellectually grounded in evidence that technical board competence is a first-order determinant of risk outcomes, not a procedural formality.

## **6. Continuous Professional Development: Between Aspiration and Quantification**

The pattern observed for pre-appointment training repeats itself, with instructive variations, for continuous professional development.

### **6.1 The dominant pattern: encouragement without thresholds**

The pattern observed for pre-appointment training repeats itself, with instructive variations, for continuous professional development. No Member State imposes, as a matter of general company law applicable to NEDs of listed companies, a statutory CPD obligation with minimum hours or points. The Swedish Companies Act, the Danish Companies Act (Selskabsloven), the Finnish Limited Liability Companies Act, the Norwegian Public Limited Liability Companies Act (allmennaksjeloven), the German and Austrian Stock Corporation Acts, the Belgian Companies and Associations Code, the Italian Civil Code and TUF, the Spanish Ley de Sociedades de Capital, the Polish Commercial Companies Code, Romanian Company Law no. 31/1990, the Czech Act on

Business Corporations, the Slovak Commercial Code, the Hungarian Civil Code, the Greek Law 4548/2018, the Portuguese Companies Code, the Slovenian Companies Act (ZGD-1), the Bulgarian Commercial Law, the Cypriot Companies Law (Cap. 113), the Estonian, Latvian and Lithuanian Companies Acts, the French Commercial Code (outside the narrow employee-elected directors regime), the Luxembourg Law of 10 August 1915, the UK Companies Act 2006 and the Irish Companies Act 2014 are uniformly silent on the point. The general legislator, in other words, prescribes no CPD floor.

Corporate governance codes fill this space with expectations rather than rules. The Swedish Code of Corporate Governance places on the chair the responsibility of ensuring introductory and ongoing training and expects members to maintain the required competence. The Danish Recommendations require boards to develop members' competences continuously, with an annual assessment by the nomination committee. The Finnish Corporate Governance Code (sixth revision, in force since 1 January 2025) recommends ongoing development without specifying minimum hours. The Norwegian NUES Code commends regular self-evaluation and implicitly supports ongoing training. The DCGK in Germany expects supervisory board members to undertake the training necessary for their duties on their own initiative, with the company providing appropriate support. The Austrian ÖCGK, the Belgian Code 2020, the CNMV Good Governance Code, the AFEP-MEDEF Code, the Italian Corporate Governance Code, the Luxembourg X Principles (through the resourcing duty attached to Recommendation 3.6), the Slovenian Code of December 2021 (as amended in 2024), the Hellenic Code of June 2021, the Portuguese IPCG Code (2023), the Hungarian BSE Recommendations, the Czech and Slovak codes, the Latvian, Estonian and Lithuanian codes, the Cypriot Code, the Bulgarian National Code, and the Zagreb Stock Exchange Code (2024) all articulate substantively similar expectations. The 2025 Bucharest Stock Exchange Code encourages continuous learning and periodic skills assessment, and the Best Practice of WSE Listed Companies 2021 calls for periodic assessment of the board's competences.

## **6.2 The Dutch exception and the logic of quantification**

One national code stands out for the relative precision of its CPD requirement. The Dutch Corporate Governance Code, updated in 2022 by the Corporate Governance Code Monitoring Committee and further amended in March 2025 under a newly constituted committee (with an English translation published in October 2025), requires supervisory directors to participate in a continuing education programme on an annual basis. The programme is expected to cover company developments, corporate governance, sector issues, financial reporting, audit and ESG. Although the Code does not specify minimum hours, the annual cycle of participation is expected to be documented under comply-or-explain, with the result that the Dutch expectation is materially stricter than its nearest continental counterparts.

This relative precision repays closer analysis. The Dutch regime quantifies not by setting an hour threshold but by making the annual programme itself the unit of compliance: to comply is to run a programme, and to explain is to justify its absence. This device has three instructive properties. It avoids the substantive arbitrariness of hour counts; it aligns the obligation with the board's own

collective calendar rather than with the individual director's schedule; and it produces a natural point of contact between the nomination committee (which designs the programme) and the external auditor or governance reviewer (who verifies its occurrence). It is, in effect, a soft-law rule that behaves functionally like a hard one, and it deserves attention as a model of how principles-based governance can be rendered operationally meaningful without resort to rigid statutory prescription (Cuomo, Mallin and Zattoni, 2016).

