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PROMOTING DIVERSITY IN EUROPEAN BOARDROOMS: A COMPARATIVE STUDY OF CODES OF BEST PRACTICES

Lana CINDRIĆ, Ivana KOVAČ, Anamarija IDŽOJTIĆ

Abstract: *As the call for diversity and inclusion in corporate governance intensifies, examining the effectiveness of best-practice guidelines becomes paramount. This paper presents a comprehensive comparative analysis of board diversity practices within the European corporate governance landscape. It explores the best-practice codes implemented by various European countries, revealing a diverse array of strategies aimed at fostering diversity and their repercussions for corporate governance. Transparency and accountability emerge as common themes, with many codes mandating public reporting on diversity initiatives. Furthermore, gender diversity remains a focal point, reflecting the global commitment to achieving gender balance in corporate governance. This comprehensive examination not only provides valuable insight, but also offers a valuable resource for benchmarking and adopting best practices in corporate governance. It stimulates further research and policy dialogue to advance board diversity within the European context.*

Key words: *corporate governance, boardroom diversity, codes of best practices.*

1. INTRODUCTION

Corporate governance plays an essential role in shaping the strategic direction and overall performance of companies around the world. As businesses seek to navigate an increasingly complex and interconnected world, the composition of their boards of directors has come under scrutiny, with a growing emphasis on diversity and inclusion.

The governance landscape in Europe is characterised by a rich triad of regulations, principles, and codes that guide companies in their pursuit of sound governance practices. Within this context, diversity considerations have emerged as a key aspect of corporate governance, encompassing a range of dimensions, including gender, age, skills, background, and international representation [1].

The analysis of best-practice codes on diversity in European countries holds a pivotal place in corporate governance literature for multifaceted reasons. As companies operate across borders in an increasingly globalised world, understanding how different European nations address diversity-related issues in corporate governance becomes essential for multinational corporations. Diversity, once viewed primarily as a social responsibility, has now emerged as a strategic imperative tightly linked to innovation, problem solving, and overall corporate performance. By examining how these codes approach diversity, researchers and practitioners can gain better insight into the evolving role of diversity within corporate strategy.

Our analysis begins by examining the commitment to diversity within the boards of various countries. Our findings show that while some nations place a strong emphasis on achieving gender equality and balance on their boards, others take a different approach, prioritising independent directors without explicit diversity directives.

As we explore the governance practices in different European countries, we find varying degrees of emphasis on board diversity. Some nations provide flexibility, allowing companies to determine their own board composition, while others advocate for independence without specifying diversity guidelines. Some countries encourage companies to adopt diversity policies and promote transparency in their implementation, signaling a commitment to diversity that aligns with operational objectives.

In our analysis, we find countries that suggest target percentages for female board members, while others align with international standards, but encourage independent directors. Some nations encourage gender diversity, particularly in larger companies, while others stress the importance of diverse competencies, perspectives, and backgrounds within their boards.

By examining the strategies and recommendations put forth by these codes, we gain insight into the evolving landscape of corporate governance across Europe and the role diversity plays in shaping the boards that steer companies into the future.

The paper's structure is outlined as follows: after the introduction section, we undertake an in-depth examination of best-practice code guidelines in various European nations, with a specific emphasis on their strategies for achieving board diversity. This examination unveils the prevailing trends, shared characteristics, and noteworthy distinctions in these practices. Subsequently, we distil the critical findings and emerging patterns resulting from the comparative analysis. Following this, a discussion section critically assesses the implications of these diverse governance approaches for enhancing corporate governance effectiveness and shaping the composition of corporate boards. In conclusion, the paper summarises its main findings and underscores their relevance in the broader landscape of European corporate governance, potentially offering valuable recommendations and insights.

2. DIVERSITY IN THE BOARDROOM

Diversity, as defined by Williams and O'Reilly [2], encompasses variations in individual attributes that distinguish one person from another, including factors such as gender, nationality, age, and professional background. Recognised for its value in board discussions, diversity protects against 'groupthink,' fostering creativity, innovation, idea exchange, and enhanced problem solving. Consequently, the correlation between board diversity and a company's overall value has become a prominent topic in the economic literature, given its pivotal role in effective corporate governance [3].

