Women on corporate boards in Europe: milestones and challenges

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Abstract

One of the most pressing ethical issues that corporations worldwide face nowadays is the diversity of management structures. In this vein, female presence on the board of directors and in top management teams of corporations is the object of policy and public debate. Women are significantly underrepresented in corporate decision-making bodies. Countries have adopted various policies aimed to increase female presence on boards. European countries have been particularly active adopting policy, Europe being the continent that has approved most of the regulations that aim to increase the representation of women on boards worldwide. Some countries have tried to increase female representation on boards through board gender quotas. Following Norway's lead in 2003, eleven European countries have, to date, adopted board gender quotas - both hard and soft- to address gender imbalance. Twenty-three European countries have, additionally or as sole policy, sought to increase women's representation in corporate boardrooms through "comply or explain" corporate governance codes with recommendations to consider diversity when appointing directors. At a supranational level, the European Commission proposed more than 10 years ago, back in 2012, a Directive on female representation on boards that has recently been approved. All EU-27 members are now affected by the EU Directive of November 2022 which establishes a quota for the under-represented sex in publicly listed companies to be fulfilled in 2026. Our study provides a comprehensive overview of the evolution in the last two decades of women directors and regulations implemented in Europe and how regulations affect female representation on boards of directors of the largest listed European companies from 2003 to 2022. The analyses show an increase in the presence of women on boards of directors from the early 2000s to nowadays, with greater board presence in countries that enacted gender diversity on board regulations, whether quotas and/or recommendations in codes of good governance. Interestingly, the intensity of the increases does not seem to be linked to the typology of regulation and the targets established by regulation were not reached in some countries. These results allow to identify future legislative challenges not only in regards women on boards but also in relation to female representation in other corporate bodies, such as, top management teams.

Keywords: board of directors, female directors, women on boards, quotas, soft regulations, EU Directive

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Introduction

After ten years since its proposal by the European Commission, the 22nd of November 2022, the European Parliament approved an EU law to break the glass ceiling of EU listed companies' boards: the EU Law on gender balance on corporate boards. Directive 2022/2381 came into force on December 27th 2022. EU States will have two years to transpose its provisions into national law so that they ensure that, by 2026, EU listed companies have 40% of the underrepresented sex among non-executive directors or 33% among all directors; implement fair and transparent selection procedures for the selection of candidates for board positions and undertake individual commitments to reach gender balance among their executive board members. Companies that fail to meet the objective of the directive will have to report the reasons and the measures they are taking and penalties are foreseen by Member States for companies that fail to comply with the selection and reporting obligations.

This new EU law is framed within the EU Gender Equality Strategy 2020-2025 and the policy objective to achieve balanced participation of both women and men in decision-making. In fact, gender imbalances in companies are greater at the highest levels. As EU Directive 2022/2381 acknowledges, achieving balance on boards of directors is essential to meet the demographic and economic challenges of the European Union, making full use of female talent by increasing the number of women advancing to management positions. The directive is meant to be temporary and is set to expire on 31st December 2038. The Directive is the consequence of a long route in the EU and is based on the belief that new rules are needed to accelerate progress and break the glass ceiling. By the end of 2022, only around 32% of the EU largest listed companies were women, even though 60% of university graduates are female.

The EU legislation follows disperse regulations already enacted by many European countries, both in the form of quotas and codes of good practice, and that have fulfilled their aim of increasing female presence on boards. In fact, Europe not only accounts for the vast majority of the world's legislative initiatives, it also leads the way both in establishing the first quota, back in 2003 by Norway and enacting the first comply or explain Code of Good Governance, the Cadbury Code, back in 1992. Nevertheless, some European countries have not enacted any regulations. The dispersion, divergence and/or absence of gender on boards normative at country level within the EU have derived in disparate figures on the number of women on boards. Overall, these regulations aiming to increase gender presence on boards have been analyzed by academic literature with mixed results. A large body of women on boards literature examines the consequences on firm decisions and outcomes, to some extent, of gender diversity board recommendations on codes (Chapple and Humphrey, 2014), of soft quotas (Martinez-García et al., 2022 2023; Mateos de Cabo et al., 2019; Shan et al. 2018; Srivastava et al., 2018) and amply of hard quotas (Ahern and Dittmar, 2012; Bertrand et al., 2014; Bøhren and Staubo, 2014 2015; Ferrari et al., 2016; Solimene et al., 2017).

This chapter analyses the evolution over the last two decades of women directors and regulations implemented in Europe and how regulations affect female representation on boards of directors of the largest listed European firms. The present situation of women's representation in Europe is described and the future challenges of the EU Directive are discussed. The final section presents the main conclusions.

Legal and regulatory initiatives to promote female representation on European corporate boards

Many countries have enacted regulations to increase gender diversity on corporate boards (Denis, 2022). Board gender diversity regulations follow two formulas: quotas (i.e., hard law) and codes (i.e., soft law). Quotas can be differentiated as «hard quotas» if there are sanctions for unmet targets and «soft quotas» if not. To date, twelve European countries have adopted board gender quotas –both hard and soft- to address gender imbalance (Table 1).

Norway enacted the first gender quota in 2003 at 40% with non-compliant firms facing delisting from the Oslo Stock Exchange. Subsequently, three European countries established «soft quotas» (Spain in 2007, Iceland in 2010 and Switzerland in 2020) and eight «hard quotas» (Belgium in 2011, Italy in 2011 -amended in 2019-, France in 2011 -updated in 2021-, Germany in 2015 -updated in 2021-, Austria in 2017, Portugal in 2017, Greece in 2020 and Netherlands 2021[†]). Penalties in case of «hard quotas» vary greatly across countries and include delisting (Norway), open seats (Austria, Belgium, Germany, Italy, Netherlands, and Portugal), fines (Greece, France, Italy, and Portugal), and suspension on boards (Belgium and France).

Quotas also differ in target levels, ranging from 25 percent (Greece) to 40 percent (France, Iceland, Italy, Norway, and Spain). According to Kanter (1997) and Kirsch (2021), quota targets have different effects on board composition, conforming tilted and balanced groups. Gender-balanced boards are those in which each gender represents at least 40 percent and at most 60 percent of directors. Five European quotas aim to promote gender-balanced boards (France, Iceland, Italy, Norway, and Spain) whilst the other seven gender quotas set a tilted board where men retain the vast majority of board seats: Greece (25%), Switzerland (20% and 30%), Austria and Germany (30%), and Belgium, Netherlands and Portugal (33%).

Corporate governance systems vary from country to country, and may influence the scope of gender diversity regulation, and subsequent share of female directors. That is, some countries have a one-tier structure of a single board of directors with both management and supervision roles comprising executive and non-executive directors. Other countries have a two-tier structure such as a management board consisting of executive directors and a supervisory board consisting of non-executive directors. A third possibility is the choice of a one-tier or two-tier structure. Thus, gender diversity regulation may depend on board structure, and therefore affects non-executive, executive, or both types of directors. Among European countries with a two-tier system and gender board quotas, Austrian, Icelandic and Norwegian quotas affect the supervisory board and therefore non-executive directors; by contrast, the 2015 German quota affects the supervisory board and the 2021 German quota regulates the management board. Conversely, among European countries where boards of directors have a one-tier structure, only Spain and Greece passed a gender board quota affecting the single board, comprised of executive and non-executive directors. Finally, for European countries where companies may choose one-tier or two-tier structures, the Netherlands introduced a gender board quota for non-executive directors, and Belgium, Italy, and Portugal passed quotas for executive and non-executive directors together. By contrast, the Swiss quota affects executive and non-executive directors with different thresholds depending on director type, and France introduced a quota for non-executive directors in 2011 and another quota for executive directors in 2021.

Quotas also vary in their duration. Although the vast majority of enacted quotas in Europe are permanent regulations (Austria, Belgium, France, Germany, Greece, Iceland, Norway, Portugal, and Spain), Dutch and Italian quotas have an expiry date. Indeed, the first Italian quota (expected to expire in 2020) was amended in 2019 by increasing the target from 33% to 40% and it is set to expire after six board terms. On the contrary, in Netherlands the initial 30% gender quota for executive and non-executive directors expired in 2020 and in early 2021 a new board gender quota was enacted. The 2021 Dutch board gender quota increased the target to 33.3% percent among non-executive directors, established sanctions in case of non-compliance (null and void appointments), and is set to expire in 2038.

At a supranational level, the European Commission proposed in 2012, a Directive on female presence on boards that has recently been approved. All EU-27 members are now affected by the EU Directive of November 2022 which establishes two different thresholds for the under-represented sex in publicly listed companies to be fulfilled in 2026: 40 percent among non-executive directors or 33.3 percent among all directors. European Member States are expected to establish sanctions for companies that fail to meet the objectives, for example, fines or the nullification of the appointments. The European «hard quota» is temporary and it is expected to expire in December 2026 (European Commission, 2022).

[†] The Netherlands introduced in 2013 a 30% gender board quota without sanctions. The quota expired in 2020.

The supranational law is more ambitious than the vast majority of EU Member States board gender quotas. Compared to the Spanish quota, the target among all directors is lower (33.3% percent versus 40%) but the European law contemplates penalties in case of non-compliance. Comparing it with other «hard quotas», the target for non-executive directors (40%) is higher than that of Austria (30%), Germany (30%) and the Netherlands (33%). In comparison to the Greek quota, which does not establish a threshold among non-executive directors, the Directive target for the whole board (33%) is higher than Greek gender diversity objective (25%). This target among total directors is shared with Belgium and Portuguese quotas (33.3%). Italian and French quotas are the only two which are more ambitious, since they request a figure of 40% of the under-represented gender among non-executive directors but also among executive directors.