### **6.3 Quantified CPD through professional-body membership**

Where quantified CPD obligations do bind NEDs of European listed companies, they typically do so through the professional bodies to which individual directors belong, not through general director law or through corporate governance codes. The United Kingdom provides the clearest illustration. The Institute of Directors' Royal Charter and Code of Professional Conduct require Chartered Directors to complete a minimum of thirty hours of CPD per year, a sample of which is audited annually. The Chartered Governance Institute UK & Ireland, drawing on its own 1891 institutional lineage, requires chartered members to complete a minimum of twenty CPD hours per year, while members in public practice must complete thirty-five hours; active chartered members are more generally guided towards approximately thirty-five hours as an annual benchmark. Analogous CPD duties bind members of the various accounting and auditing bodies recognised under section 273 of the Companies Act 2006 – ICAEW, ICAS, ACCA, Chartered Accountants Ireland, CGI, CIMA and CIPFA – which collectively supply a meaningful proportion of the NEDs and audit committee members of UK-listed companies.

Luxembourg belongs emphatically to this category, and indeed offers the most explicitly quantified professional-body CPD regime in continental Europe. Candidates wishing to become ILA Certified Directors must first successfully complete two structured programmes – The Essentials Luxembourg and The Essentials Universal – designed to provide a shared baseline of governance literacy calibrated to the Luxembourg context. Once certified, ILA Directors are expected to pursue continuing professional development in order to remain effective in their roles; the Institute requires a minimum of twelve hours of CPD per calendar year, encompassing courses that develop personal expertise beneficial to board work and provide the diversified perspective needed to maximise a director's contribution (Institut Luxembourgeois des Administrateurs, 2025). The twelve-hour threshold is lower than the IoD and CGI benchmarks, but its significance lies less in its absolute level than in its institutional character: it is the only continental-European quantified CPD threshold formally tied to a voluntary director-certification regime, and it functions as a credible signal on the market for board appointments in a jurisdiction where the density of listed financial institutions makes such signals particularly valuable.

Ireland participates in the same architecture through IoD Ireland and the Irish region of the Chartered Governance Institute; Italy and Romania draw on their respective statutory-auditor bodies (in Romania, CAFR and ASPAAS); the Baltic Republics rely on BICG, whose programmes are formally endorsed by ecoDa as meeting its high-quality criteria for alignment with national and international governance codes; and the IoD framework exerts influence well beyond the British

Isles through the directors' associations federated within ecoDa, of which ILA is a founding member. In Malta, non-executive directors providing services “by way of business” are required to register with the MFSA as Company Service Providers and must maintain annual continuous professional education hours under the CSP Rulebook, with training records reviewed during supervisory visits. This Maltese regime is noteworthy because it approaches – without quite reaching – a direct CPD obligation for NEDs in their capacity as such.

The pattern that emerges is telling. Where a quantified CPD threshold binds an NED of a listed company in Europe, it almost invariably binds by virtue of the director's chosen professional affiliation, not by virtue of his or her office. Professional-body CPD belongs to the category of self-regulation: it is chosen, not imposed; it is enforced through membership rather than through company law; and it applies only to those directors who elect to hold the relevant credential. The absence of a general statutory CPD floor, coupled with the presence of professional-body thresholds of twelve, twenty, thirty or thirty-five hours per year, means that a listed-company board may simultaneously include directors under strict quantified CPD obligations and directors under none at all.

#### **6.4 CPD driven by prudential supervision**

The sectoral overlay reasserts itself with particular force in the domain of continuous professional development. Under the EBA/ESMA and EIOPA suitability guidelines, continuous suitability is not a one-off judgment at the point of appointment but an ongoing assessment that obliges credit institutions, investment firms and insurance undertakings to adopt formal training policies, to allocate resources, to conduct regular gap analyses and to document the training undertaken by individual members of the management body. In France, the fit-and-proper evaluation imposes regular training on business model, risk profile, AML/CFT, ESG and climate risk, ICT and cyber risk (DORA, NIS) and prudential matters. Similar requirements apply in Germany, Austria, the Netherlands, Italy, Spain, Belgium, Poland, Ireland, Malta, Portugal, Greece, Czechia, Slovakia, Hungary, Slovenia, Bulgaria, Cyprus, Estonia, Latvia and Lithuania, the United Kingdom and Switzerland. In France specifically, Loi Pacte and the CSRD have added topic-specific training expectations on climate, ESG, cybersecurity, compliance and anti-corruption, which operate across the board rather than solely within the prudential perimeter.