Previous research on corporate diversity has classified it into two types: observable and unobservable. Observable diversity refers to readily visible demographics, such as gender, age, nationality, and ethnic background, while unobservable diversity encompasses less apparent aspects such as cultural values and personality traits [4, 5]. Despite this distinction, studies examining diversity's impact on firm performance have predominantly centred on observable, demographic diversity. These studies often emphasise diversity in the upper echelons as a driver of corporate success. Previous studies underscore the potential of diversity to catalyse organisational development, offering deeper insight into diverse markets, leveraging cultural knowledge, and facilitating more effective global relationships through the incorporation of cultural competencies into business strategies [6].

Research on board diversity has produced diverse results, particularly in terms of the influence of nationality and gender among board members, especially after gender quotas were introduced in certain European countries. While some instances did not reveal statistically significant correlation between women on boards and key financial metrics, other cases demonstrated a positive association between gender diversity and firm performance, particularly in Spanish companies [3, 7]. Multiple studies have supported the notion that a higher proportion of women on boards leads to greater financial success [5, 8].

Similarly, studies have examined minority representation in corporate governance, uncovering a positive correlation between ethnic diversity on boards and effective management and product development [9]. In contrast, research on a sample of US companies between 2003 and 2012 showed that while gender and ethnic diversity on boards improved social, environmental, and managerial aspects, it did not necessarily improve financial performance [10].

In general, research on board diversity has not yielded uniform conclusions, as its impact on firm performance varies between companies. Although some firms benefit from diversity in gender, ethnicity, professional background, and education, others face challenges. Striking a balance between diversity costs and benefits is a unique endeavour for each company [11]. In particular, larger companies with complex asset structures can derive greater advantages from diverse boards that provide intensive oversight and multifaceted advisory roles [3].

In line with that, diversity can be seen as a double-edged sword. On the one hand, it improves creativity, innovation, and high-quality decision making within corporate leadership. On the other hand, it involves integration costs, consumes significant time, and can potentially lead to increased conflicts due to differences in perspectives [12].

3. THE SIGNIFICANCE OF CODES OF BEST PRACTICE IN PROMOTING GENDER DIVERSITY

In response to the institutional crisis witnessed in 1998, the European Commission embarked on a comprehensive discussion of the promotion of corporate governance within the European Union [13]. Over the past decades, the EU has been formulating a novel regulatory approach that emphasizes the utilization of alternative instruments or tools that complement traditional command and control legislation. These alternative mechanisms, including recommendations and voluntary agreements, are commonly referred to as soft law, self-regulation, and co-regulation [13].

The concept of soft law has been ingrained in European law since 1962. With the growing internationalization of markets, soft law instruments have become a favoured approach for the European Commission initiatives [14].

The widely accepted European definition of soft law characterizes it as a set of behavioural guidelines that lack legal binding but can still have practical and legal implications [14]. In the European literature, soft law is often described as soft guidelines, such as recommendations, codes, resolutions, etc.

Corporate governance codes are designed to address deficiencies in corporate governance systems. These codes consist of recommendations on "best practices" for corporate behaviour and board structures, offering a comprehensive set of norms concerning board roles, composition, shareholder relationships, top management transparency, financial auditing, information disclosure, the selection, compensation, and dismissal of directors and top executives, etc. [1].

The rapid development of corporate governance codes can be traced back to the early 1990s, particularly after the release of the Cadbury Committee Report on Financial Aspects of Corporate Governance in 1992 in the United Kingdom [1]. According to the Cadbury Report, the proliferation of national codes and corporate governance reforms gained momentum, resulting in a substantial increase in the number of national corporate governance codes, although with nonlinear evolution [1, 15].

The application of corporate governance codes varies by country and operates within the legal framework of each jurisdiction. Unlike the legal rules governing companies in specific countries, compliance with corporate governance codes is not legally binding on companies.

Corporate governance codes have not only expanded geographically but also broadened their scope. Initially focused on improving investor confidence through improved board oversight and shareholder accountability, these codes now encompass transparency on social issues such as corporate social responsibility and diversity [16].

Various expert bodies, including governmental and nongovernmental institutions, adopt corporate governance codes. These issues span government bodies, stock exchange entities, committees and commissions appointed by governments, academic, professional, and business associations, employer associations, and various investor groups. According to Aguilera and Cuervo-Cazurra [1], corporate governance codes can be classified into six categories based on their issuers: Stock Exchange, Governmental, Directors' Association Code, Managers' Association Code, Professional Association Code, and Investors' Association Code.

