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## Article

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*Suggested Citation:* Grose, Chris; Koufopoulos, Dimitrios; Gkliatis, Ioannis; Athanasiadis, Konstantinos; Fygkioris, Michail (2021) : Board characteristics and board committees in the Greek corporate governance, CES Working Papers, ISSN 2067-7693, Alexandru Ioan Cuza University of Iasi, Centre for European Studies, Iasi, Vol. 13, Iss. 4, pp. 400-417

This Version is available at:

<https://hdl.handle.net/10419/286666>

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## Board characteristics and board committees in the Greek corporate governance framework

Chris GROSE\*, Dimitrios KOUFOPOULOS\*\*, Ioannis GKLIATIS\*\*\*, Konstantinos ATHANASIADIS\*\*\*\*, Michail FYGKIORIS\*\*\*\*\*

### Abstract

*The paper investigates board characteristics and committees' structure in the Athens Stock Exchange (ATHEX) using unique data culled from the database of the Hellenic Observatory of Corporate Governance. The current corporate governance framework applying in Greece is also analysed while comparisons with the international experience are offered. In Greece, while the Law calls for the need to have a Committee comprising of non-executive Board of Directors (BoD) members, it permits the participation of non-BoD members that collectively fulfill the independence criteria as laid out by Law 4706. L.4449 introduced the current Audit Committee composition and operation framework and the accompanying tighter monitoring role on the part of the Hellenic Capital Market Commission (HCMC) and the Hellenic Accounting and Auditing Oversight Board (HAASOB), has undoubtedly overhauled all the audit framework. The average number of committees per listed firm in the Greek stock exchange almost reached the two-committee threshold only in 2018. Average board size is 7.85 members slightly smaller than the average size for major markets around the globe. This shows the potential for an increase in Board size given also recent regulatory changes necessitating the gender representation of at least 25% in the Board of public firms.*

**Keywords:** board size, audit committee, corporate governance, Greek corporate governance code

### Introduction

The Greek capital market during the last ten years underwent significant changes that paved the way to a new era that is fast approaching. The significant decrease in the total number of listed firms

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(203 in 2016 over 280 in 2009) was coupled by the introduction of new legislation that has significantly changed the corporate governance (CG) framework (Grant Thornton, 2018). Legislation passed in 2010 has introduced the practice of adopting a CG code and issuing a CG report by each listed firm. The new legislation aims at adopting EU directives and the need to keep pace international evolvments. Corporate governance has been rapidly changing worldwide and the Greek legislative framework has attempted to incorporate those changes with a further aim to follow the changes in developed capital markets. The establishment of the Hellenic Council of Corporate Governance acts as a consulting Body to the Hellenic Securities and Exchange Committee on corporate governance issues.

Historically Sarbanes-Oxley has given prominence to the Board of Directors (BoD) as a basic tool towards resolving the agency problem. Regulatory authorities have ever since viewed the BoD as a major monitoring mechanism (Hillier *et al.*, 2011). L.3016 in Greece placed the foundations for today's influential role of the average Board. The BoD closely monitors the decisions of the managers and ascertains that decision-making within the company follows agreed schemes and formal documentation (Vafeas, 1999). BoDs that are more independent are believed to have greater monitoring power. In order to achieve independence a prerequisite remains the number of non-executive members in the BoD (Shivadasani and Zenner, 2004). The existence of independent non-executive members in the BoD guarantees more efficient monitoring of the management team's actions (Lei and Deng, 2014). The greater the number of independent members in the BoD the greater the autonomy and compliance with decisions that are not harmful to shareholders (CFA, 2016).

The size of the board is recognized as one of the most important elements of any board (Shleifer and Vishny, 1997). Theory derived from academic and business research, suggests that increasing the number of directors comes both with costs and benefits (Florou and Galariotis, 2007). On the one hand, boards' capacity for monitoring and advising increases with board size, simply because there are more people to draw on. A larger group also pools more information and allows for greater diversity of backgrounds and viewpoints. As board size increases, "expertise" and "critical resources" of a firm and in turn company performance can be enhanced. More specifically, larger boards provide a larger number of interlocks, which are linked with increased effectiveness in the mitigation of organisational problems (Alzahrani and Lasfer, 2012). It is worth mentioning, that larger boards can provide increased access to critical knowledge for the firm resources. Furthermore, larger boards utilizing their capability to delegate duties, are able to replace directors more easily than smaller boards (Gutierrez and Surroca, 2014).