Luxembourg occupies a singular position in this comparative map. Because its listed-company population is comparatively modest while its CSSF-regulated-entity population is disproportionately large, the sectoral CPD regime is not an overlay on top of a broader general regime but, for all practical purposes, the principal engine of director education in the jurisdiction. CSSF Circular 20/758 explicitly requires continuous training for board members of banks and investment firms; CSSF Circular 18/698 extends analogous expectations to AIFMs, management companies and regulated funds; and AML/CFT training is expected of all board members and senior managers, regularly documented and reviewed during supervisory inspections (Commission de Surveillance du Secteur Financier, 2018, 2020; Zetzsche, 2020). The result, as the ILA has put it with clarifying precision, is that while training and professional development may not be legally

mandated as such, they are effectively required in substance, since failure to maintain adequate competence can ultimately lead to supervisory measures, loss of authorisation or removal from office (Institut Luxembourgeois des Administrateurs, 2025).

The combined effect of these sectoral mechanisms is to produce, for NEDs of listed financial institutions, a de facto CPD regime substantially more demanding than anything imposed by general company law or by governance codes. Where a listed group contains significant financial subsidiaries, the expectations flowing from the sectoral regime tend, in practice, to migrate towards the group board as well, especially where board members sit concurrently on parent-company and regulated-subsiary boards.

## **7. Professional Qualifications: Competence as a Collective Property of the Board**

The third question examined by the comparative review concerns whether NEDs of listed companies must hold specific professional qualifications in order to be appointed. The evidence points unambiguously to the absence of any such general requirement across the thirty jurisdictions.

### **7.1 The absence of a general certification requirement**

No Member State conditions appointment to the board of a listed company on prior certification, licensing or academic credential as a general rule. Company law, where it speaks at all on the point, tends to address capacity and disqualification rather than competence – a posture consistent with the broader European preference for conduct-based director regulation (Hopt, 2011).

The UK Companies Act 2006 is paradigmatic. Its qualification provisions apply to the company secretary of a public company (sections 271 and 273), prescribing prior experience or membership of a recognised body such as ICAEW, ICAS, ACCA, Chartered Accountants Ireland, CGI, CIMA or CIPFA – but it says almost nothing about the qualifications of directors themselves. The Irish, German, Austrian, Italian, French, Spanish, Belgian, Dutch, Luxembourg, Nordic, Polish, Romanian, Czech, Slovak, Hungarian, Slovenian, Bulgarian, Greek, Portuguese, Cypriot, Estonian, Latvian, Lithuanian, Maltese and Croatian regimes exhibit substantively similar silences: any natural person who is legally capable and not disqualified may be appointed. The Luxembourg position is particularly instructive, since in spite of the country’s status as a major financial centre the general-law regime for NEDs of listed non-financial companies imposes no prior qualification requirement; competence is instead produced through the soft-law expectations of the X Principles and the supervisory expectations of the CSSF (Riassetto and Storck, 2019; Zetzsche, 2020).

### **7.2 Two narrow statutory qualifications**

Two narrowly tailored statutory requirements deserve mention because they qualify, rather than contradict, the baseline. First, Spain has since June 2021 required that only natural persons may be appointed as directors of listed companies, bringing an end to the previous practice of corporate directorships. This is a structural rather than a competence requirement, but it operates as a precondition for appointment and thus shapes the overall qualification landscape. Second, Italy’s collegio sindacale regime – technically distinct from the board of directors but functionally close to

supervisory oversight – imposes formal statutory-auditor qualification requirements on its members, and the Italian Corporate Governance Code requires at least one audit committee member to be registered as a statutory auditor or to possess equivalent expertise. Neither provision amounts to a general qualification requirement for NEDs, but both illustrate the willingness of particular jurisdictions to prescribe at the margins of the baseline.

### **7.3 The EU-harmonised audit expertise requirement**

The most consistent functional qualification requirement across the thirty jurisdictions concerns the audit committee. Under Directive 2014/56/EU and Regulation (EU) No 537/2014, public-interest entities – a category that encompasses all listed companies – must establish an audit committee whose members collectively possess competence relevant to the sector in which the entity operates, and at least one member of which must have competence in accounting or auditing. This EU-derived rule produces a uniform functional qualification requirement across the Union (and, by way of regulatory alignment, in Norway, Switzerland and the United Kingdom), and it has become the single most harmonised element of the European NED competence architecture.

