

THE MAKING OF A COMPETENT BOARD: TRAINING, DEVELOPMENT AND QUALIFICATIONS FOR NON-EXECUTIVE DIRECTORS AND MEMBERS OF SUPERVISORY BOARDS IN EUROPE

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Author's full name: Darko Tipurić, PhD

Institution/organization: Croatian Corporate Governance Society

Author's e-mail: darko.tipuric@ccgm.hr



Author's full name: Lana Cindrić, PhD

Institution/organization: Croatian Corporate Governance Society

Author's e-mail: lana.cindric@ccgm.hr



Author's full name: Anamarija Idžojtić, MSc

Institution/organization: Croatian Corporate Governance Society

Author's e-mail: [namarija.idzajtice@ccgm.hr]



Abstract

Across thirty European jurisdictions – the twenty-seven Member States of the European Union together with Norway, Switzerland and the United Kingdom – we examine three closely entangled dimensions of board competence: pre-appointment training, continuous professional development, and qualification requirements for the appointment of non-executive directors and members of supervisory boards (NEDs) of listed companies. Drawing on national contributions to the ecoDa Education Committee, on desk research into national codes and supervisory guidance, and on the literature on board effectiveness and director human capital, we find an almost unanimous principles-based architecture: not a single jurisdiction treats any of the three dimensions as a formal statutory precondition for appointment. This regulatory restraint nonetheless coexists with a dense mesh of soft-law expectations, professional-body obligations and sector-specific suitability regimes that together produce, *de facto*, a European floor of competence. The operative regulatory grammar of European board education is therefore neither hard law nor soft law in isolation, but their stratified interaction – an architecture at once permissive in form and demanding in substance. The paper offers a framework for thinking about board education as a layered governance technology and draws practical implications for directors’ associations, regulators, listed companies and individual NEDs.

Keywords

corporate governance, non-executive directors, board education, continuous professional development, comply or explain, European Union

1. Introduction

Over the last two decades the figure of the non-executive director – or, in two-tier systems, the member of the supervisory board (hereafter NED) – has undergone a quiet but decisive metamorphosis. Once conceived as a part-time honorific, a station of dignity more than of duty, the NED has become a demanding professional function whose holders are expected to combine strategic judgment, technical literacy and ethical discernment in equal measure. The post-2008 strengthening of financial 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 has long cast the NED as a monitor of managerial discretion (Fama & Jensen, 1983), while resource-dependence and human-capital perspectives treat the board as a portfolio of knowledge, experience and relational capital whose quality materially affects firm performance and risk oversight (Hillman & Dalziel, 2003; Adams, Hermalin, & Weisbach, 2010). Empirical work consistently identifies competence composition as a first-order determinant of board effectiveness (Adams, Akyol, & Verwijmeren, 2018; Kim & Starks, 2016), and post-crisis evidence on financial-institution boards documents that technical knowledge at board level is associated with materially better risk-management outcomes (Minton, Taillard, & Williamson, 2014; De Haan & Vlahu, 2016).

Yet this convergence of expectation has not produced a convergence of rules. The regulatory techniques by which European jurisdictions translate broad competence demands into concrete obligations remain strikingly heterogeneous: some place their faith in soft-law codes and the discretion of nomination committees; others overlay a dense layer of prudential regulation upon listed financial institutions; a few impose quasi-mandatory training through stock-exchange listing rules; and Luxembourg, with its modest equity-listed population and disproportionately powerful supervisor, allows the practical shape of NED competence to be set by the financial supervisor rather than by company law or by the governance code. This paper situates the resulting evidence within the comparative governance literature, and develops a layered analytical framework with which to read it.