Board Committees are considered to perform many of the board's most critical functions (Kolev *et al.*, 2019). The existence of Committees, namely the Audit, Remuneration and Nomination, is positively related with conditions enabling efficient control (OECD, 2019). Their widespread operation has also empirically proven to benefit the decision making process (Anderson and Reeb, 2004).

The participation of executive members in these committees hampers their monitoring role. The active involvement of the CEO in their formation will result in few outsiders being chosen for these positions. Many of those appointed under such schemes may have controversial vested interests in the firm (Rahman *et al.*, 2020). For this reason, sound corporate governance practices call for the need exclusively non-executive, and primarily independent members, to form these committees.

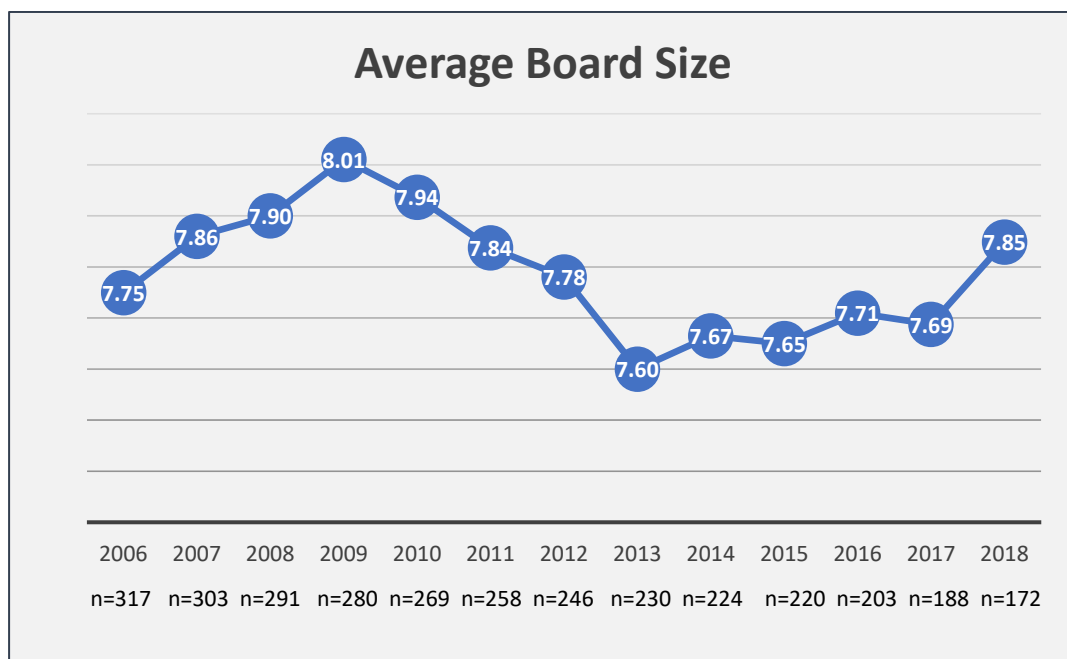
The prevalent Board committee is the Audit Committee (AC). Following the evolution of corporate governance, it became apparent that there is an imminent need to develop internal mechanisms that would ensure high quality in the produced financial information and protection of companies' assets. The AC is the committee that oversees internal and external audit quality. Its existence is believed to enhance board oversight, improve auditors' performance, reduce the asymmetry of information between managers and different stakeholders, thus mitigating the agency problem, and improve companies' disclosures like CSR (Dwekat *et al.*, 2020). The introduction of organized internal audit departments under the supervision of the AC were the primary mechanisms towards achieving these goals.