National implementations vary in their precision. Germany and France transpose the rule with a requirement for a “financial expert” or equivalent on the audit committee; Italy has traditionally required formal statutory-auditor registration for at least one member; Spain requires expertise in accounting, auditing or both; Austria employs the term “Finanzexperte”; Luxembourg, transposing the Directive through its 2016 Law on the audit profession, requires the audit committee of a public-interest entity to include at least one member with competence in accounting or statutory audit, drawing on the register maintained by the Commission de Surveillance du Secteur Financier; Greece transposes the rule through Law 4449/2017 (as amended), Portugal through the IPCG Code in conjunction with the audit profession statute, Hungary through Section 3:291 of the Civil Code and the Audit Act, and the Baltic Republics through their respective Audit Acts; and the Nordic and Central European jurisdictions translate the requirement with broadly similar formulations. The doctrinal importance of this harmonisation is considerable: it represents the only case in which European law directly prescribes a substantive competence condition for the appointment of an NED to a specific committee of a listed company, and it does so through an instrument of hard law rather than soft-law expectation.

### **7.4 The logic of collective competence**

Beyond the audit committee, national corporate governance codes converge on a distinct and theoretically important device: the idea that competence is a property of the board as a whole rather than of each individual director. The DCGK in Germany, the AktG in Austria, the Dutch Code, the AFEP-MEDEF and Middlednext codes, the UK Corporate Governance Code 2024, the 2024 Irish Code, the Italian and Spanish codes, the Luxembourg X Principles, the NUES Code, the Swedish, Danish and Finnish codes, the Belgian Code 2020, the Hellenic Code, the Portuguese IPCG Code, the Slovenian Code, the Bulgarian National Code, the Hungarian BSE Recommendations, the Czech and Slovak codes, the Latvian, Estonian and Lithuanian codes, the Cypriot Code, the Best Practice of WSE Listed Companies 2021, the Zagreb Stock Exchange Code (2024) and the 2025 Bucharest

Stock Exchange Code all instruct the nomination committee to design the board as a balanced composition of skills, experience and diversity, rather than to impose identical qualification requirements on each director.

This device finds strong support in the scholarly literature. The resource-dependence tradition (Pfeffer and Salancik, 1978; Hillman and Dalziel, 2003) treats the board as a portfolio of human and relational capital whose quality depends on combination rather than on individual attributes. Empirical studies by Kim and Starks (2016) and Adams, Akyol and Verwijmeren (2018) document that board-level skill diversity and complementarity predict firm performance and oversight quality better than any single individual credential. Agency-theoretic treatments (Hermalin and Weisbach, 2003; Adams, Hermalin and Weisbach, 2010) reach similar conclusions via a different route. The design choice of European codes – to regulate collective rather than individual qualification – is therefore not a retreat from substantive competence regulation but an alignment with the state of the art in board research.

### **7.5 The sectoral overlay, again**

As with pre-appointment training and CPD, the general principles-based regime on qualifications is overlaid, in regulated sectors, by a denser sectoral framework. Under EBA/GL/2021/06 and the EIOPA Guidelines, individual and collective suitability assessments include technical knowledge of banking, insurance or investment services, regulatory literacy, risk management, and – increasingly – ESG, climate, ICT and cyber expertise. Supervisors may require the replacement of a board member found unsuitable, and the European Central Bank under the Single Supervisory Mechanism exercises this power in relation to significant institutions. Luxembourg, as one of the largest centres for collective investment in Europe, applies these standards through CSSF Circulars 20/758 and 18/698 with a thoroughness that has made its suitability regime a de facto template for cross-border asset-management groups operating in the Grand Duchy (Zetzsche, 2020; Riassetto and Storck, 2019). Cyprus, with a regulated investment-services sector that vastly outweighs its equity-listed population, exhibits a similar dynamic: the suitability expectations of CySEC and the Central Bank of Cyprus radiate outwards into the listed-company governance space. The result is that, for NEDs of listed regulated entities across these jurisdictions, qualification is assessed both at the individual level (fit and proper) and at the collective level (board-wide suitability), producing a regime substantially more exacting than the general rule (Ferrarini, 2017; Hopt, 2021).

## **8. Comparative Synthesis**

Table 2 consolidates the jurisdiction-by-jurisdiction findings across the three research dimensions. The entries report the regime applicable to NEDs of listed companies under general company law and corporate governance codes, with sectoral and professional-body overlays indicated where material.

Table 2. Pre-appointment training, CPD and qualification requirements for NEDs of listed companies in thirty European jurisdictions.