Table 1: Gender board quotas in Europe

Country	Date	Target	Board composition	Directors	Implementation	Duration	Sanctions
Austria	2017	30%	Tilted	Non-executive	2022	Permanent	Null and void the appointment
Belgium	2011	33.3%	Tilted	Executive and non-executive as a whole	2017	Permanent	Null and void the appointment Suspension of director benefits
France	2011	40%	Gender balanced	Non-executive	20% by 2014 40% by 2017	Permanent	Null and void the appointment Suspension of payment of attendance fees
	2021	40%	Gender balanced	Executive	30% by 2027 40% by 2030	Permanent	Fines
Germany	2015	30%	Tilted	Non-executive	2020	Permanent	Null and void the appointment Fines
	2021	1 out 3	Tilted	Executive	Not set	Permanent	Null and void the appointment
Greece	2020	25%	Tilted	Executive and non-executive as a whole	Not set	Permanent	Fines
Iceland	2010	40%	Gender balanced	Non-executive	2013	Permanent	No sanctions
Italy	2011	33%	Tilted	Executive and non-executive as a whole	20% by 2012 33% by 2015	Temporary (expired in 2020)	Null and void the appointment Fines
	2019	40%	Gender balanced	Executive and non-executive as a whole	Not set	Temporary (it is set to expire after six board terms)	Null and void the appointment Fines
Netherlands	2013	30%	Tilted	Executive and non-executive as a whole	Not set	Temporary (expired in 2020)	No sanctions
	2021	33%	Tilted	Non-executive	Not set	Temporary (it is set to expire after eight years)	Null and void the appointment
Norway	2003	40%	Gender balanced	Non-executive directors	2008	Permanent	Delisted
Portugal	2017	33.3%		Executive and non-executive as a whole	20% by 2018; 33% from 2020	Permanent	Null and void the appointment Fines
Spain	2007	40%	Gender balanced	Executive and non-executive as a whole	2015	Permanent	No, but lack of gender diversity will impact consideration for public subsidies and state contracts
Switzerland	2020	30%	Tilted	Non-executive	2026	Permanent	No sanctions
		20%	Tilted	Executive	2031		
EU	2022	40%	Gender balanced	Non-executive	2026	Temporary (it is set to expire in December 2038)	To be established by each country
		33%	Tilted	Executive and non-executive as a whole			

Terjesen et al. (2015); Swissinfo.ch (2019); Mensi-Klarbach and Seierstad (2020); Kirsch, (2021); EWOB (2022), European Commission (2022) and own elaboration

Regarding «soft law» (Table 2), corporate governance codes are voluntary and non-binding norms that aim to improve corporate governance practices including gender diversity on boards of directors. The EU Directive 2013/34 requests every firm with shares traded in organized financial markets include a statement referring to the corporate governance code to which the firm is subject, and then describe how the firm either complies, or an explanation of noncompliance to the incumbent code. Eleven European countries introduced recommendations for board gender diversity in corporate governance codes: Sweden (2004), Denmark (2008), Finland (2008), Luxembourg (2009), Poland (2010), Ireland (2010), UK (2010), Romania (2015), Slovenia (2016), Lithuania (2019), Latvia (2020). All European countries that established board gender quotas also have codes with recommendations and requirements to report information on gender-related recruitment policies and board gender distribution. The vast majority of these countries' codes of good governance were introduced before quotas: Spain (2006 versus 2007), Netherlands (2008 versus 2013/2021), Austria (2009 versus 2017), Belgium (2009 versus 2011), Iceland (2009 versus 2010), France (2010 versus 2011), Germany (2010 versus 2015), Greece (2013 versus 2020), Switzerland (2014 versus 2020), Portugal (2016 versus 2017). Only Norway and Italy's quotas (2003 and 2011) preceded codes (2009 and 2018). Gender diversity recommendations have been updated in subsequent corporate governance codes (Austria, Denmark, Germany, Greece, Ireland Luxembourg, Netherlands, Poland, Spain, and UK) or include new provisions (Finland, Iceland, and Sweden). On the contrary, Belgium, France, Italy and Norway, although there have been updates in the corporate governance codes, they have not substantially changed gender diversity recommendations from the very first one. Finally, the most recent Latvian, Lithuanian and Romanian corporate governance codes are the first to include gender diversity recommendations.

The vast majority of the gender diversity recommendations included in corporate governance codes do not establish targets, with few exceptions: Austria includes 30% of the under-represented sex on the supervisory board; France and Spain set up a figure of 40% of women on boards of directors; Norway and Germany recommend target values for the percentage of women within the framework of legal requirements; Greece establishes female representation on corporate boards not lower than 25%; and Italy recommends board of directors comprising at least one third of directors of the less represented gender in 2018 and 2020 corporate governance codes.

To date, targets in gender diversity recommendations fit quota law thresholds with the exception of Italy (33.3% versus 40%). Although the target of the Spanish quota and gender diversity recommendations is the same nowadays, from 2018 to 2020 they differed (30% in the code and 40% quota) (Martínez and Gómez, 2021).

Eight EU-27 members have no regulation (ECGI, 2023): Bulgaria, Croatia, Cyprus, Czech Republic, Estonia, Hungary, Malta, and Slovakia.

Table 2: Codes of good governance that include board gender diversity recommendations in Europe

Country	Date	1st recommendation	Updates	Current recommendation
Austria	2009	"The nomination committee or the entire supervisory board shall present proposals to the general meeting for appointments to the mandates in the supervisory board that have become free. In this case, primarily the principles of C-Rule 52, especially personal and professional qualifications are to be taken into account. Furthermore, the aspects of diversity of the supervisory board with respect to the international background of the members, the representation of both genders, and the age structure are to be taken into account."	2012; 2015; **2018**; 2021	"The supervisory board shall be made up of at least 30 percent women and at least 30 percent men, provided the supervisory board consists of at least six members (shareholder representatives), and the staff representatives must consist of at least 20 percent female and male employees each."
Belgium	**2009**	"The board's composition should ensure that decisions are made in the corporate interest. It should be determined on the basis of gender diversity and diversity in general, as well as complementary skills, experience and knowledge. A list of the members of the board should be disclosed in the CG Statement."	2020	"The composition of the board should be determined so as to gather sufficient expertise in the company's areas of activity as well as sufficient diversity of skills, background, age and gender."
Denmark	2008	"To ensure the quality of board work and thus increase the supervisory board's contribution to the value creation, it is important that the composition of the supervisory board is regularly reviewed, including as regards diversity in relation to gender and age, etc." "Every year, in the management's review, the supervisory board accounts for its composition, including its diversity, and for any special competence possessed by the individual members."	2010; **2011; 2013**; 2014; 2017	"Section and nomination of candidates for the board of directors be carried out through a thoroughly transparent process approved by the board of directors. When assessing its composition and nominating new candidates, the board of directors, in addition to the need for competences and qualifications, should take into consideration the need for integration of new talent and diversity" (since 2011) "Once a year the board of directors discuss the company's activities to ensure relevant diversity at management levels, prepares, and adopts a policy on diversity. The policy should be published on the company website" "Diversity includes age, international experience and gender" (since 2013)
Finland	**2008**	"The number of the directors and the composition of the board shall make it possible for the board to discharge its duties in an efficient manner. […] Both genders shall be represented on the board."	2010; **2015;** 2020	"The number of directors and the composition of the board of directors shall be such that they enable the board of directors to see to its duties efficiently. Both genders shall be represented in the board of directors." (since 2008) "The company shall define and report principles concerning the diversity of the board of directors." (since 2015)
France	**2010**	"Each Board should consider what would be the desirable balance within its membership and within that of the committees of Board members which it has established, in particular as regards the representation of men and women and the diversity of competencies, and take appropriate action to assure the shareholders and market that its duties will be performed with the necessary independence and objectivity. In order to reach such balance, the objective is that each board shall reach and maintain a percentage of at least 20% of women within a period of three years and **at least 40% of women** within a period of six years, from the date of publication of this recommendation or from the date of the listing of the company's shares on a regulated market, whichever is later."	2013; 2016; 2018; 2020; 2022	"Each Board should consider what the desirable balance of its membership and that of the Board committees should be, particularly in terms of diversity (gender representation, nationalities, age, qualifications, professional experience, etc.). It should make public in the report on corporate governance a description of the diversity policy applied to members of the Board of Directors as well as a description of the objectives of this policy, its implementation measures and the results achieved in the past financial year." "The final aim was that all Boards should achieve and then maintain a percentage of at least 40% women as of the shareholders' meeting of 2016 or the acceptance of the company's shares for trading on a regulated market"
Germany	2010	"When appointing the Management Board, the Supervisory Board shall also respect diversity and, in particular, aim for an appropriate consideration of women". "The Supervisory Board shall specify concrete objectives regarding its composition which, whilst considering the specifics of the enterprise, take into account the international activities of the enterprise, potential conflicts of interest, an age limit to be specified for the members of the Supervisory Board and diversity. These concrete objectives shall, in particular, stipulate an appropriate degree of female representation."	2012; 2013; 2014; **2015;** 2017; 2019; **2022**	"The Supervisory Board ensures that the legally required gender participation on the Management Board is complied with or defines target values for the percentage of women on the Management Board within the framework of legal requirements" [30%] (since 2015) "The composition of the Supervisory Board has to ensure that its members collectively possess the knowledge, skills and professional expertise required to properly perform their duties; furthermore, the legal gender quota must be considered" [1 woman in boards with 3 members; quota passed in 2021] (since 2022)

Note: year of the current recommendation in bold

Source: European Corporate Governance Institute (ECGI) (2023) and own elaboration

Table 2 (continued): Codes of good governance that include board gender diversity recommendations in Europe