Since their inception, corporate governance codes have focused primarily on-board structure and composition [17]. They are widely used in the European Union because they aim to disrupt established informal power structures that hinder women from attaining board positions without interfering with selection processes. This approach parallels gender quotas in its attempt to challenge long-standing informal norms of exclusion and promote greater gender diversity on boards [18].

Although both voluntary and legally binding strategies share similarities, corporate governance codes are generally more generalized. While some may set specific gender balance goals for boards, they largely leave it to companies to establish their own goals [18]. Consequently, their effectiveness is somewhat limited, since they function as recommendations, with no mechanisms to hold noncompliant entities accountable, often resulting in a symbolic commitment to gender equality [18].

4. COMPARATIVE ANALYSIS OF THE BEST PRACTICE CODES IN EU COUNTRIES

The comparative analysis focusses on the guidelines of corporate governance codes pertaining to boards, specifically regarding board diversity and initiatives to improve diversity within boards, as outlined in the codes. The analysis examines guidelines that target various forms of diversity, whether it is gender, experiential, ethnic, age-related or any other form.

For the purposes of this research, corporate governance codes from member countries of the European Union reported in the corporate code database of the European Corporate Governance Institute (ECGI) [19] have been used.

Austria

The Austrian Corporate Governance Code, most recently updated in 2023 places a strong emphasis on diversity considerations within the supervisory board, particularly focusing on gender equality and gender balance. For companies from other EU member states listed on the exchange, there is also an emphasis on international representation of board members. The code prescribes specific requirements, including a supervisory board composition of at least 30% women, 30% men, and a minimum of six shareholder representatives. Additionally, employee representatives should consist of at least 20% female and 20% male employees.

Belgium

The Belgian Corporate Governance Code, effective as of 2020, does not explicitly define the ideal board size - it stresses the importance of aligning board dimensions with the efficient execution of board duties. Moreover, the code highlights the necessity of having at least three independent directors on the supervisory board, a requirement that extends to companies with a unitary structure. Rather than providing explicit directives on board diversity, the code underscores the importance of structuring the board composition to enhance the company's operational activities. It suggests that diversity in terms of skills, background, gender, and age should be considered within the broader context of the company's operational objectives.

Bulgaria

The Bulgarian Corporate Governance Code, introduced in 2021, operates on the "comply or explain" principle. It is mandatory for companies listed on the Bulgarian Stock Exchange and those planning to list in the future. The code does not impose specific guidelines regarding diversity within the board. Instead, it leaves the determination of board composition and the number of board members to the discretion of the company's own regulations.

Cyprus

The Cyprus Code, established in 2019 by the Cyprus Stock Exchange, stipulates that at least one third of the board must consist of independent directors. In the case of larger companies, this percentage can be as high as

50%. However, the code does not offer explicit guidance regarding board diversity, focusing primarily on the independence of board members.

Czech Republic

The Czech Corporate Governance Code, introduced in 2004, applies to companies listed on the stock exchange. Although the code emphasizes the importance of appointing an adequate number of independent directors on both the management and supervisory boards, it does not provide specific guidance on board diversity. The general assembly is responsible for appointing board members, who serve fixed terms of up to five years.

Denmark

Denmark's Corporate Governance Code, last revised in 2020, encourages annual discussions within the supervisory board regarding the company's efforts to promote diversity and recommends the preparation and implementation of a diversity policy. This policy should be publicly disclosed on the company website and should encompass dimensions such as age, international experience, and gender. Diversity considerations should also inform the process of appointing board members, with a recommendation that at least half of the directors elected by the general assembly be independent.

Estonia

Estonia's Corporate Governance Code, established in 2006, primarily pertains to publicly traded companies, excluding investment funds registered as joint stock companies. The code stipulates that at least half of the supervisory board members should be independent, with one less independent director permissible in cases of supervisory boards with an odd number of members. However, like several other codes, the Estonian Code does not provide specific guidance on board diversity.

Finland

Finland's Corporate Governance Code, issued in 2020, applies to companies listed on the Helsinki Stock Exchange- Under this code, companies themselves are responsible for defining their diversity principles. These principles should be aligned with the company's business operations and growth strategies, ensuring consistency with the company's decisions. While the code gives companies flexibility to determine the extent of their board diversity reporting, it requires that these reports consistently include goals to achieve gender balance, the methods used to achieve these objectives, and progress updates.