Country	Pre-appointment training	CPD	Professional qualifications
<b>Austria</b>	No statutory requirement; ÖCGK recommends induction; FMA fit-and-proper in regulated sectors.	No statutory threshold; ÖCGK encourages ongoing development.	No general requirement; audit committee must include a Finanzexperte.
<b>Belgium</b>	No statutory requirement; Code 2020 recommends induction; NBB/FSMA fit-and-proper in regulated sectors.	No statutory threshold; Code 2020 recommends up-to-date knowledge.	No general requirement; audit committee: accounting/audit expertise; gender-balance rules apply.
<b>Bulgaria</b>	No statutory requirement; National Code for Corporate Governance recommends induction; FSC and BNB fit-and-proper in regulated sectors.	No statutory threshold; the National Code (2024 revision under FSC review) recommends ongoing development.	No general requirement; statutory one-third independent-director rule for public companies; audit committee: accounting/audit expertise.
<b>Croatia</b>	No formal legal requirement; ZSE Code 2024 recommends induction; sectoral fit-and-proper in regulated industries.	No statutory CPD; ZSE Code 2024 recommends continuous enhancement of knowledge.	No universal qualification requirement; exceptions in regulated sectors.
<b>Cyprus</b>	No statutory requirement; CSE Corporate Governance Code recommends induction; CySEC and Central Bank fit-and-proper in regulated sectors.	No statutory threshold; Code recommends ongoing competence development.	No general requirement; audit committee: accounting/audit expertise (PIE); Anglo-Saxon-style framework.
<b>Czechia</b>	No statutory requirement; Czech Corporate Governance Code (2018, Czech Institute of Directors) recommends induction; CNB fit-and-proper in regulated sectors.	No statutory threshold; Code encourages ongoing development.	No general requirement; audit committee: accounting/audit expertise; one-tier or two-tier choice.
<b>Denmark</b>	No statutory requirement; Danish Recommendations call for a tailored induction.	No statutory threshold; Recommendations require continuous development and annual assessment.	No general requirement; audit committee (PIE): accounting/audit expertise.
<b>Estonia</b>	No statutory requirement; soft-law expectation of induction; FSA fit-and-proper in regulated sectors.	No statutory threshold; BICG ecoDa-endorsed Board Member Programme is the de facto vehicle.	No general requirement; audit committee: accounting/audit expertise.



Country	Pre-appointment training	CPD	Professional qualifications
<b>Finland</b>	No statutory requirement; Finnish CG Code (sixth revision, in force 1 January 2025) recommends induction.	No statutory threshold; Code recommends ongoing development.	No general requirement; audit committee: accounting/audit expertise.
<b>France</b>	No statutory requirement for shareholder-elected directors; $\geq 40$ h/year for employee-elected directors (Art. L.225-30-2 C. com.) and for employee-elected supervisory members (Art. L.225-71); AFEP-MEDEF/Middlenext recommend induction.	No general statutory CPD; banking fit-and-proper requires formal training (business model, AML/CFT, ESG, DORA, NIS).	No general requirement; functional expertise via fit-and-proper; audit committee: financial/accounting competence.
<b>Germany</b>	No statutory requirement; DCGK expects appropriate knowledge, skills and experience; BaFin/ECB fit-and-proper in regulated sectors.	No statutory threshold; DCGK expects self-directed training; sectoral CPD (AML/CFT, ESG, ICT).	No general requirement; audit committee: accounting + auditing expertise (EU-derived).
<b>Greece</b>	No statutory requirement; Hellenic Code (June 2021) recommends induction; HCMC suitability policy under Law 4706/2020 structures appointments to boards of listed companies.	No statutory threshold; Hellenic Code recommends ongoing development; Bank of Greece/HCMC CPD in regulated sectors.	No general requirement; audit committee under Law 4449/2017: accounting/audit expertise (PIE).
<b>Hungary</b>	No statutory requirement; BSE Corporate Governance Recommendations (in force 1 January 2021) recommend induction; MNB fit-and-proper in regulated sectors.	No statutory threshold; BSE Recommendations encourage ongoing competence development.	No general requirement; audit committee: at least one member with accounting/audit competence (Civil Code; Audit Act).
<b>Ireland</b>	No statutory requirement; 2024 Irish CG Code requires full, formal and tailored induction by the chair; Central Bank fit-and-proper in regulated sectors.	No general statutory CPD; Irish Code recommends continuous development; professional-body CPD (IoD Ireland; CGI).	No general requirement; audit committee (PIE): accounting/audit expertise; F&P Standards.
<b>Italy</b>	No statutory requirement; Italian CG Code (2020) recommends induction; Bank of Italy/IVASS fit-and-proper in regulated sectors.	No statutory threshold; Code places development duty on the chair; statutory-auditor CPD.	No general requirement; audit committee: one member enrolled as statutory auditor; collegio sindacale: statutory qualifications.