Country	Date	1st recommendation	Updates	Current recommendation
Greece	2013	"The board should be diversified as to gender and include a diversity of skills, views, competences, knowledge, qualifications and experience, relevant to the business objectives of the company. Within such context, the company should pursue the optimum diversity, including gender balance, in the composition of its board and senior executive team". "The diversity policy including, gender balance, for board members, as adopted by the board, shall be published on the company's website. The corporate governance statement shall make specific reference to the diversity policy applied by the company in relation to the composition of its board and the percentage of each gender represented in the board and senior executive team."	**2021**	"The selection criteria of the members of the Board of Directors shall include at least sufficient representation by gender in a percentage not less than twenty-five percent (25%) of all the members of the Board of Directors. In the case of a fraction, this percentage shall be rounded to the previous integer." "The company ensures that the diversity criteria concern, in addition to the members of the Board of Directors, senior and/or senior management with specific representation objectives by gender, as well as timetables for achieving them"
Ireland	2010	"The search for board candidates should be conducted, and appointments made, on merit, against objective criteria and with due regard for the benefits of diversity on the board, including gender."	**2012;** 2014; 2016; 2019	"Appointments to the board should be subject to a formal, rigorous and transparent procedure, and an effective succession plan should be maintained for board and senior management. Both appointments and succession plans should be based on merit and objective criteria and, within this context, should promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths." "The annual report should describe the work of the nomination committee, including […] the gender balance of those in the senior management and their direct reports."
Iceland	**2009**	"The role of the Committee should include, e.g.: (…) Addressing gender ratios on the company's Board."	2012; **2015;** 2021	"The role of the Committee should include […] addressing gender ratios on the company's Board." (since 2009) "The Board shall display diversity and breadth in qualifications, experience and knowledge, and the goal shall be for gender distribution to be as equal as possible" (since 2015)
Italy	**2018**	"The Board of Directors shall have at least one third of directors of the less-represented gender"	2020	"At least a third of the board of directors and the control body, where the latter is autonomous, is to be comprised of members of the less represented gender"
Latvia	2020	"The diversity of the composition of the supervisory board is an important driver of the effectiveness of the supervisory board. If the supervisory board consists of persons with different, complementary competencies, views, education, work experience (including international), nationality, as well as both genders and persons of different ages are represented in the supervisory board, this contributes to comprehensive discussions, wider criteria perspective as well as carefully considered decision-making. In order to ensure the implementation of the principle of diversity of the composition of the supervisory board, the company may establish a diversity policy to be used in the selection process of the members of the supervisory board"	No	
Lithuania	2019	"The members of the supervisory board elected by the general meeting of shareholders should collectively ensure the diversity of qualifications, professional experience and competences and seek for gender equality." "The members of the management board elected by the supervisory board or, if the supervisory board is not formed, by the general meeting of shareholders should collectively ensure the required diversity of qualifications, professional experience and competences and seek for gender equality."	No	

Note: year of the current recommendation in bold
Source: European Corporate Governance Institute (ECGI) (2023) and own elaboration

Table 2 (continued): Codes of good governance that include board gender diversity recommendations in Europe

Country	Date	1st recommendation	Updates	Current recommendation
Luxem-bourg	2009	"In their diversity, members of the board represent a complementarity of experiences and knowledge. A list of the board members should be disclosed in the Corporate Governance Chapter of the annual report insofar as possible the board should have an appropriate representation of both genders."	**2013; 2017**	"Among the criteria to select for the appointment or re-appointment of Directors, the company shall take account of diversity criteria, including criteria relating to professional experience, geographical origin and the appropriate representation of both genders, aside from overall skill-based criteria" (since 2013) "With regard to the Board of Directors, the company shall disclose (…) a description of the diversity policy applied to the company's administrative, management or supervisory bodies" (since 2017)
Nether-lands	2008	"An important means of promoting independent action of the supervisory board is to ensure the diversity of its composition in terms of such factors as age, gender, expertise, social background or nationality."	2016; **2022**	"The management board, the supervisory board and the executive committee (if any) should be composed in such a way as to ensure a degree of diversity appropriate to the company with regard to expertise, experience, competencies, other personal qualities, sex or gender identity, age, nationality and cultural or other background" "The following information about each supervisory board member should be included in the report of the supervisory board: sex or, if desired by the person concerned, gender identity (..)" "The company should have a D&I (diversity and inclusion) policy for the enterprise. The D&I policy should in any case set specific, appropriate and ambitious targets in order to achieve a good balance in gender diversity and the other D&I aspects of relevance to the company with regard to the composition of the management board, the supervisory board, the executive committee (if any) and a category of employees in managerial positions ("senior management") to be determined by the management board" "The corporate governance statement should explain the D&I policy and the way in which it is implemented in practice (…)"
Norway	**2009**	"The composition of the board of directors in terms of the gender of its members must satisfy the requirements of the Norwegian Public Limited Liability Companies Act." [40% of non-executive directors]	2010; 2011; 2012; 2014; 2018	"Norwegian company law has a number of special features, including: (…) both genders must be represented on the board of directors" [40% of non-executive directors]
Poland	2010	"The WSE [Warsaw Stock Exchange] recommends to public companies and their shareholders that they ensure a balanced proportion of women and men in management and supervisory functions in companies, thus reinforcing the creativity and innovation of the companies' economic business."	2012; **2016**	"Decisions to elect members of the management board or the supervisory board of a company should ensure that the composition of these bodies is comprehensive and diverse among others in terms of gender, education, age and professional experience" "Information about the company's diversity policy applicable to the company's governing bodies and key managers; the description should cover the following elements of the diversity policy: gender, education, age, professional experience, and specify the goals of the diversity policy and its implementation in the reporting period; where the company has not drafted and implemented a diversity policy, it should publish the explanation of its decision on its website"
Portugal	**2016**	"Companies should establish standards and requirements of the profile of new members of its governing bodies, which are suitable regarding the roles each of them should develop. Besides individual attributes (such as independence, integrity, experience and competence), these profiles should take into consideration general diversity requirements, paying particular attention to gender diversity that could potentially contribute to a better performance of the governing body and to the balance of its respective composition." "Until 2020 the company should establish and publish a program that intends to insure a balanced representation of gender in the composition of each of its governing bodies, distinguishing between executive management positions and nonexecutive management positions." "The nomination committee should prompt, to the extent of its powers, transparent selection processes that include effective mechanisms of identification of potential candidates and that for nomination, proposals for election or co-option, those with the highest merit, promote a larger diversity in the composition of the company's boards an contribute to a higher balance to gender equality are chosen."	2018; 2020; 2023	"Companies establish, previously and abstractly, criteria and requirements regarding the profile of the members of the corporate bodies that are adequate to the function to be performed, considering, notably, individual attributes (such as competence, independence, integrity, availability and experience), and diversity requirements (with particular attention to equality between men and women), that may contribute to the improvement of the performance of the body and of the balance in its composition." "The committee for the appointment of senior management provides its terms of reference and promotes, to the extent of its powers, the adoption of transparent selection processes that include effective mechanisms for identifying potential candidates, and that for selection those are proposed who present the greatest merit, are best suited for the requirements of the position and promote, within the organisation, an adequate diversity including regarding gender equality."

Note: year of the current recommendation in bold

Source: European Corporate Governance Institute (ECGI) (2023) and own elaboration

Table 2 (continued): Codes of good governance that include board gender diversity recommendations in Europe

Country	Date	1st recommendation	Updates	Current recommendation
Romania	2015	"The Board and its committees should have the appropriate balance of skills, experience, gender diversity, knowledge and independence to enable them to effectively perform their respective duties and responsibilities."	No	
Slovenia	**2016**	"The composition of the supervisory board ensures diligent supervision and decision taking that is in the best interest of the company. Members of the supervisory board are appointed with a view to their complementary professional expertise, experience and skills, and objectives of the Diversity Policy implemented from the perspective of gender, age, education and other personal characteristics of the members, if the company adopted such a Policy". "The Diversity Policy specifically defines the target diversity pursued with respect to the representation in management and supervisory boards from the perspective of gender. The Policy determines the ratio of both genders in the bodies as appropriate for the company depending on the size of the bodies." "The Diversity Policy specifically sets out the objectives of diversity for each body and ways of their implementation, as well as the effects on the human resources procedures and other processes in the company"	2018; **2021**	"Members of the supervisory board are appointed with a view to their complementary professional expertise, experience and skills, and the objectives set out in the Diversity Policy implemented with regard to gender, age, professional profile and other aspects of diversity defined in such Policy." "The Diversity Policy specifically defines gender diversity targets to be pursued concerning the representation in management and supervisory boards. The Policy determines the ratio of both genders in the bodies appropriate for the company, depending on the size of the bodies, the objectives pursued by the company, the impact on the company's selection process for members of the management and supervisory bodies and other company processes" "The Diversity Policy sets out specific objectives for each aspect of diversity and for each body separately and sets out how these objectives will be implemented, as well as the implications for human resource procedures and other processes in the company" (since 2016) "If a Diversity Policy is not implemented in the company, this is explained in the Corporate Governance Statement" (since 2021)
Spain	2006	"When women directors are few or non-existent, the board should state the reasons for this situation and the measures taken to correct it; in particular, the Nomination Committee should take steps to ensure that: a) The process of filling board vacancies has no implicit bias against women candidates; b) The company makes a conscious effort to include women with the target the candidates for board places." "The Nomination Committee should have the following functions in addition to those stated in earlier recommendations: (…) d) Report to the board on the gender diversity issues discussed in Recommendation 14 of this Code."	2013; 2016; 2018; **2020**	"Further, the number of female directors should account for at least 40% of the members of the board of directors before the end of 2022 and thereafter, and not less than 30% previous to that.."
Sweden	**2004**	"With the company's operations, phase of development, and other conditions taken into consideration, the board is to have an appropriate composition, exhibiting diversity and breadth in the directors' qualifications, experience and background. An equal gender distribution on the board is to be an aim."	2007; 2008; 2009; **2015;** 2016	"The board is to have a composition appropriate to the company's operations, phase of development and other relevant circumstances. The board members elected by the shareholders' meeting are collectively to exhibit diversity and breadth of qualifications, experience and background. The company is to strive for gender balance on the board". (since 2004) "The nomination committee is to propose candidates for the post of chair and other members of the board (…). In its assessment of the board's evaluation and in its proposals in accordance with rule 4.1, the nomination committee is to give particular consideration to (…) the requirement to strive for gender balance." (since 2015)
Switzerland	**2014**	"The Board of Directors should be comprised of male and female members. They should have the necessary abilities to ensure an independent decision-making process in a critical exchange of ideas with the Executive Board."	2016	"The Board of Directors should be comprised of male and female members. They should have the necessary abilities to ensure an independent decision-making process in a critical exchange of ideas with the Executive Board."
UK	2010	"The search for board candidates should be conducted, and appointments made, on merit, against objective criteria and with due regard for the benefits of diversity on the board, including gender."	**2012;** 2014; 2016;2018	"Appointments to the board should be subject to a formal, rigorous and transparent procedure, and an effective succession plan should be maintained for board and senior management. Both appointments and succession plans should be based on merit and objective criteria and, within this context, should promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths." "The annual report should describe the work of the nomination committee, including […] the gender balance of those in the senior management and their direct reports."