France

The French Corporate Governance Code, most recently updated in 2022, specifically addresses gender diversity. The code specifies that the board should establish gender diversity goals for top-level bodies based on recommendations from senior management. Senior management, in turn, presents a plan to implement these goals, complete with action plans and timelines. Additionally, the board of directors provides annual reports on the results of their diversity-related activities. Companies disclose their compliance with the code guidelines, which include gender diversity policies, objectives, strategies, and results, in their Annual Corporate Governance Reports. The report also provides insight into the company's policy on gender diversity, including goals, strategies, results from the previous fiscal year, and measures to address any shortcomings.

Greece

Greece's Corporate Governance Code, from 2021, operates as self-regulatory guidelines, and adherence is voluntary. In specific practices, which companies adhere to on a comply or explain basis, diversity policies in the context of gender representation are stated to include specific quantitative objectives.

Croatia

Croatia's Corporate Governance Code, from 2020, functions alongside existing laws, operating on the "comply or explain" principle. The code highlights the importance of selecting suitable individuals for specific roles and ensuring that board composition aligns with the company's specific circumstances. According to the code, every five years, the Supervisory Board must establish a target percentage of female members for both the Supervisory Board and management, which should be achieved in the subsequent five years. These goals must be publicly disclosed in the annual report, along with an explanation of the rationale behind their selection and a plan for their realization. Progress toward meeting these goals must be reported annually.

Ireland

Ireland recognizes the UK Corporate Governance Code as the international standard but adopted the Irish Annex in 2019. This annex applies a "comply or explain" approach, recommending that independent directors constitute at least half of the board for all but smaller companies, which should have at least two independent non-executive directors. While the Irish Annex encourages the consideration of board diversity when appointing members, it does not contain specific diversity provisions.

Italy

Italy's Corporate Governance Code, introduced in 2020, applies to companies listed on the Italian stock exchange. The code advocates for the substantial presence of independent directors and urges companies to embrace diversity criteria when forming their boards, with a particular emphasis on gender diversity. While the code provides flexibility in determining the number of independent directors, it recommends a minimum of two independent directors, excluding the chairman. In larger companies with concentrated ownership, it advises appointing at least one third of independent directors to the board. The code also mandates that at least one-third of the board should comprise individuals from under-represented gender groups, with accompanying measures to promote gender equality and equal opportunities.

Latvia

The 2020 Latvian Corporate Governance Code emphasizes diversity as a crucial driver of effectiveness within the supervisory board. It suggests that diversity in competencies, perspectives, educational backgrounds, work experiences, nationalities, gender, and age groups enhance discussions and decision making. To ensure that diversity principles are followed in supervisory board appointments, companies can create diversity policies to guide the selection process. The code stipulates that at least half of the supervisory board should consist of independent directors.

Lithuania

Lithuania's Corporate Governance Code, from 2019, aligns with legal requirements. The code recommends that half of the supervisory board members and one third of the management board be independent directors. The general assembly is responsible for appointing the supervisory board, with a strong focus on gender equality in qualifications, professional experience, and competencies.

Luxembourg

The Luxembourg Corporate Governance Code, updated in 2017, suggests that the number of independent directors should align with the company's business activities, with a minimum requirement of two independent directors. Although it does not provide specific provisions regarding board diversity, the code recommends that board size be determined based on effective business operations, with a maximum guideline of sixteen members.

Hungary

Hungary's Corporate Governance Code of 2020 applies to companies listed on the Budapest Stock Exchange. It recommends having an adequate number of independent directors on both the management and the supervisory boards. The Code recommends assigning preference to candidates of under-represented gender when a new board member election if electoral candidates are equally qualified for the position.

Malta

In 2022, the Maltese Corporate Governance Code underwent revisions for companies whose shares are traded on the Maltese Stock Exchange. The code was authored by the Malta Financial Services Authority. It operates under the assumption of a unitary company structure and does not include specific guidelines regarding board diversity. The determination of the number of independent directors in companies is left to the discretion of each company, with the establishment of a minimum to maintain balance within the board. The precise composition of the board is dependent on the circumstances and business activities of each individual company.