Country	Pre-appointment training	CPD	Professional qualifications
<b>Latvia</b>	No statutory requirement; Latvian CG Code (Corporate Governance Advisory Board, Ministry of Justice and private-sector experts) recommends induction.	No statutory threshold; ecoDa-endorsed BICG programmes function as de facto CPD vehicle.	No general requirement; audit committee: accounting/audit expertise (PIE).
<b>Lithuania</b>	No statutory requirement; Nasdaq Vilnius Corporate Governance Code recommends induction; Bank of Lithuania fit-and-proper in regulated sectors.	No statutory threshold; BICG programmes provide ecoDa-endorsed structured development.	No general requirement; audit committee: accounting/audit expertise.
<b>Luxembourg</b>	No statutory requirement under the Law of 10 August 1915; LuxSE X Principles (Recommendation 3.6, Guideline 1) require induction and governance training with adequate resourcing; CSSF fit-and-proper in regulated entities (Circulars 20/758 and 18/698).	No statutory threshold; LuxSE X Principles impose an ongoing-training resourcing duty; CSSF Circulars 20/758 and 18/698 require documented continuous training (incl. AML/CFT); ILA Certified Directors must complete $\geq 12$ h CPD per calendar year.	No general requirement; audit committee (PIE): accounting/audit expertise (2016 Law on the audit profession); CSSF collective-suitability assessment for regulated entities.
<b>Malta</b>	No mandatory training; NEDs must demonstrate experience and integrity (MSE By-laws).	NEDs acting “by way of business” must register as CSPs and maintain annual CPE hours under the CSP Rulebook.	CSP fit-and-proper regime; MSE experience and integrity requirements.
<b>Netherlands</b>	No statutory requirement; Dutch CG Code (2022, amended 2025) mandates introduction programme for every new SB/NED; DNB/AFM fit-and-proper in regulated sectors.	Annual continuing education programme required under the Code (developments, governance, sector, reporting, audit, ESG).	No general requirement; SB must have an appropriate profile; audit committee: financial expertise.
<b>Norway</b>	No statutory requirement; NUES Code recommends induction; Finanstilsynet fit-and-proper in regulated sectors.	No statutory threshold; NUES expects regular self-evaluation.	No general requirement; audit committee: one member with accounting/audit qualifications; gender balance applies.
<b>Poland</b>	No statutory requirement; Best Practice of WSE Listed Companies 2021 recommends induction; KNF	No statutory threshold; Best Practice recommends periodic competence assessment.	No general requirement; audit committee: accounting/audit expertise; majority independent.



Country	Pre-appointment training	CPD	Professional qualifications
	fit-and-proper in regulated sectors.		
<b>Portugal</b>	No statutory requirement; IPCG Corporate Governance Code (revised 2023) recommends adequate induction and development; Bank of Portugal/CMVM fit-and-proper in regulated sectors.	No statutory threshold; Code calls for balanced and continually updated skills.	No general requirement; audit committee (PIE): accounting/audit expertise; ROC certification under audit-profession law.
<b>Romania</b>	No statutory requirement; BVB CG Code (2025) requires induction and a defined board profile; structured SOE selection.	No statutory CPD; BVB Code encourages continuous learning; SOE annual KPI evaluations function as de facto CPD.	No general requirement; audit committee: financial/accounting/audit expertise; SOEs effectively require CAFR/ASPAAS or three years' experience.
<b>Slovakia</b>	No statutory requirement; Corporate Governance Code for Slovakia (CECGA, in force from 2017) recommends induction; NBS fit-and-proper in regulated sectors.	No statutory threshold; Code recommends ongoing development.	No general requirement; audit committee: accounting/audit expertise (PIE).
<b>Slovenia</b>	No statutory requirement; Slovenian CG Code (revised 2024, in force from January 2025) recommends induction.	No statutory threshold; Code recommends ongoing development; Slovenian Directors' Association supplies extensive guidance and supervisory-board evaluation methodology.	No general requirement; audit committee: at least one member with accounting/audit expertise; legal entities cannot serve on boards.
<b>Spain</b>	No statutory requirement; CNMV Good Governance Code recommends introduction programme; Bank of Spain/CNMV idoneidad in regulated sectors.	No statutory threshold; Code recommends knowledge-updating where circumstances so advise.	Natural persons only (since June 2021); audit committee: accounting/audit expertise.
<b>Sweden</b>	No general statutory requirement; Nasdaq Stockholm listing rules require training for all board members at IPO; Board Academy provides a Nasdaq-approved programme.	No statutory threshold; Swedish Code places ongoing-training responsibility on the chair.	No general requirement (competence-based approach).