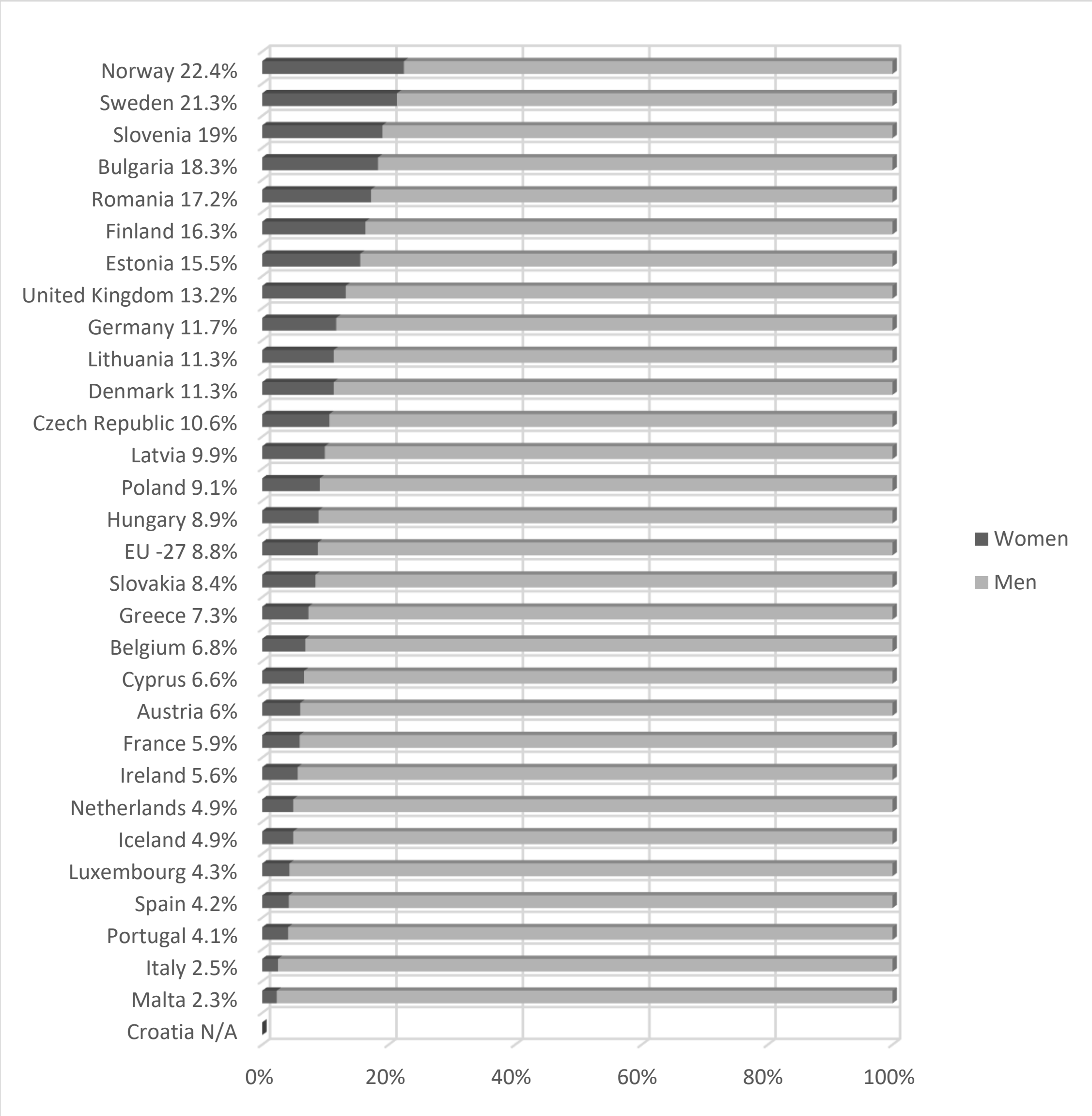
Note: year of the current recommendation in bold

Source: European Corporate Governance Institute (ECGI) (2023) and own elaboration

Trends in the presence of female representation on corporate boards

Figure 1 shows the percentage of female and male board members of the largest European‡ listed companies in 2004 (EIGE, 2023).

Women directors' presence in blue-chip companies in the early 2000s was practically residual. Norway had most (22.4%) followed by Sweden (21.3%). Both countries were pioneers in the introduction of board gender diversity normative and they were the only two countries with gender diversity regulation in force in 2004. Completing the top 10 were Slovenia (19%), Bulgaria (18.3%), Romania (17.2%), Finland (16.3%), Estonia (15.5%), UK (13.2%), Germany (11.7%), and Lithuania (11.3%). Additionally, in Denmark and Czech Republic the percentage of women directors was higher than 10 percent (11.3% and 10.6%, respectively). At the bottom of the ranking were southern European countries, such as Spain (4.2%), Portugal (4.1%), Italy (2.5%) or Malta (2.3%).

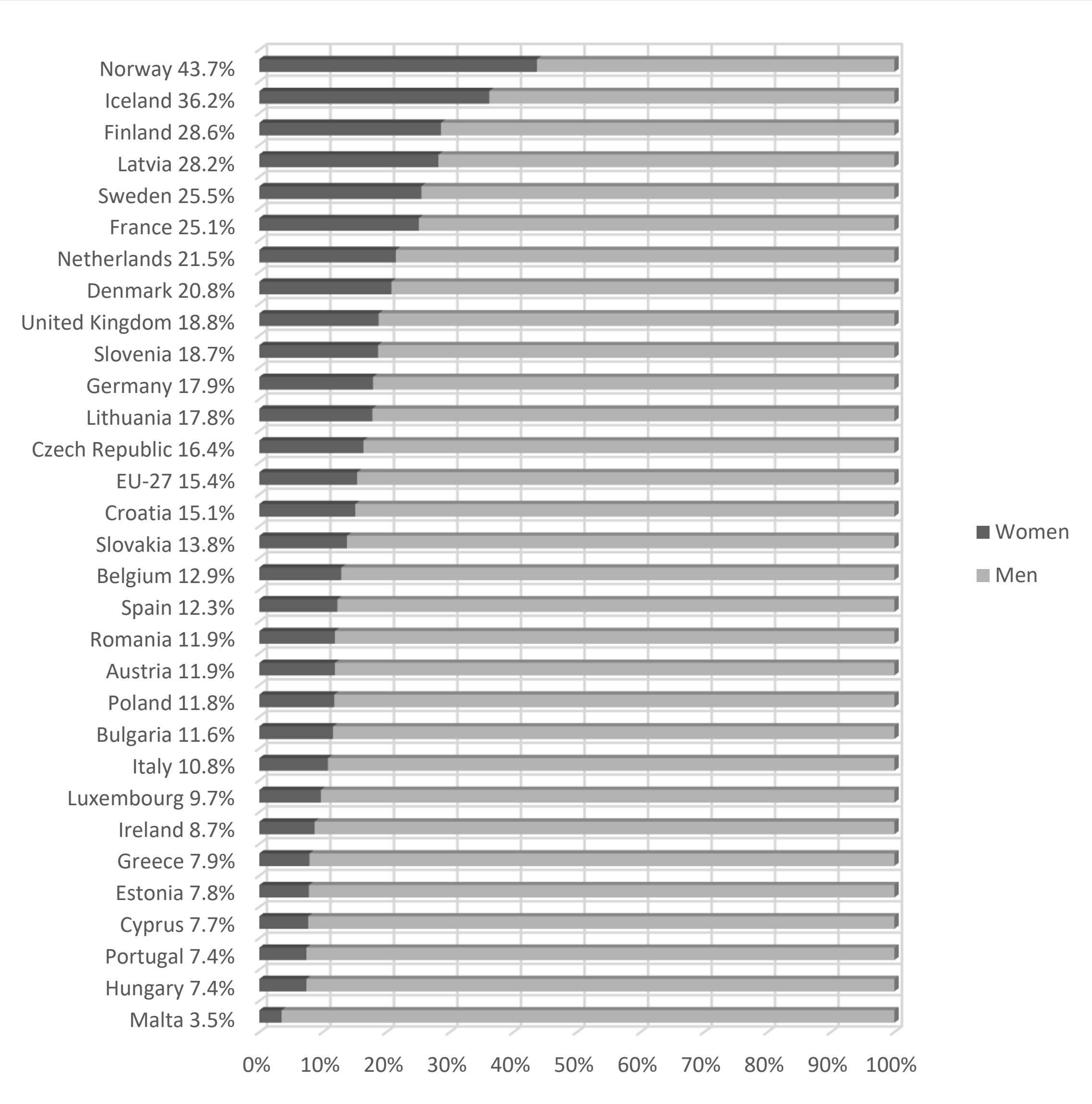


Source: EIGE (2023) and own elaboration

Figure 1: Women and men on corporate boards of large listed firms in in Europe (EU-27, Island, Norway and UK; 2004)

‡ EU-27, Norway, Iceland, and UK. EIGE (2023) does not provide data on female presence on the largest listed firms in Switzerland.