2. Research Objectives and Propositions

The paper pursues three research objectives. The first is to map, on a comparable basis, the statutory, regulatory and soft-law requirements applicable to pre-appointment training, continuous professional development (CPD) and professional qualifications of NEDs of listed companies in the twenty-seven EU Member States together with Norway, Switzerland and the United Kingdom. The second is to identify points of convergence and divergence across these jurisdictions, distinguishing between obligations arising from general company law, national governance codes, stock-exchange listing rules, sector-specific prudential regulation and professional-body self-regulation. The third is to derive practical policy implications for directors' associations, regulators, listed companies and individual NEDs, with a view to strengthening board effectiveness and enhancing the cross-border legibility of the European Single Market.

Five propositions structure the analysis. They are derived from the conceptual literature on layered regulation in corporate governance and tested against the comparative evidence assembled in Sections 5 and 6.

P1. European jurisdictions do not impose pre-appointment training, quantified CPD or formal individual qualification as statutory preconditions for the appointment of NEDs of listed companies.

P2. Statutory silence notwithstanding, induction at appointment and ongoing development have become near-universal soft-law expectations articulated through national governance codes on a comply-or-explain basis.

P3. Where quantified competence obligations bind NEDs of listed companies, they do so primarily through professional bodies rather than through general director law or governance codes.

P4. Sector-specific prudential regulation, operationalised through the EBA, ESMA and EIOPA suitability frameworks, produces a substantially more demanding regime for NEDs of listed financial institutions, the spillovers of which shape market-wide expectations in jurisdictions with large financial sectors.

P5. The effective European competence regime is the cumulative product of three regulatory layers – general company law, soft-law codes, and prudential supervision – whose stratified interaction constitutes the operative regulatory grammar of European board education.

3. Conceptual Framework: Three Layers, One Obligation

The competence requirements that press upon an NED of a listed European company arise from three regulatory layers that operate cumulatively rather than alternatively. Reading silence in any one layer as the absence of regulation is a categorical error: the operative obligation emerges only at the point of intersection between law, code and supervision.

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. 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 (Conac, Enriques, & Gelter, 2007; Hopt, 2011).

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 in the register of expectation rather than prohibition. Codes rarely impose numerical thresholds; they place responsibility on the chair, on the nomination committee or on the board as a whole. Enforcement is refracted through market discipline and investor scrutiny rather than through judicial sanction (Arcot, Bruno, & Faure-Grimaud, 2010; MacNeil & Li, 2006; Cuomo, Mallin, & Zattoni, 2016).

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, 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 (Ferrarini, 2017; Hopt, 2021). Where this third layer applies, it binds; where it does not, it exerts a quiet normative pull on general governance practice.

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

| Layer | Instruments | Binding force | Enforcement |
|---|--|----------------------|--|
| 1. General company law | Civil/commercial codes, companies acts, listing rules (eligibility, incompatibilities) | Mandatory | Courts, commercial registries |
| 2. Soft law (governance codes) | National corporate governance codes; stock-exchange best-practice recommendations | Comply-or-explain | Market discipline, investor scrutiny, disclosure |
| 3. Sector-specific prudential regulation | 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 the latter three 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 methodology combines three sources. National contributions were gathered from members of the ecoDa Education Committee for nineteen of the jurisdictions; for Luxembourg, the Institut Luxembourgeois des Administrateurs (ILA) supplemented this contribution with documentation on training requirements for board members (Institut Luxembourgeois des Administrateurs, 2025). For the remaining eleven jurisdictions – Bulgaria, Cyprus, Czechia, Estonia, Greece, Hungary, Latvia, Lithuania, Portugal, Slovakia and Slovenia – desk research was conducted on the most recent consolidated versions of national companies acts, governance codes, listing rules and supervisory guidance. The comparative material is read against the empirical literature on board effectiveness and director human capital. 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 treated as contextual overlays rather than in exhaustive detail.

5. The Three Competence Dimensions

In none of the thirty jurisdictions does general company law impose mandatory training or formal certification as a statutory precondition for the appointment of an NED. This baseline is consistent across legal families and across regulatory styles (Enriques & Volpin, 2007; Hopt, 2011).