Country	Pre-appointment training	CPD	Professional qualifications
<b>Switzerland</b>	No statutory requirement; significant experience expected in practice; Swiss Board School offers voluntary Certificate, Diploma and masterclass programmes.	No statutory threshold; “necessary knowledge” duty under art. 707 ff. CO; FINMA-driven ongoing training in regulated sectors.	No general requirement; audit committee: financial/audit expertise; “necessary knowledge” expectation.
<b>United Kingdom</b>	No formal legal or regulatory qualification to join a board; minimum statutory eligibility; de facto training via FCA/PRA and SMCR; IoD/CGI voluntary programmes.	No statutory CPD; IoD Chartered Directors $\geq 30$ h/year (Royal Charter); CGI UK & Ireland chartered members $\geq 20$ h/year, members in public practice $\geq 35$ h/year.	No requirement for directors; Companies Act 2006 s. 273 specifies qualifications for the company secretary of a PLC.

Source: authors’ elaboration based on ecoDa national contributions, national corporate governance codes (latest versions), national companies acts and supervisory guidance. PIE = public-interest entity; SOE = state-owned enterprise; CSP = Company Service Provider.

## 9. Patterns of Convergence and Divergence

Across the thirty jurisdictions surveyed, several lines of convergence emerge with considerable clarity. First, no European Member State treats pre-appointment training, quantified CPD or formal individual qualification as a statutory precondition for NED appointment to a listed company. The general legislator’s preference for conduct-based rather than certification-based regulation is shared across legal families and across political economies (Hopt, 2011). Second, induction at appointment has become a near-universal expectation, articulated through national corporate governance codes on a comply-or-explain basis, and increasingly tailored to the specific characteristics of the appointee and the company – the Luxembourg X Principles, with their explicit resourcing duty, furnish a particularly elaborated soft-law expression of this trend. Third, continuous development is expected everywhere, though it is quantified almost nowhere within the general listed-company regime; the Dutch annual-programme device and the ILA twelve-hour CPD threshold in Luxembourg are the clearest exceptions and likely indicators of the future direction of soft-law evolution. Fourth, the collective-competence model – according to which qualification is a property of the board as a whole rather than of each director individually – is shared across all thirty jurisdictions, and is strongly supported by the empirical governance literature. Fifth, audit committee expertise, harmonised by Directive 2014/56/EU and Regulation (EU) No 537/2014, is the single most consistent functional qualification requirement across the Union and its neighbours. Sixth, regulated sectors operate as a parallel and substantially more demanding regime, so much so that the effective European standard for NEDs of financial institutions is set by prudential supervision rather than by corporate governance codes (Ferrarini, 2017).

Three divergences, however, persist and merit attention. The first concerns the degree of quantification of CPD: from the Dutch mandatory annual programme and the ILA twelve-hour threshold at one pole, through the UK and Irish intermediate regimes anchored in professional-body

rules, to the purely aspirational expectations prevailing in most Nordic, Central European, Baltic and Mediterranean jurisdictions at the other pole. The second concerns the role of stock exchanges as quasi-regulators: Nasdaq Stockholm's listing-training requirement and the LuxSE X Principles' resourcing duty for induction and ongoing training have no exact equivalent elsewhere, although the Bucharest Stock Exchange is moving cautiously in the same direction, and the broader question of whether listing venues should assume such a role remains unresolved across the Single Market. The third concerns the permeability between general and sectoral regimes: in jurisdictions with larger financial sectors – the United Kingdom, the Netherlands, Ireland, Germany, France, Cyprus, Malta, and with particular intensity Luxembourg – sectoral suitability expectations have spilled outwards to shape market-wide governance practice, whereas in smaller markets the general regime remains comparatively insulated from sectoral regulation, producing an asymmetry that complicates cross-border comparison.

One temptation, when confronted with the statutory silence on training, CPD and qualifications in thirty European jurisdictions, is to conclude that Europe does not regulate NED competence at all. This reading would be profoundly mistaken. What the comparative evidence reveals is not the absence of regulation but the displacement of regulation from one legal register to another: from company law to corporate governance codes, from codes to professional bodies, from professional bodies to supervisory authorities. Each of these registers operates according to its own logic of enforcement and its own calibration of obligation; taken together, they produce a dense mesh within which most NEDs of European listed companies are subject to substantial, if unevenly quantified, competence expectations. The Luxembourg configuration – minimalist company law, prescriptive soft-law X Principles, quantified ILA professional-body CPD and demanding CSSF suitability circulars – is a particularly legible microcosm of this stratified architecture. The regulatory grammar of European NED education is thus neither hard law nor soft law in isolation, but their stratified interaction – an architecture at once permissive in its formal appearance and demanding in its concrete demands.