Eight years later (Figure 2), when the EU Directive was proposed (2012), Norway remained in first place, showing gender balanced boards of directors (43.7% female and 56.3% male directors) and Sweden (25.5%) was surpassed by Iceland (36.2%) where a 40% gender board soft quota was passed in 2009.

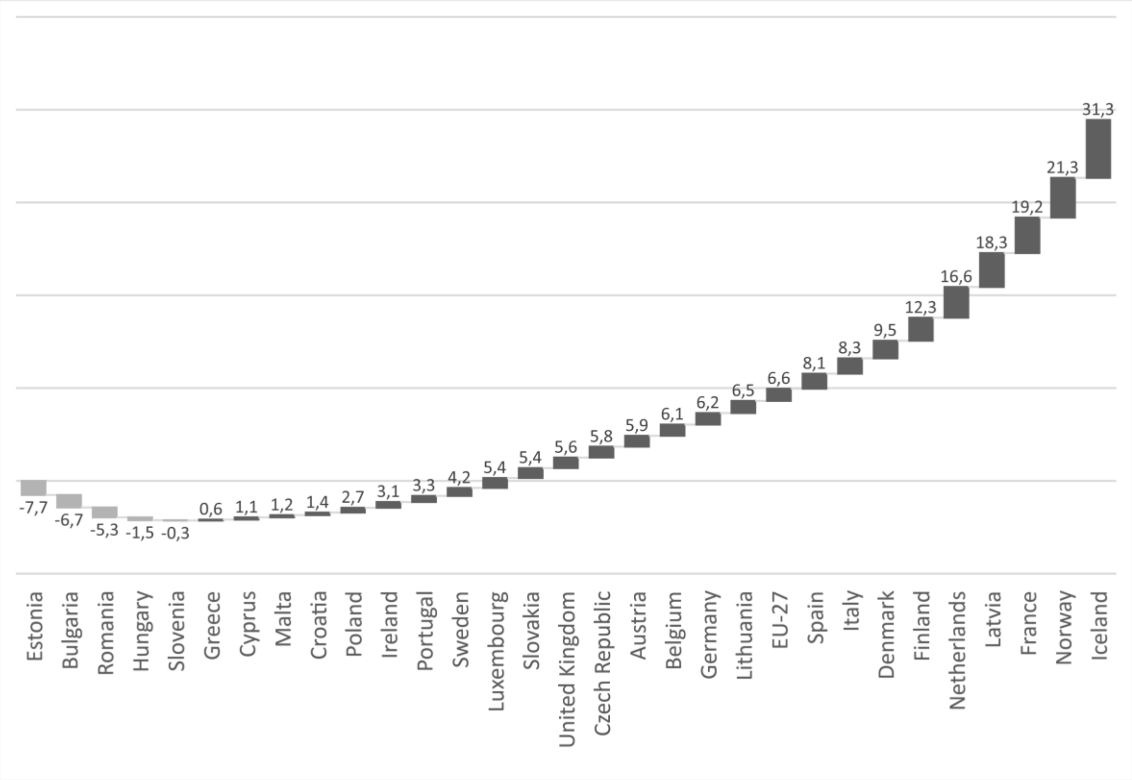


Source: EIGE (2023) and own elaboration

Figure 2: Women and men on corporate boards of large listed firms in Europe (EU-27, Island, Norway and UK; 2012)

Indeed, the presence of women on boards of directors in Iceland and Norway experimented the highest increases from 2004 to 2012, 31.3 percentage points (pp) and 21.3 pp, respectively (see Figure 3). By 2012 another 4 European countries had introduced gender board quotas - Spain (2007), Belgium (2011), France (2011), and Italy (2011). In France, the percentage of female directors rose from 5.9% to 25.1% (the third largest percentage point increases in the period) whilst in Italy, Spain and Belgium the increases were smaller: 8.3 pp, 8.1 pp, and 6.1 pp., respectively. In fact, female presence on boards of directors in Belgium (12.9%), Spain (12.3%), Italy (10.8%) was below the EU-27 average in 2012 (15.4%). Countries showing higher increases in gender diversity on boards of directors than the average in EU-27 (6.6 pp.) had implemented gender board quotas (Iceland, Norway, France, Italy, and Spain) or had introduced gender recommendations in corporate codes (Netherlands, Finland, and Denmark) before 2012. Latvia, where the first gender diversity regulation was introduced in 2020, is the only exception. An 18.3 pp increase in the presence of women on boards of directors was observed during the study period (from 9.9% to 28.2%). On the contrary, other European countries with gender diversity recommendations introduced in corporate governance codes showed lower increases in the percentage of women directors than the EU-27 in 2012 from 2004: Germany (11.7% to 17.9% -6.2 pp-), Austria (6% to 11.9% -5.9 pp-), UK (13.2% to 18.8% -5.6 pp-), Luxembourg (4.3% to 9.7% -5.4 pp-), Sweden (21.3% to 25.5% -4.2 pp-), Ireland (5.6% to 8.7% -3.1 pp-), and Poland (9.1% to 11.8% -2.7 pp-).

From 2004 to 2012, the share of women on boards decreased in 5 countries in the EU-27: Slovenia (-0.3 pp.), Hungary (-1.5 pp.), Romania (-5.3 pp.), Bulgaria (-6.7 pp.), and Estonia (-7.7 pp.). None of them had taken regulative action on the issue and what is more, three of them have yet to pass gender



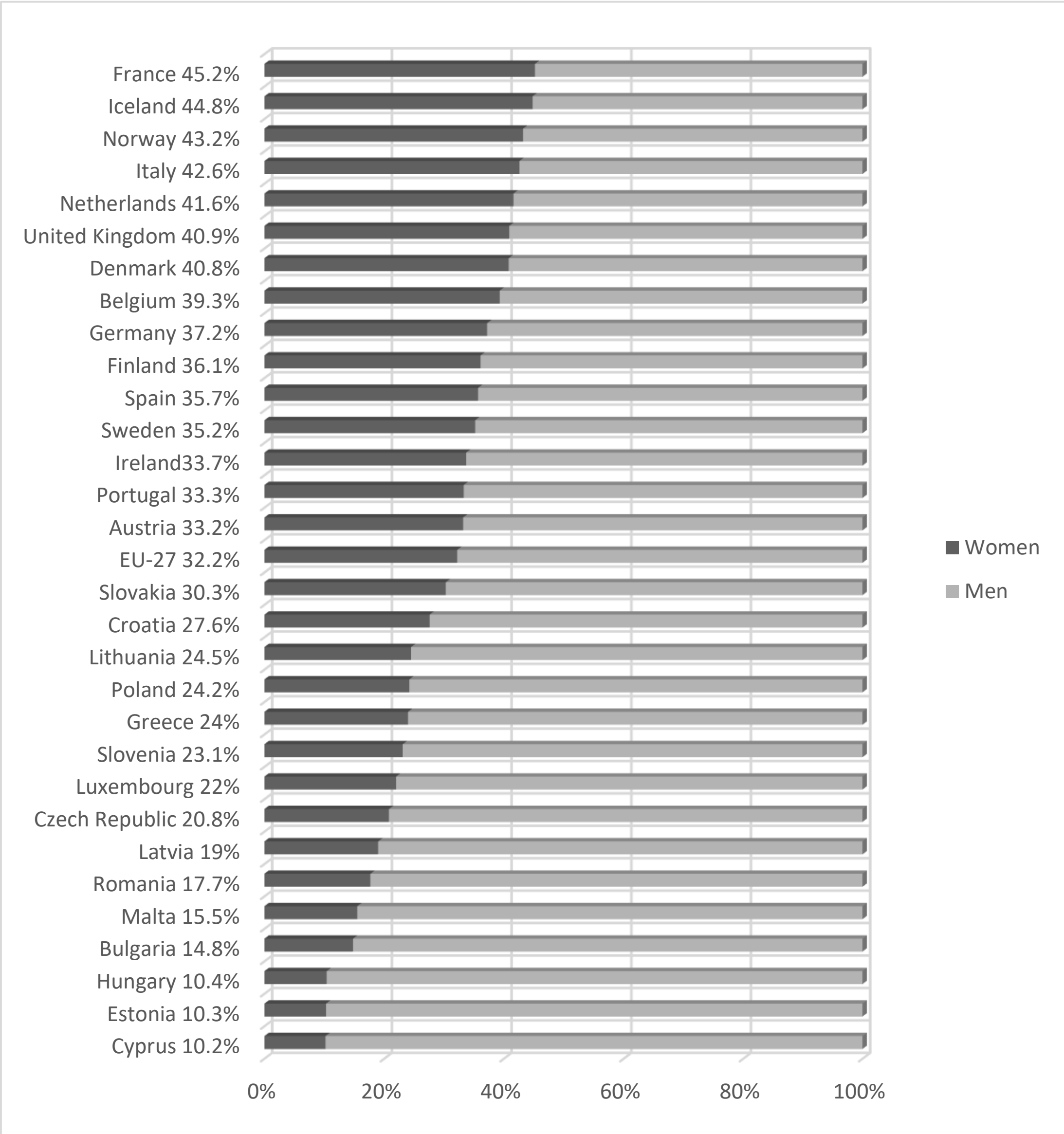
board diversity regulations (Bulgaria, Estonia, and Hungary).

Note: The year reference to compute the increase in Croatia is 2007 (first year with available data in EIGE's Gender Statistics Database.