5.1. Pre-appointment training

Three exceptions delineate the outer limits of what European systems are presently willing to prescribe. First, the French Commercial Code (Articles L.225-30-2 and L.225-79, L.225-79-2; and, for shareholder-employee members, L.225-71) entitles employee-elected directors and supervisory members to at least forty hours of training per year, at the company's expense – the only quantified general-law training entitlement in the sample. Second, Nasdaq Stockholm's listing rules require all board members of a newly listed company to undergo training on listing-related obligations, transmitting through the company a duty that binds the whole board. Third, the Luxembourg Stock Exchange X Principles, in Recommendation 3.6 and Guideline 1, tie an explicit induction expectation to a resourcing duty, placing Luxembourg in the upper range of European soft-law prescriptiveness (Luxembourg Stock Exchange, 2024; Riassetto & Storck, 2019).

Between this statutory silence and these narrow exceptions lies the true centre of gravity of pre-appointment training in Europe: the recommendation, embedded in almost every national 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 (2022, amended 2025) goes furthest within the soft-law register, mandating an introduction programme for every newly appointed supervisory or non-executive director.

The picture changes markedly in regulated sectors. National competent authorities translate the EBA/ESMA and EIOPA suitability guidelines into binding fit-and-proper assessments. Appointment to the board of a listed bank or insurer is conditioned on prior supervisory evaluation of knowledge, experience and integrity, and is frequently accompanied by targeted induction training on prudential, AML/CFT, ESG, climate, ICT and cyber-risk matters. Luxembourg illustrates this overlay with particular intensity: CSSF Circular 12/552 (as amended) for credit institutions, CSSF Circular 20/758 for CRR investment firms, and CSSF Circular 18/698 for UCITS management companies and authorised alternative investment fund managers require continuous training, periodic suitability assessment and documented remedial action where competence gaps emerge (Commission de Surveillance du Secteur Financier, 2018, 2020).

5.2. Continuous professional development

No jurisdiction imposes, as a matter of general company law applicable to NEDs of listed companies, a statutory CPD obligation with minimum hours or points. Governance codes fill this space with expectations rather than rules. Two exceptions stand out. The Dutch Code (2022, amended 2025) requires supervisory directors to participate in an annual continuing education programme covering company developments, governance, sector issues, financial reporting, audit and ESG; the annual cycle is expected to be documented under comply-or-explain, with the result that the Dutch expectation is materially stricter than its continental counterparts. The ILA certification regime, in turn, requires Certified Directors to complete a minimum of twelve hours of CPD per calendar year – the only continental-European quantified CPD threshold formally tied to a voluntary director-certification regime (Institut Luxembourgeois des Administrateurs, 2025).

Where quantified CPD obligations bind NEDs of European listed companies, they typically do so through the professional bodies to which individual directors belong. The Institute of Directors requires Chartered Directors to complete a minimum of thirty hours of CPD per year (Institute of Directors, 2024); the Chartered Governance Institute UK & Ireland does not specify a fixed annual CPD threshold under its current policy, but anticipates that active chartered members will undertake a minimum of approximately thirty-five hours of CPD per year as a guiding benchmark (Chartered Governance Institute UK & Ireland, 2024). In the Baltic Republics, the ecoDa-endorsed Board Member Programme of the Baltic Institute of Corporate Governance functions as the de facto vehicle for structured ongoing development. In Malta, NEDs acting “by way of business” must register with the MFSA as Company Service Providers and maintain annual continuing professional education hours under the CSP Rulebook. In Italy and Romania, statutory-auditor bodies impose CPD on those of their members who sit on listed-company boards.

The sectoral overlay reasserts itself with particular force here. The EBA/ESMA and EIOPA suitability guidelines treat continuous suitability as an ongoing assessment that obliges credit

institutions, investment firms and insurance undertakings to adopt formal training policies, allocate resources, conduct gap analyses and document the training of individual board members. In France, Loi Pacte and the CSRD have added topic-specific training expectations on climate, ESG, cybersecurity, compliance and anti-corruption that operate across the listed-company population rather than solely within the prudential perimeter. For NEDs of listed financial institutions, the resulting de facto CPD regime is substantially more demanding than anything imposed by general company law or by governance codes.