This paper attempts to offer analysis of Greek corporate governance characteristics over the last 10 years using data from the Hellenic Observatory of Corporate Governance (HOCG). The data have been drawn from all the listed companies in the Athens Stock Exchange (ATHEX) as the applied at the end of 2018. The results are significant since they show clearly how the most important organisational population of the Greek economy adopts principles and practices related to CG. The emphasis is shed on the Board structure and data concerning the Committees operating in the Greek context but further information is also offered, thus providing a good basis to anyone seeking for opportunities for scholarly research or professional usage of the depicted data. The remainder of the paper is organised as follows. Section 2 provides data on the Board structure, including size, independent and executive directorships and male/female members. Section 3 introduces some secondary data on Board Committees while Section 4 offers some relevant discussion. Section 5 summarises the main findings.

## 1. The board of directors in the Greek framework today

The average number of Board members for ATHEX firms for 2006 and 2018 are analytically shown in Figure 1, depicting the variation of board size across the firms listed in ATHEX. Until 2009, the average board size had been increasing steadily, reaching an average of 8 directors (8.01). Before then average Board size was 7.75, 7.86 and 7.90 in 2006, 2007 and 2008 respectively, evidence that verifies this consistent average size increase. The next four years, the number of listed companies, and the average board size, decreased (7.60 average board size, 230 listed companies in 2013). From 2014 to 2016, the average board size fluctuated ending at 7.71 members in 2016, while the number of listed companies continued to decrease with only 203 listed companies in Athens Stock Exchange as of December 2016. Board size picked up again in 2018 with an average of 7.85 members for a sample of 172 public firms.

**Figure 1. Average Board Size 2009-2016**



Source: Own representation

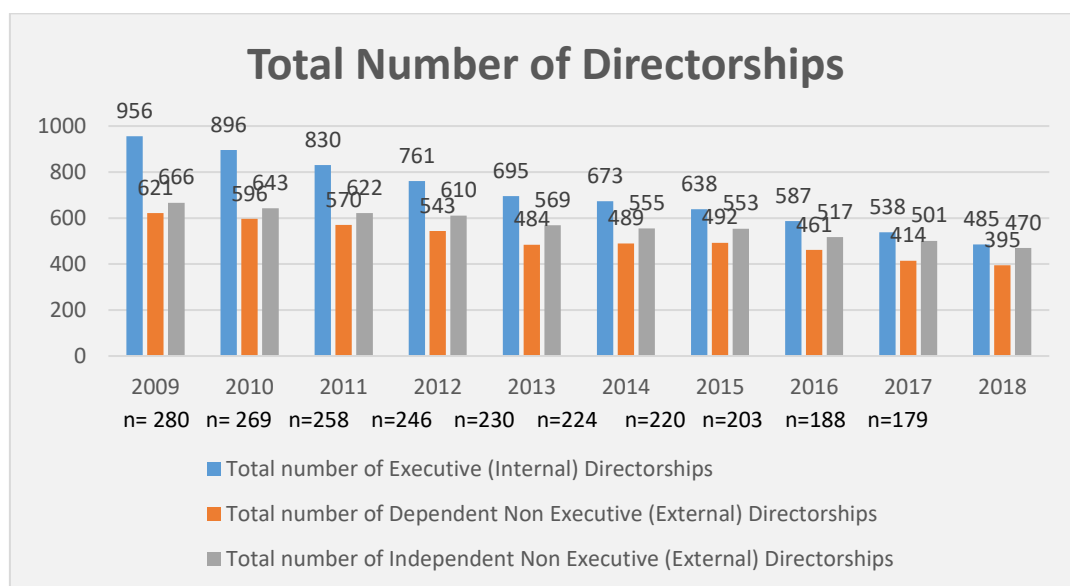
Directorships refer to the total number of seats existing in Boards, while the total number of directors is slightly smaller since in some cases, directors serve in more than one Board. As seen in Figure 2, in total, 2,243 board seats (or directorships) existed in the boards of the listed companies in Greece in 2009. This was significantly reduced by 2016 as the total number of directorships dropped to 1,565 (-30.2%). This trend followed the previously discussed continuous decrease in the number

of listed firms. In 2017 and 2018 following the gradual reduction in the number of listed firms directorship reduced further (1,350 in 2018).