Source: EIGE (2023) and own elaboration

Figure 3: Change in the percentage of women on corporate boards of largest listed companies in Europe (EU-27, Island, Norway, and UK; 2004 - 2012)

Ten years later (Figure 4), when the EU Directive has finally been approved, the average percentage of women on boards of directors of the largest listed firms in the EU-27 has reached 32.2%. This represents an increase of 16.8 pp (Figure 5) since 2012 (15.4%). There are only five Member States – France (45.2%), Italy (42.6%), Netherlands (41.6%), and Denmark (40.8%) in which boards of directors reach the gender balance zone (40% - 60%). Another three European countries research the gender balance zone: Iceland (44.8%), Norway (43.2%) and UK (40.9%). All have introduced soft or hard gender board quotas except Denmark and UK that introduced the comply or explain provision on corporate codes. The other countries surpassing the EU-27 average are Belgium (39.3%), Germany (37.2%), Finland (36.1%), Spain (35.7%), Sweden (35.2%), Ireland (33.7%), Portugal (33.3%), and Austria (32.2%).



Source: EIGE (2023) and own elaboration

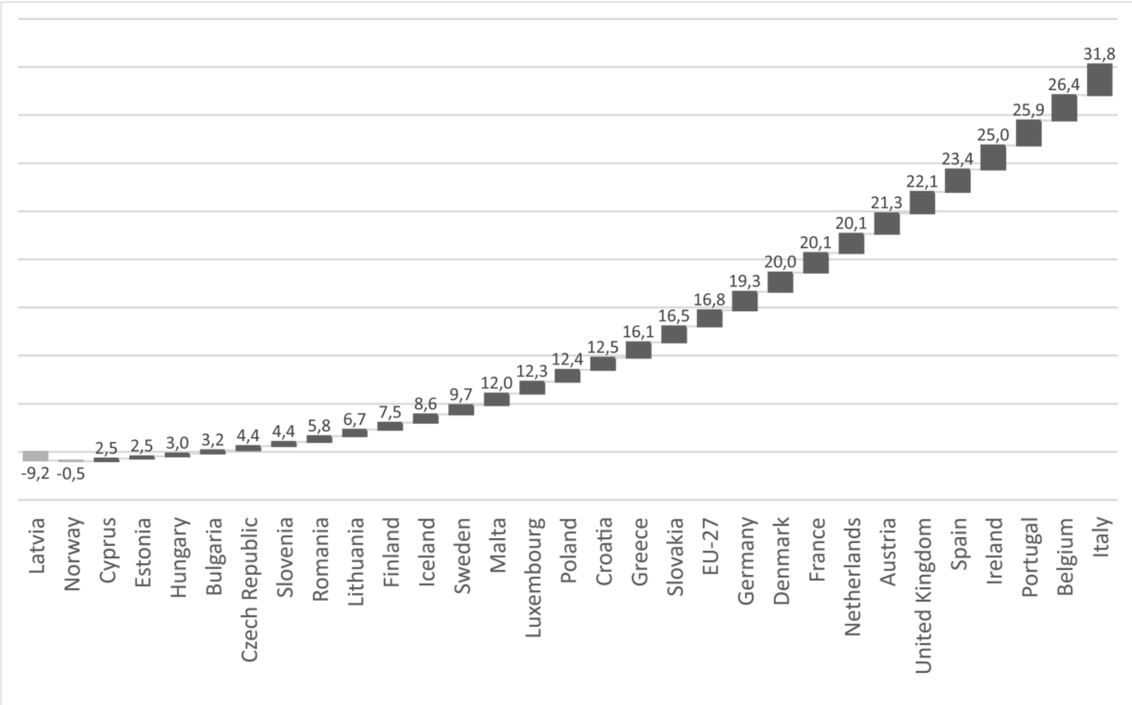
Figure 4: Women and men on corporate boards of large listed firms in Europe (EU-27, Island, Norway and UK; 2022)

Once again, the vast majority of these countries have introduced gender board quotas, only the two Nordic countries and Ireland chose recommendations instead of quotas. Similarly, (Figure 5), the most significant improvements over the period 2012-2022 took place in countries with gender board quotas – Italy (31.8 pp), Belgium (26.4 pp), Portugal (25.9 pp), Spain (23.4 pp), Austria (21.3 pp), Netherlands (20.1 pp), France (20.1 pp) and Germany (19.3 pp) – with few exceptions that in any case have included gender diversity recommendations in codes: Ireland (25 pp), UK (22.1 pp), and Denmark (20 pp).

Additionally, in Slovakia the percentage of directors who are women has reached the 30% threshold. It is worth nothing that Slovenia has not implemented gender board initiatives in boards of directors to date and the percentage of women directors has increased by 16.5 pp from 2012 to 2022. Similarly, in Croatia without gender board regulation, women held 27.6% of seats on the boards of directors in 2022 (an increase of 12.5 pp between 2012 and 2022).

In the last positions of the ranking, the percentage of female directors was below 25% in 2022. The vast majority of the countries have no regulation: Cyprus (10.2%), Estonia (10.3%), Hungary (10.4%), Bulgaria (14.8%), Malta (15.5%) Czech Republic (20.8%) or have recently introduced a quota –Greece in 2020 (24%) - or a recommendation -Latvia in 2020 (19%) and Lithuania in 2019 (24.5%)-. However, there are no exceptions here either. Romania (17.7%), Luxembourg (22%), Slovenia (23.1%) and Poland (24.2%) passed codes of good governance that include board gender diversity recommendations more than six years ago, even as many as thirteen years ago in the case of Luxembourg.

Among the EU-27 only Latvia shows a decrease in the share of women directors in 2022 with respect to 2012 (-9.2 pp), although the increase shown in 2012 compared to 2004 (18.3 pp) should not be forgotten without any regulation promoting gender diversity on boards of directors. Norway is another European country which has suffered a small decline in the share of female directors (-0.5 pp). Nevertheless, the percentage of female directors is higher than the 40% established by the Norwegian quota.



Source: EIGE (2023) and own elaboration

Table 5: Change in the percentage of women on corporate boards of largest listed companies in Europe (EU-27, Island, Norway, and UK; 2012 – 2022)

Trends in the presence of female representation on corporate boards of the largest listed firms are in line with previous empirical evidence. Sojo et al. (2016) report a significant increase in the share of women on boards of directors in countries with quotas, with and without sanctions, from 91 countries around the world. European studies analyzing the STOXX Europe 600 index report a positive and significant impact of hard quotas and gender diversity recommendations on female presence on boards of directors (Martínez-García and Gómez-Ansón, 2021).

Compliance with gender diversity regulations and future challenges

Table 3 shows a summary of board gender diversity regulation in the EU-27 and other European countries, the percentage of women directors among executive directors, non-executive directors, and all directors[§] in the largest European listed firms, and the degree of compliance with national quotas and European Directive provisions.

[§] In countries with a two-tier system, we consider the supervisory and management board as a unitary board to compute the percentages.

Table 3: Board gender diversity regulation in Europe: typology, targets and compliance (2022)

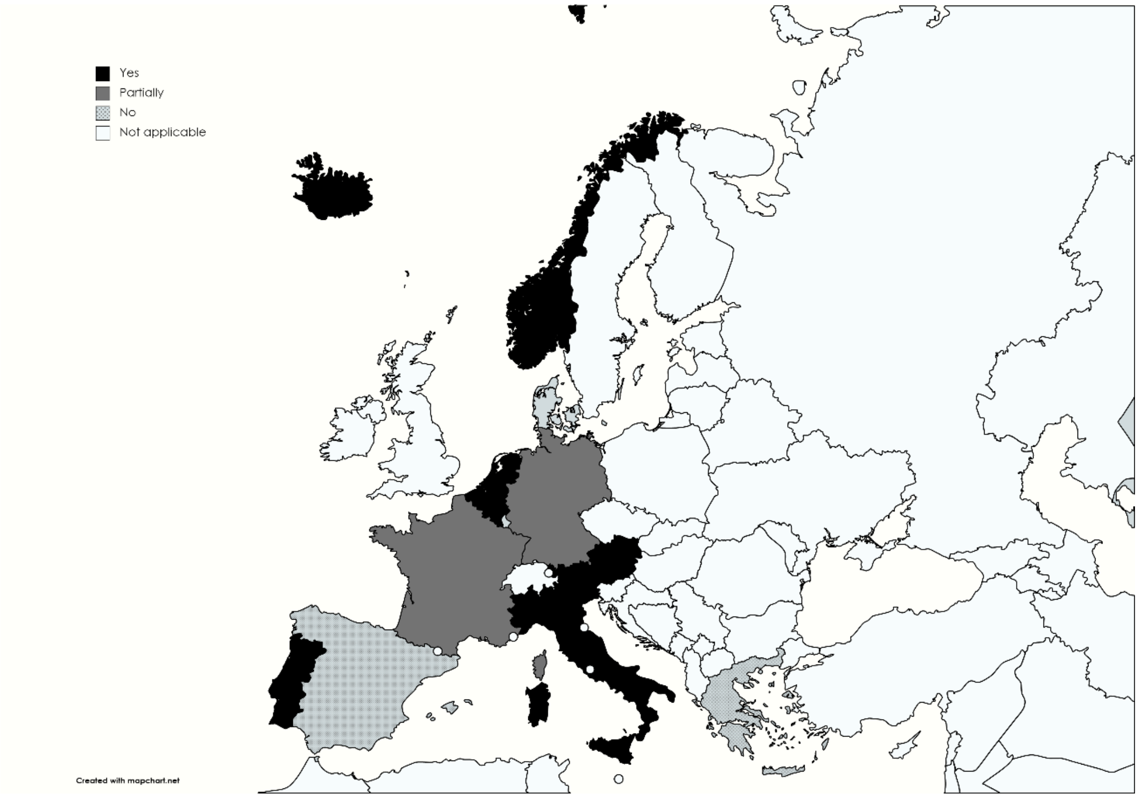
Country	Quota	Type	Target	Code	Target	Executives	Non-executives	Executives and non-executives	Compliance with national quota	Compliance with EU-Directive	
										40% non-exec.	33% total
Austria	X	Hard	30%	X	30%	9.5%	33.2%	27%	Yes	No	No
Belgium	X	Hard	33.3%	X	Not set	15.1%	42.5%	39.3%	Yes	Yes	Yes
Bulgaria						22%	14%	14.8%		No	No
Croatia						19.7%	27.9%	27.6%		No	No
Cyprus						17.9%	7.2%	10.2%		No	No
Czech Republic						12.3%	22.4%	20.8%		No	No
Denmark				X	Not set	22%	40.8%	34.3%		Yes	Yes
Estonia						25%	12.1%	10.3%		No	No
Finland				X	Not set	27.4%	36.1%	31.5%	Yes	No	No
France	X	Hard	40%	X	40%	27.4%	47.4%	45.2%	Partially	Yes	Yes
Greece	X	Hard	25%	X	25%	15.9%	29.6%	24%	No	No	No
Germany	X	Hard	30%	X	30%	22.1%	37.2%	32.8%	Partially	No	No
Hungary						17.9%	12.7%	10.4%		No	No
Iceland	X	Soft	40%	X	Not set	30.7%	44.8%	37.1%	Yes	N/A	N/A
Ireland				X	Not set	25.4%	38.9%	33.7%		No	Yes
Italy	X	Hard	40%	X	33.3%	13.9%	50%	42.6%	Yes	Yes	Yes
Latvia				X	Not set	25.7%	19%	21.5%		No	No
Lithuania				X	Not set	28.9%	26.3%	24.5%		No	No
Luxembourg				X	Not set	6%	27.7%	22%		No	No
Malta						24.3%	14.4%	15.5%		No	No
Netherlands	X	Hard	33%	X	Not set	18.7%	42.6%	41.6%	Yes	Yes	Yes
Norway	X	Hard	40%	X	40%	28.9%	43.2%	36.3%	Yes	N/A	N/A
Poland				X	Not set	14.4%	24.2%	19.9%		No	No
Portugal	X	Hard	33.3%	X	Not set	19.7%	41.2%	33.3%	Yes	Yes	Yes
Romania				X	Not set	23.8%	19.3%	17.7%		No	No
Slovakia						19.2%	30.3%	25.4%		No	No
Slovenia				X	Not set	22.2%	24.2%	23.1%		No	No
Spain	X	Soft	40%	X	40%	18.8%	41.6%	35.7%	No	Yes	Yes
Sweden				X	Not set	28.5%	37%	35.2%		No	Yes
UK				X	Not set	29%	47%	40.9%		N/A	N/A
EU-27	X	Hard	33% or 40%			21.1%	34.8%	32.2%		No	Yes