5.3. Professional qualifications

No jurisdiction conditions appointment to the board of a listed company on prior certification, licensing or academic credential as a general rule. Two narrow statutory specificities qualify this baseline. Spain has, since June 2021, required that only natural persons may be appointed as directors of listed companies. Italy's collegio sindacale regime imposes formal statutory-auditor qualification requirements on its members, and the Italian Corporate Governance Code requires at least one audit committee member to be a registered statutory auditor or to possess equivalent expertise.

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 must establish an audit committee whose members collectively possess competence relevant to the sector, and at least one of whose members must have competence in accounting or auditing. National implementations vary in their precision – “financial expert” in Germany and France, “Finanzexperte” in Austria, statutory-auditor registration in Italy, accounting and audit competence in the Iberian, Nordic, Central and Eastern European, Baltic, Hellenic and Cypriot regimes – but the underlying rule is uniform. This is 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.

Beyond the audit committee, national codes converge on a theoretically important device: competence is treated as a property of the board as a whole rather than of each individual director. The DCGK, the AktG, the Dutch Code, the AFEP-MEDEF and Middledenext codes, the UK Corporate Governance Code 2024, the 2024 Irish Code, and the codes of all twenty-six other jurisdictions 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 finds strong support in the literature: the resource-dependence tradition (Pfeffer & Salancik, 1978; Hillman & Dalziel, 2003) treats the board as a portfolio whose quality depends on combination rather than on individual attributes, and the empirical work of Kim and Starks (2016) demonstrates that gender-related diversity in functional expertise enhances board human capital, while Adams, Akyol, and Verwijmeren (2018) – exploiting the Regulation S-K disclosure on director qualifications – show that the principal dimension along which boards vary is precisely the diversity of director skills. Their evidence further suggests that performance benefits depend on how individual skill sets are matched to the strategic and oversight needs of the specific company, rather

than on diversity or homogeneity in the abstract, lending weight to the European preference for collective competence assessment over individual credentialism.

6. 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 |
|-----------------|---|--|--|
| Austria | 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. |
| Belgium | 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. |
| Bulgaria | No statutory requirement; National Code 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. |
| Croatia | 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. |
| Cyprus | 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. |
| Czechia | No statutory requirement; Czech CG 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. |
| Denmark | 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. |



| Country | Pre-appointment training | CPD | Professional qualifications |
|----------------|---|--|--|
| Estonia | 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. |
| Finland | 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. |
| France | No statutory requirement for shareholder-elected directors; ≥ 40 h/year for employee-elected directors (Art. L.225-30-2 C. com.) and supervisory members (Arts. L.225-79, L.225-79-2; L.225-71 for shareholder-employee members); 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. |
| Germany | 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). |
| Greece | No statutory requirement; Hellenic Code (June 2021) recommends induction; HCMC suitability policy under Law 4706/2020 structures appointments. | 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). |
| Hungary | 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). |
| Ireland | 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. |
| Italy | 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 |
|--------------------|--|--|--|
| Latvia | No statutory requirement; Latvian CG Code (Corporate Governance Advisory Board) recommends induction. | No statutory threshold; ecoDa-endorsed BICG programmes function as de facto CPD vehicle. | No general requirement; audit committee: accounting/audit expertise (PIE). |
| Lithuania | No statutory requirement; Nasdaq Vilnius CG 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. |
| Luxembourg | 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 12/552 for credit institutions, 20/758 for CRR investment firms, 18/698 for investment fund managers). | No statutory threshold; X Principles impose an ongoing-training resourcing duty; CSSF Circulars 12/552, 20/758 and 18/698 require documented continuous training (incl. AML/CFT); ILA Certified Directors must complete ≥ 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. |
| Malta | 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. |
| Netherlands | 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. |
| Norway | 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. |
| Poland | No statutory requirement; Best Practice of WSE Listed Companies 2021 recommends induction; KNF fit-and-proper in regulated sectors. | No statutory threshold; Best Practice recommends periodic competence assessment. | No general requirement; audit committee: accounting/audit expertise; majority independent. |
| Portugal | No statutory requirement; IPCG CG 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. |