The Netherlands

The Code (2022) emphasizes that the composition of the management and supervisory boards, as well as any other executive bodies (if they exist), should strive to achieve an appropriate level of diversity. This diversity should encompass various aspects, including expertise, experience, competencies, personal qualities, gender or gender identity, age, nationality, and cultural or other backgrounds. The Code highlights the positive impact of diversity on the effectiveness of management and supervisory boards, promoting new perspectives, preventing group thinking, and improving collaborative teamwork. Companies are required to establish their own diversity and inclusion policies, outlining specific, suitable, and ambitious objectives aimed at achieving a well-balanced balance in gender diversity and other aspects of diversity and inclusion that are relevant to the company. This particularly applies to the composition of the supervisory and management boards, as well as the appointment of managerial positions by the management board.

Germany

The German 2022 Corporate Governance Code was designed by the Government Commission. According to the Code's recommendations, diversity in the board should be considered when choosing new members. It also suggests that newly appointed members of the board can serve a maximum term of three years. Furthermore, the Code advises applying an age limit to board members, which should be disclosed in the Corporate Governance Statement.

Poland

In 2021, the GPW Corporate Governance Committee revised the Polish Corporate Governance Code, which draws inspiration from the OECD Principles of Corporate Governance, the Cadbury Report, and the EASD Principles of Corporate Governance. The Code recommends that a minimum of two members on the supervisory board be independent. The Code primarily prioritizes safeguarding minority shareholders and improving corporate reporting transparency. The Code recommends that companies craft an individual strategy of board diversity containing goals and criteria which include gender, age, education, professional experience, etc. At least 30% of the board should consist of members of an under-represented gender.

Portugal

The most recent edition of the Portuguese Corporate Governance Code was released in 2023 by the Portuguese Institute for Corporate Governance. As per the Code's principles, companies are expected to ensure diversity in the composition of their management and supervisory boards and adopt merit-based criteria. The Code's recommendations encourage companies to proactively define diversity requirements, with a special emphasis on gender equality, which could contribute to improving the board's effectiveness and balance. In addition, companies should disclose information on the composition and frequency of meetings for both the supervisory and management boards on their website.

Romania

In 2015, the Bucharest Stock Exchange reviewed the Corporate Governance Code, which is mandatory for all companies whose shares are listed following the "comply or explain" principle. The code suggests that the board and its committees should maintain a suitable balance of skills, experience, gender diversity, knowledge, and independence to ensure efficient performance of their responsibilities. Nevertheless, the Code does not provide detailed provisions regarding the board's composition or its diversity.

Slovakia

In 2016, a collaborative working group, supported by members of the Bratislava Stock Exchange, the INEKO Institute, and various other institutions, conducted a comprehensive review of the Unified Corporate Governance Code. This code had previously played an integral role in the daily operations of Slovakian companies. The inclusion of independent directors in the supervisory board is rooted in various Slovak laws, and the Code recommends, as a best practice, a predominance of independent directors in the supervisory board if achieving a fully independent director composition proves impractical. However, the Code does not contain specific provisions concerning diversity within the board.

Slovenia

The revision of the Slovenian code in 2021 was driven by a series of crises, including the COVID-19 pandemic. According to the Code, the supervisory board is responsible for defining the aspects of diversity that are suitable for the company's management and supervisory boards, in accordance with the law and the recommendations provided in the Code. The diversity policy sets objectives aimed at achieving diversity in the composition of the management and supervisory boards. This diversity encompasses aspects such as gender, age, professional competencies, and other personal characteristics of board members, all aligned with the company's goals. The diversity policy is put into practice by incorporating specific targets and criteria related to diversity within the company's internal operations. These criteria outline the procedures for selecting board members and govern other processes within the company. Furthermore, the diversity policy specifically establishes targets for gender diversity and outlines gender balance within boards, considering factors such as board size, company objectives, the impact of the board member selection process on the company, and other internal processes. It also defines precise objectives for each diversity aspect and for each board separately, along with the methods for implementation and the scope of human resource procedures and other internal processes within the company.