Notes: France complies with 40% gender quota among non-executive directors (since 2016) but does not comply with 40% gender quota among executive directors.
Germany complies 30% gender quota among non-executive directors (since 2017) but does not comply with 1 woman for every 3 executive board members.
Source: EIGE (2023) and own elaboration

Seven of the twelve** European countries that have imposed hard or soft quotas complied with the national target in 2022 (see Figure 6), although target thresholds and the scope of the quota varies greatly across countries. Thus, Austria, the Netherlands, and Norway reach 30%, 33%, and 40% of women among non-executive directors established in the hard regulation, respectively. Similarly, in the case of Iceland, the percentage of female non-executive directors is higher than the threshold of the soft quota (40%). Belgium and Italy surpass 33.3% and 40% of female representation on the board of directors, respectively, whilst in Portugal female representation on the board of directors has recently reached the mandatory threshold (33.3%).

France and Germany partially comply with their gender board quotas. France meets the 40% gender quota among non-executive directors but does not research the recently introduced 40% gender quota among executive directors (27.4%). Analogously, non-executive women directors in Germany represent 37.2% of the supervisory board (7.2 pp more than that established by law) but on management boards there is less than one woman for each three executive directors.

Finally, to comply with the Spanish soft quota (40%), the percentage of women in the one-tier board of Spanish blue chip firms has to increase by at least 4.3 pp. Greece is closer to compliance with the hard quota. Women executive and non-executive directors in the largest listed firms in Greece account for 24%, only one percentage point less than the European quota with the lowest target (25%).



Source: EIGE (2023) and own elaboration

Figure 6: Compliance with national quotas in Europe (EU-27, Island, Norway and UK; 2022)

The EU Directive is the result of a concern to harmonize and unify European regulations and balance gender diversity on corporate boards across the European Union. The 27 Member States have until December 2024 to transpose the Directive and integrate European provisions in internal country regulations and firms should meet European targets before 2026. Board gender diversity by country also varies widely at European level and trends in the presence of female representation on corporate

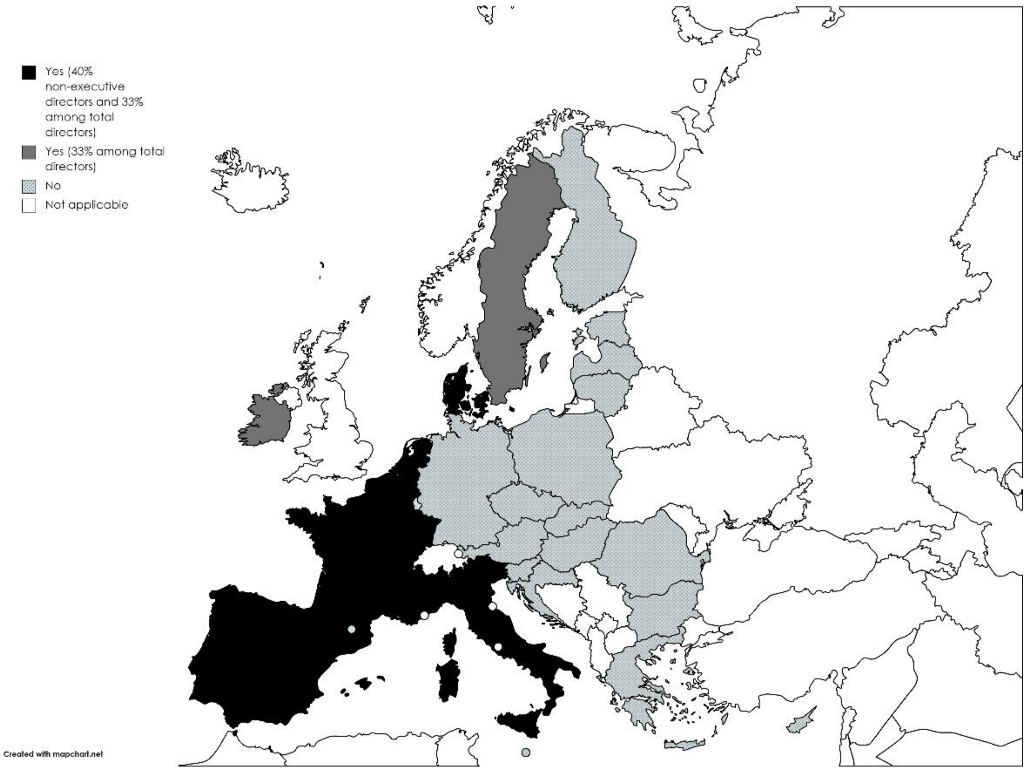
**Switzerland is not included in Table 3 but it does not comply with the quota in 2021 (EWOB, 2021). Women account for 28% in the supervisory board and 15% among executive directors (targets are 30% and 20%, respectively).

boards by country are also uneven. All this represents a huge challenge for the Member States, not least for those with no gender diversity regulation or with less binding or ambitious legislation.

To date, and considering shares of women directors in the largest European firms, nine Member States meet EU Directive targets (Table 3 and Figure 7). Firms can choose between two targets included in the Directive: 40% of women among non-executive directors or 33% of women among total directors (non-executive and executive). However, seven of nine countries -Belgium, Denmark, France, Italy, the Netherlands, Portugal and Spain- meet both targets. Women directors in Irish and Swedish largest listed firms account for more than 33% of total directors (executives and non-executives).

The other two thirds -18 Member States- do not comply with the European quota at this time. In Austria, Germany, and Finland low increases are needed in order to comply with the Directive. Women represent 37.2%, 36.1% and 33.2% among non-executive directors in Germany, Finland and Austria, respectively. Figures among total directors are 32.8% percent in Germany, 31.5% in Finland and 27% in Austria.