| Country | Pre-appointment training | CPD | Professional qualifications |
|-----------------------|---|---|---|
| Romania | 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. |
| Slovakia | No statutory requirement; CG 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). |
| Slovenia | 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. | No general requirement; audit committee: at least one member with accounting/audit expertise; legal entities cannot serve on boards. |
| Spain | 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. |
| Sweden | 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). |
| Switzerland | 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. |
| United Kingdom | 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 ≥ 30 h/year (Royal Charter); CGI UK & Ireland: no fixed annual threshold; ~ 35 h/year guiding benchmark for active chartered members. | 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.

The comparative evidence supports each of the five propositions advanced in Section 2, but it does so with characteristic asymmetries that deserve to be drawn out.

P1 – the absence of a statutory training, CPD or qualification precondition for the appointment of NEDs of listed companies – holds without exception in all thirty jurisdictions.

P2 – the near-universal soft-law expectation of induction and ongoing development – also holds without exception, although the prescriptiveness of the expectation varies markedly: the Dutch annual-programme device, the Irish chair-led tailored induction, the Luxembourg resourcing duty and the new 2025 Bucharest provision occupy the prescriptive end of the spectrum, while the Nordic and Central European codes adopt a more laconic register.

P3 – the displacement of quantification onto professional bodies – is corroborated by the United Kingdom (IoD, CGI), Ireland, Luxembourg (ILA), the Baltic Republics (BICG), Malta (CSP Rulebook) and the Italian and Romanian statutory-auditor regimes; in jurisdictions without a strong professional-body infrastructure, quantification is simply absent.

P4 – the substantially more demanding regime for listed financial institutions – is the most consequential asymmetry. The composite obligation that flows from EBA/GL/2021/06, EIOPA-BoS-14/253 and the SSM is not a marginal increment but a regime change. It is fully evident in jurisdictions whose listed populations are dominated by financial institutions (the United Kingdom, the Netherlands, Ireland, Germany, France, Cyprus, Malta and, with particular intensity, Luxembourg), where it spills outwards to shape market-wide expectations; it is comparatively muted in jurisdictions with smaller financial sectors and more diversified listed populations, where the gap between the general and the sectoral regime remains visible at the surface.

P5 – the cumulative, stratified character of the effective competence regime – emerges from the interaction of P1 through P4: no single layer is sufficient to explain what binds an NED of a listed company in Europe, and reading any one of them in isolation produces a misleading picture.

Three observations follow. First, the locus of regulation has migrated from company law to a constellation of softer instruments without weakening – and arguably while strengthening – the substantive expectation of competence. Second, the audit-committee expertise rule under Directive 2014/56/EU and Regulation (EU) No 537/2014 is the only instance of hard-law substantive qualification in the sample, and its persistent uniformity across the thirty jurisdictions suggests that European harmonisation, where it occurs, occurs through committee-level rules rather than through board-level ones. Third, professional-body certification has become the principal mechanism through which quantified competence signals are produced in the European market for board appointments, with thresholds clustering in the twelve-to-thirty-five-hour range and likely to coalesce further as ecoDa-endorsed programmes spread.

7. Conclusions and Policy Implications

European board education is governed by a paradox. The statute book is almost completely silent: no jurisdiction conditions appointment to the board of a listed company on prior training, on a minimum number of CPD hours, or on a formal individual qualification. To stop reading at this surface, however, is to misread Europe entirely. Beneath the silence lies an unusually demanding mesh of soft-law expectations, professional-body rules and supervisory suitability regimes whose

cumulative weight produces, in substance, a European floor of competence that no jurisdiction has felt the need to legislate explicitly because none has felt able to legislate it well. The regulatory grammar of European NED education is therefore not the absence of regulation but its displacement – from company law to governance codes, from codes to professional bodies, from professional bodies to supervisors. Luxembourg is the clearest microcosm: minimalist company law, prescriptive X Principles, quantified ILA professional-body CPD and demanding CSSF circulars combine to produce a regime that is permissive in form and exacting in substance.