Spain

The Spanish Corporate Governance Code, revised in 2020 by the National Securities Market Commission, recommends that the board's size be optimised for effective operation, active participation of all members, and agile decision-making, with a range typically between five and fifteen members. The selection process should aim for a balanced mix of expertise, experience, age, and gender diversity among board members. Companies are urged to publicly commit to board diversity from the initial identification of potential candidates and to adopt a diversity-promoting policy that includes measures to ensure a substantial representation of women on the board.

Sweden

The Swedish Corporate Governance Code is a product of the efforts of the Swedish Corporate Governance Board, with its revised edition from 2020. Companies are encouraged to seek a gender-balanced board. Additionally, board members are appointed by the shareholders' meeting and their terms usually extend until the next annual shareholders' meeting. The composition of the board should align with the company's operational needs, the stage of development, and other pertinent factors.

The key findings of our analysis are summarized in Table 1.

Table 1

Codes of Best Practice - Comparative Analysis of EU Countries.

Country	Issuer	Year	Mandatory Diversity Guidelines	Diversity guidelines on complying or explaining basis	Diversity guidelines on complying or explaining basis	Reporting on Diversity Guidelines	Companies encourage d to adopt diversity strategy
AUSTRIA	Austrian Working Group for Corporate Governance	2023	YES	NO	YES	YES	YES
BELGIUM	Corporate Governance Committee	2020	NO*	YES	NO	NO	NO
BULGARIA	National Corporate Governance Committee	2021	NO	NO	NO	NO	NO
CYPRUS	Cyprus Stock Exchange	2019	NO	NO	NO	NO	NO
CZECH REPUBLIC	Working Group of the Czech Securities Commission	2004	NO	NO	NO	NO	NO
DENMARK	Danish Committee on Corporate Governance	2020	NO	YES	NO	NO	YES
ESTONIA	Tallinn Stock Exchange and Financial Supervision Authority	2006	NO	NO	NO	NO	NO
FINLAND	Financial Supervisory Authority	2020	NO	YES	NO	YES	YES
FRANCE	AFEP and MEDEF	2022	YES	YES	YES	YES	YES
GREECE	Hellenic Corporate Governance Council	2021	YES	YES	NO	YES	YES
CROATIA	HANFA and Zagreb Stock Exchange	2020	NO	YES	YES	YES	NO
IRELAND	Irish Stock Exchange (Irish Annex) and Financial Reporting Council (UK Code of 2012)	2019	NO	YES	NO	YES	YES
ITALY	Italian Corporate Governance Committee	2020	NO*	YES	YES	YES	NO

LATVIA	Advisory Board for Corporate Governance	2020	NO	YES	NO	NO	YES
LITHUANIA	NASDAQ Vilnius	2019	NO	YES	NO	NO	NO
LUXEMBOURG	Luxembourg Stock Exchange	2017	NO	YES	NO	NO	NO
HUNGARY	Corporate Governance Committee of the Budapest Stock Exchange	2020	NO	YES	NO	NO	NO
MALTA	Malta Financial Services Authority	2022	NO	NO	NO	NO	NO
NETHERLANDS	Monitoring Committee of the Dutch Corporate Governance Code	2022	NO*	YES	NO	YES	YES
GERMANY	Government Commission	2022	YES	YES	YES	YES	YES
POLAND	GPW Corporate Governance Committee	2021	NO	YES	YES	NO	YES
PORTUGAL	Portuguese Institute of Corporate Governance	2023	NO*	YES	NO	YES	NO
ROMANIA	Bucharest Stock Exchange	2015	NO	YES	NO	NO	NO
SLOVAKIA	CECGA, Bratislava Stock Exchange, INEKO, and others	2016	NO	NO	NO	NO	NO
SLOVENIA	Ljubljana Stock Exchange	2021	NO	YES	YES	YES	YES
SPAIN	National Securities Market Commission	2020	NO	YES	YES	YES	YES

**The corporate governance code does not provide guidelines that point to such legal provisions; however, it is known that there is a mandatory gender quota in the laws of these countries, specifying the proportion of each gender in supervisory board, management boards, or board of directors.*