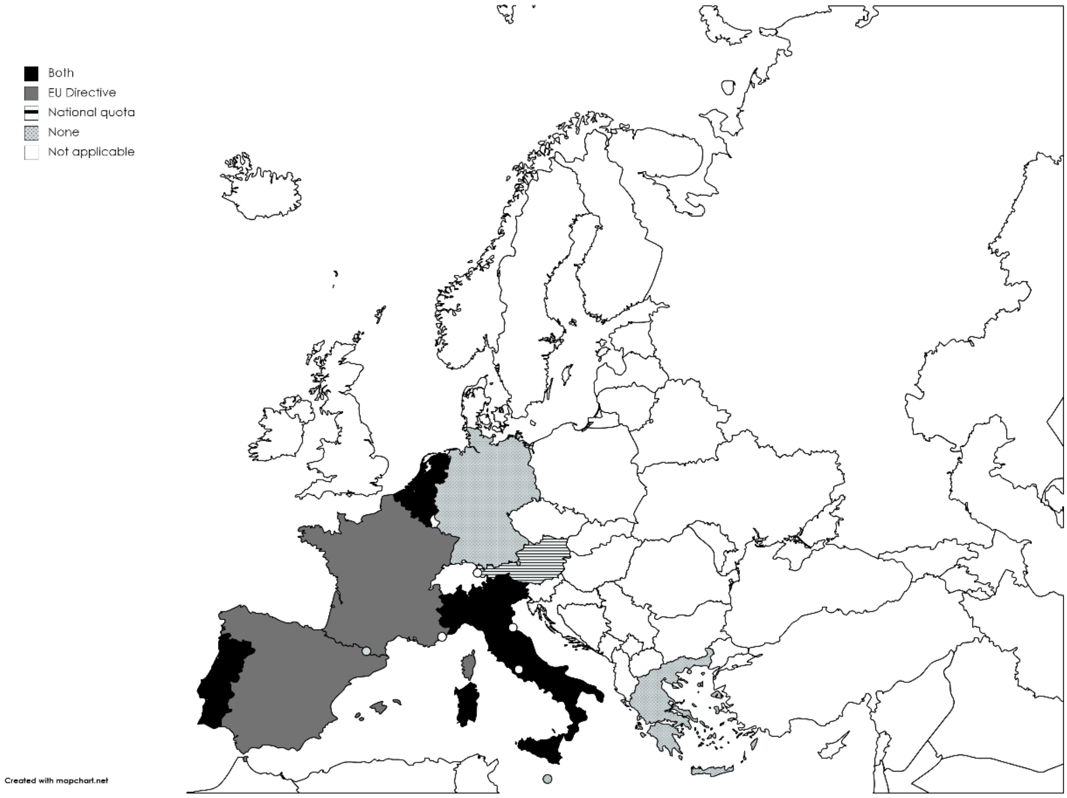
The countries that are furthest from complying with the regulations are Cyprus, Estonia, Hungary, Bulgaria, Malta and Rumania. They need to increase shares of women directors among non-executive directors by at least 20 pp (20.7 pp in Romania to 32.8 pp in Cyprus) or by at least 15 pp among total directors (15.5 pp in Romania to 22.8 in Cyprus). Unlike other European countries, those Member States, along with Latvia and Lithuania, show higher shares of female executive directors than female non-executive directors. The presence of female directors in Poland, Czech Republic, and Latvia has to increase by at least 11 pp to meet the 33% target, whilst the goal among non-executive directors (40%) is much farther from being achieved i.e., Latvia, Czech Republic and Poland would need 21 pp, 17.6 pp and 15.8 pp increases, respectively. Luxembourg is approximately 10 pp away from both objectives. Finally, Croatia, Slovakia, Lithuania, Greece, and Slovenia would have to increase the percentage of female board members by less than 10 pp. However, much greater effort would be required if they are to reach the 40% target among non-executive directors. Overall, European firms affected by board gender diversity regulations have already met or they are close to meeting European standards.



Source: EIGE (2023) and own elaboration

Figure 7: Compliance with EU Directive in the EU (EU-27; 2022)

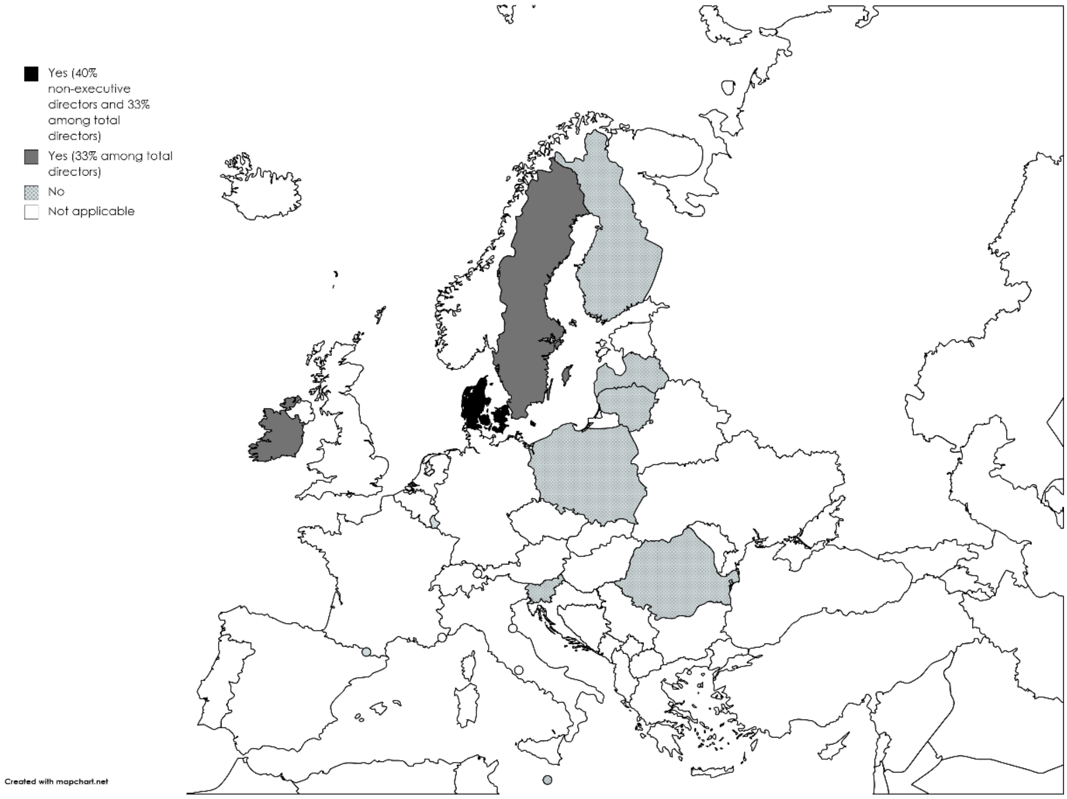
66.7% of EU countries that have already passed board gender diversity quotas comply with the Directive (see Figure 8). The largest listed firms based in Italy, Portugal, Belgium, the Netherlands, Spain, and France meet the Directive. However, Spanish and French blue-chip companies face the challenge of reaching their national board gender quotas. The contrary occurs in Austria where firms meet the Austrian quota but need to slightly increase the percentage of women to reach the European target. Like Austria, Germany is not far from meeting European targets, but women on executive boards do not represent one-third of the board required by the German hard quota. Finally, Greece is far from complying with European standards but also fails to meet the Greek quota.



Source: EIGE (2023) and own elaboration

Figure 8: Compliance with EU Directive and national quotas in the EU (EU-27; 2022)

Lower compliance with new European targets (30%) is observed among countries that have only introduced comply or explain provisions about gender diversity on corporate governance codes (see Figure 9). Ireland, Sweden, and Denmark are the only three that would meet the Directive. On the contrary, Finland, Latvia, Lithuania, Luxembourg, Poland, Romania, and Slovenia follow board gender diversity recommendations in corporate codes but do not reach 40% of women among non-executive directors nor the 33% of women among all directors. It is worth nothing that countries without gender diversity regulation at national level currently meet the European standards.



Source: EIGE (2023) and own elaboration

Figure 9: Compliance with EU Directive among Member States with only gender diversity recommendations in codes (EU-27; 2022)

Conclusions

Starting with the Cadbury Report in 1992, Europe also led the way enacting «soft law», corporate governance codes that follow the comply or explain principle. The EU has also been active in this regard, the EU Directive 2013/34 listed companies to issue a statement referring to the corporate governance code to which the firm is subject, and to follow the comply or explain principle. Eleven European countries have issued codes with recommendations for board gender diversity, codes almost always having preceded quotas in countries that have enacted quotas, although, unlike quotas, most of corporate governance code recommendations do not set targets.

Europe was not only the first continent to approve gender on boards quotas, but has also been the most active continent in this regard. Since Norway approved the first quota for listed companies back in 2003, eleven European countries have established both quotas that vary in sanctions and penalties (none -soft quotas-, delisting, open seats and suspension on boards -hard quotas-) and in target levels (from 25 percent to 40 percent). Quotas also vary in their duration: most are permanent regulations but some have an expiry date. This is also the case for the recently approved EU Directive on female presence on boards in publicly listed EU companies (it is expected to expire in December 2038) The Directive exemplifies a hard quota with European Member States being expected to establish sanctions for companies that fail to meet the objectives, among them, the targets set for 2026: 40 percent among non-executive directors or 33 percent among all directors (European Commission, 2022).

During the last two decades, Europe’s activism towards increasing female representation on boards, raising international awareness on this issue, has promoted a change in gender diversity in boardrooms of many European countries. Overall, in the Europe, there has been a significant increase in women presence on boards of directors since the early 2000s. For instance, nowadays, female presence on EU listed firms’ boards of directors is 32.2%, although companies of just seven European countries show gender balance (France, Iceland, Norway, Italy, Netherlands, UK and Denmark).

Nevertheless, some countries have descended in the ranking of women presence on boards since the early 2000s (i.e. Romania, Slovenia or Bulgaria). In these countries, a compelling feature is that within boards, among female directors, executive directors outnumber.

The evidence shows clearly that the enactment of norms, whether quotas and/or recommendations in codes of good governance, leads to greater female presence on boards. However, interestingly in some countries without regulation, the trend towards gender balance on boards has also been remarkable (Slovakia and Croatia) and the intensity of the increases in female presence on boards is not always linked to the regulation: among countries with at least 40% of women on boards of directors (whether executive or non-executive), five have enacted hard quotas, one opted for soft quotas, and two introduced gender diversity recommendations in corporate governance codes. Overall, this data is in line with previous findings reported by Sojo et al. (2016) and Martínez-García and Gómez-Ansón (2021). Data also reveals that just one third of EU countries meet EU Directive targets, while some countries such as Cyprus, Estonia, Hungary, Bulgaria, Malta and Rumania, all lacking hard regulation, still have a long way to go. Countries that comply nowadays with the targets set for 2026 by the EU Directive, are, with the exceptions of Denmark, Sweden and Ireland, the countries that have enacted quotas. Nevertheless, it is too early to assess the effectiveness of EU Directive 2022/2381. Future studies that analyse the transposition of the Directive by EU countries and its impact on listed companies (both on executive and non-executive directors). Other pending aspects for analyses are the impact of the new regulation on non-listed large companies, or on state owned enterprises.

Disclaimer

None

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