The principles-based architecture is a strength, not a weakness. By regulating boards through duties of conduct rather than through duties of certification, European jurisdictions have preserved the heterogeneity of legal traditions and ownership structures while still converging on a substantive expectation of competence. Attempts to harmonise by imposing a single statutory training threshold would, on the comparative evidence, achieve less than the existing stratified architecture already delivers – and would risk degrading the very heterogeneity that makes European corporate governance institutionally resilient. The policy task is therefore not to replace the architecture but to render it legible.

The gap between listed financial institutions and the rest of the listed-company population, however, is now wide enough to constitute a structural cleavage in European board education. Where the prudential regime applies, NEDs are trained, assessed, retrained and replaced under a discipline that is, in everything but name, professional. Where it does not apply, the same NEDs sit on boards whose competence expectations are aspirational and unquantified. This cleavage produces a two-tier market for directors, in which the qualifications acquired by a financial-sector NED carry signalling weight that those acquired by an industrial NED do not – and it constitutes an under-acknowledged regulatory deficit at the heart of the European Single Market.

From this diagnosis flow four policy messages. First, ecoDa and its national member associations should coordinate the development of a voluntary European NED competence framework that translates the implicit soft-law expectations of national codes into a comparable benchmark, anchored in induction modules, CPD thresholds and topic-specific competences (CSRD/ESRS, DORA, NIS2, AI governance, geopolitical risk). The thresholds at which European expectations are already coalescing – twelve hours per year at the lower end (ILA), thirty to thirty-five hours at the upper end (IoD, CGI) – provide a natural anchor for such a framework. Second, stock exchanges should follow the Nasdaq Stockholm, Luxembourg Stock Exchange and Bucharest examples by attaching baseline training expectations to the act of listing, recognising that the quasi-regulatory role of listing venues is one of the few mechanisms through which the financial-industrial cleavage can be closed without statutory intervention. Third, regulators should align general and sectoral suitability expectations on the topics – ESG, climate, cyber, AI – where the substantive risks faced by financial and non-financial listed companies are now indistinguishable, and should reinforce comply-or-explain reporting on induction, CPD and qualification disclosures in annual corporate governance statements. Fourth, listed companies and their nomination committees should treat board-profile matrices, induction programmes and continuing education as instruments of strategic resilience rather than as compliance ornaments – an injunction in which the empirical literature on

board human capital and the fiduciary responsibilities of the chair point unmistakably in the same direction.

A final, more uncomfortable observation closes the analysis. The empirical literature is unambiguous: technical board competence is a first-order determinant of risk outcomes, and skill diversity at board level predicts firm performance better than any individual credential. Thirty European jurisdictions have nonetheless concluded, with remarkable unanimity, that this empirical fact does not warrant a statutory training requirement. They may yet be right; the principles-based architecture may indeed be the most efficient form of competence regulation available. But if a future financial crisis, a major ESG failure or a destabilising governance scandal proves them wrong, the cost will not be paid by the legislators who chose silence. It will be paid by the shareholders, employees and creditors of listed companies whose boards were, by every formal measure, fully compliant – and, by every substantive measure, demonstrably unprepared. The case for moving from comply-or-explain to comply-and-explain – from the binary of declaration to the discipline of evidence – is, on the comparative record assembled here, no longer easy to dismiss.

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The authors state that AI tools (specifically Claude) were used solely in an auxiliary capacity for language editing and verification of sources, while all substantive content, analysis and conclusions are entirely their own work, for which they assume full responsibility.

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