5. DISCUSSION AND CONCLUSIONS

Comparative analysis of corporate governance codes across European Union member countries has revealed several key findings that shed light on diverse approaches and practices regarding board diversity and initiatives aimed at enhancing diversity within boards. One of the primary findings of this analysis is the wide spectrum of approaches to board diversity evident in the examined codes. These approaches range from explicit gender quotas to more general diversity principles. For example, while codes in Austria, Italy, and France place a strong emphasis on gender diversity and set specific targets and reporting requirements, others, like the Belgian and Dutch codes, embrace diversity in a broader sense, encompassing expertise, age, and nationality. Another significant finding is the prevalence of "comply or explain" mechanisms in many codes, allowing companies to choose between adhering to specific diversity guidelines or explaining their reasons for noncompliance. This flexibility accommodates different corporate contexts and provides opportunities for companies to tailor their diversity initiatives. However, it also raises questions about the effectiveness of voluntary measures in promoting diversity. Transparency and disclosure emerge as common themes in many codes. Companies are often required to publicly report on their diverse policies, objectives, and progress. This focus on transparency aims to hold companies accountable for their diversity efforts and enables stakeholders to assess their commitment to diversity. Finally, gender diversity remains a central concern in most codes. Many explicitly address the need for gender balance within boards, often setting minimum quotas for female representation. This reflects a broader global push for gender equality in corporate leadership.

This analysis of corporate governance codes offers several significant contributions to the literature on board diversity and corporate governance. First, the analysis provides a comprehensive overview of board diversity practices in member countries of the European Union. Highlights the diversity of approaches and practices, offering valuable insights for researchers, policymakers, and practitioners interested in corporate governance and diversity. Furthermore, the examination of codes from various countries allows for benchmarking and the identification of best practices. Companies and policymakers can draw inspiration from successful diversity initiatives and adapt them to their specific contexts. Lastly, the emphasis on transparency and disclosure in many codes underscores the importance of accountability in promoting diversity. This aligns with global trends toward greater corporate transparency and social responsibility.

While this analysis provides valuable information, it is not without limitations. Corporate governance codes are subject to change over time. The codes analyzed in this study represent their respective states at the time of analysis, and subsequent revisions may have occurred. Thus, the findings are specific to the codes in their analysis form. Furthermore, the analysis does not deeply explore the contextual factors that influence diversity practices in each country. A more in-depth examination of cultural, legal, and economic factors could provide additional insight.

To build on this analysis and address its limitations, future research in this area could consider investigating the evolution of corporate governance codes and their impact on board diversity over time. Longitudinal studies can provide insight into the effectiveness of diversity initiatives. Furthermore, it would be valuable to conduct case studies on companies in different countries to examine the practical difficulties and achievements in implementing diversity policies in various settings.

In conclusion, this analysis contributes to our understanding of corporate governance and board diversity practices in member countries of the European Union. It highlights the diverse approaches, practices in place, and underscores the importance of transparency and accountability in promoting diversity within boards. Although the findings provide valuable information, ongoing research is essential to track the evolving landscape of corporate governance and diversity.

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Promovarea diversității în sălile de consilii europene: un studiu comparat al codurilor de bune practici

Pe măsură ce apelul la diversitate și incluziune în guvernanța corporativă se intensifică, examinarea eficienței ghidurilor de bune practici devine primordială. Această lucrare prezintă o analiză comparativă extinsă a practicilor privind diversitatea consiliilor de administrație în peisajul guvernanței corporative europene. Acesta explorează codurile de bune practici implementate de diferite țări europene, dezvăluind o gamă diversă de strategii menite să promoveze diversitatea și repercusiunile acestora asupra guvernanței corporative. Transparența și responsabilitatea apar ca teme comune, cu multe coduri care obligă raportarea publică cu privire la inițiativele privind diversitatea. În plus, diversitatea de gen rămâne un punct focal, reflectând angajamentul global de a atinge echilibrul de gen în guvernanța corporativă. Această examinare cuprinzătoare nu numai că oferă perspective valoroase, dar oferă și o resursă valoroasă pentru evaluarea comparativă și adoptarea celor mai bune practici în guvernanța corporativă. Stimulează cercetările suplimentare și dialogurile politice pentru a promova diversitatea consiliilor de conducere în contextul european.

Lana CINDRIĆ, PhD, University of Zagreb, Faculty of Economics and Business, Croatia, lcindric@net.efgz.hr
Ivana KOVAČ, Assoc. Prof. PhD, University of Zagreb, Faculty of Economics and Business, Croatia, Ikovac@efgz.hr
Anamarija IDŽOJTIĆ, MA, University of Zagreb, Faculty of Economics and Business, Croatia