## **10. Conclusions and Policy Implications**

The comparative analysis supports four principal conclusions. The first is that the European NED education landscape is overwhelmingly principles-based. No Member State treats pre-appointment training, quantified CPD or individual qualification as a formal statutory precondition for appointment to the board of a listed company. The operative regulatory modality is comply-or-explain, operationalised through national corporate governance codes and surrounded by a penumbra of professional-body CPD rules and, in regulated sectors, supervisory suitability requirements.

The second is that the principles-based approach should not be mistaken for a regulatory vacuum. A substantial floor of competence expectations is produced by the cumulative operation of four mechanisms: induction programmes embedded in governance codes, the EU-harmonised audit-committee expertise requirement, professional-body CPD rules for NEDs holding professional qualifications, and sector-specific suitability regimes for financial institutions. This floor operates

as a de facto European competence framework, particularly for directors of larger listed companies and regulated entities. The Luxembourg evidence supports this reading with unusual clarity: in a jurisdiction whose statute book is quiet on training, CPD and qualifications, the combined action of the LuxSE X Principles, the ILA certification regime and the CSSF suitability circulars produces, in substance, a demanding competence framework for NEDs of listed and regulated entities alike.

The third is that the regulatory trajectory points unmistakably towards greater professionalisation. The recent updates to the Dutch, Irish, Romanian, Slovenian, Bulgarian, Hellenic, Portuguese and Finnish codes; the emergence of topic-specific training requirements in France (CSRD, DORA, NIS); the expansion of structured board education programmes by ILA, IoD, CGI, BICG, the Swiss Board School, the Slovenian Directors' Association, the Croatian Corporate Governance and Management Society, the Polish Institute of Directors, and the Czech Institute of Directors; and the continuing deepening of sectoral suitability regimes all move in the same direction. The question is no longer whether NED competence expectations will intensify, but through which regulatory instruments, and at what pace.

The fourth is that the residual lack of comparability across jurisdictions is itself a challenge for a Single Market whose integration increasingly depends on the mutual legibility of national corporate governance systems. Institutional investors, cross-border listed groups and directors themselves face informational frictions in assessing the competence of boards operating under different regulatory traditions. Further coordination – whether through ecoDa, through EU soft-law instruments, or through a voluntary European NED competence framework – would materially enhance comparability and support the continuing integration of European capital markets.

From these conclusions flow several concrete policy implications. National directors' associations are well placed to develop or endorse NED competence frameworks setting out expected skills and knowledge at induction and throughout the term of office, aligned with ecoDa's pan-European benchmarks; to offer accredited induction and CPD programmes with recognised certification – as ILA, IoD, CGI and BICG already do in their respective markets; and to publish annual CPD guidance proposing a recommended minimum number of hours – the twelve-hour ILA threshold at the lower end and the twenty-to-thirty-five-hour IoD/CGI range at the upper end mark the interval around which European expectations are coalescing. Regulators and supervisors, for their part, can reinforce comply-or-explain reporting on induction, CPD and qualification disclosures in annual corporate governance statements, encourage stock exchanges to follow the Nasdaq Stockholm, LuxSE and BVB examples by incorporating baseline listing-training requirements, and promote alignment between the general governance regime and sectoral suitability regimes, particularly for topics – ESG, climate, cyber – where expectations are now substantively similar across listed companies regardless of sector.

Listed companies and their nomination committees have the most direct instrument at their disposal: the design of board-profile matrices, induction programmes and continuing-education programmes that are structured, documented, evaluated and reported on – in keeping with the collective-competence model that the scholarly literature has shown to matter most for oversight quality.

Individual NEDs, finally, can treat board membership as a professional activity requiring continuous investment in knowledge, judgment and ethical reflection, maintain a personal CPD record aligned with the expectations of any professional body to which they belong, and prioritise training in the fast-evolving oversight areas of CSRD and ESRS, DORA and NIS2, AI governance and geopolitical risk.

Taken together, these measures would support the organic development of a voluntary European NED competence framework, coordinated by ecoDa, serving as a common reference point across jurisdictions without displacing national regulatory traditions. Such a framework would reinforce the comply-or-explain architecture of European corporate governance while providing the comparability and credibility that an integrated capital market increasingly demands.

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