A closer examination of the data regarding the nature of non-executive board members revealed that the seats these members held are separated into non-executive dependent and independent ones representing a relative idiosyncrasy of the Greek market. In most developed markets non-executive members are also independent.

In 2009, 956 seats were classified as internal directorships, whereas non-executive directorships were 1,287. The absolute number of independent non-executive directorships in 2016 was 517 representing an increase over 2009 (666 independent) as a percentage of the total number of directorships. More specifically, independent non-executive directorships were 33% in 2016, while they were 29.6% in 2009. Dependent non-executive directorships were 621 in 2009 (27.7% of total seats), while in 2016 they were 461 (29.5%). Executive directorships accounted for 35.9% in 2018, while non-executive directorships were 64.07%. Therefore, almost 2 out of 3 directorships was non-executive at the end of the examination period.

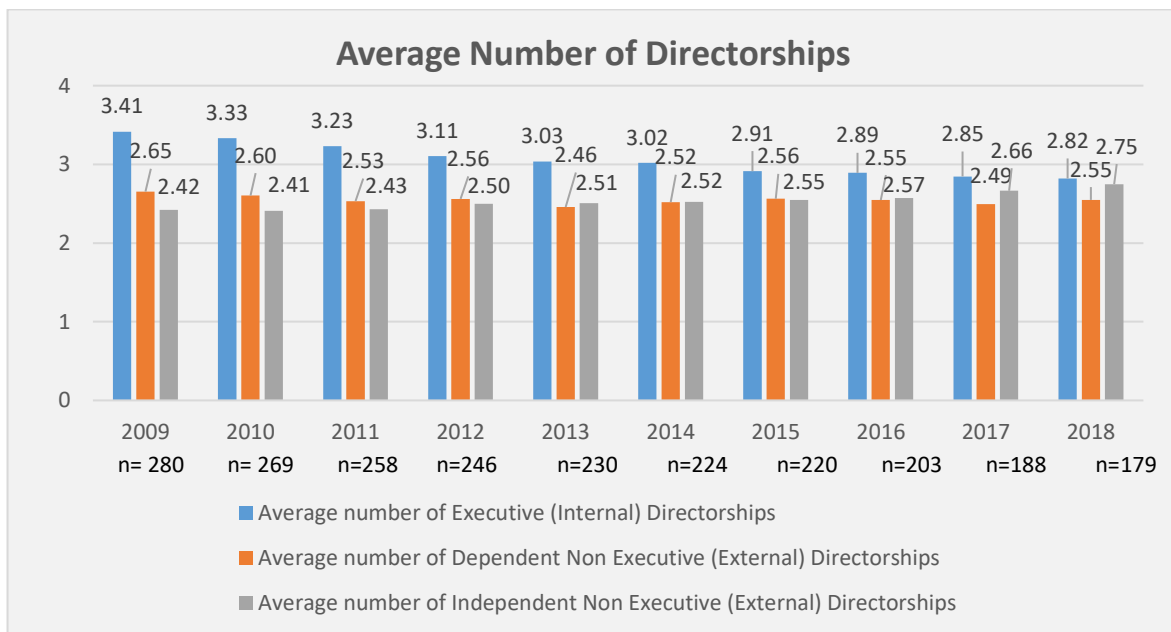
**Figure 2. Total number of directorships 2009-2018**



During the examined years the total number of executive directorships decreased at a larger pace over those of non-executive and independent non-executive members (Figure 3). The above finding is evident by the fact that average number of executive directorships was 3.4 in 2009 and was less than 3 (2.9) in 2016 and 2.8 in 2018. On the contrary, average non-executive directorships were 2.7 in 2009 and 2.5 in 2018. They exhibited minimal variation around these values and the long-run

trend is clearly slightly downward. Interestingly, independent directorships increased through the years from 2.4 per company in 2009 to 2.6 in 2016 showing a very slow, but consistent, tendency towards increasing further. In 2018 2.8 members of the Board were independent signifying that the observed small increase of Board size over the recent years is mainly attributed to the increase of independent members following global trends.

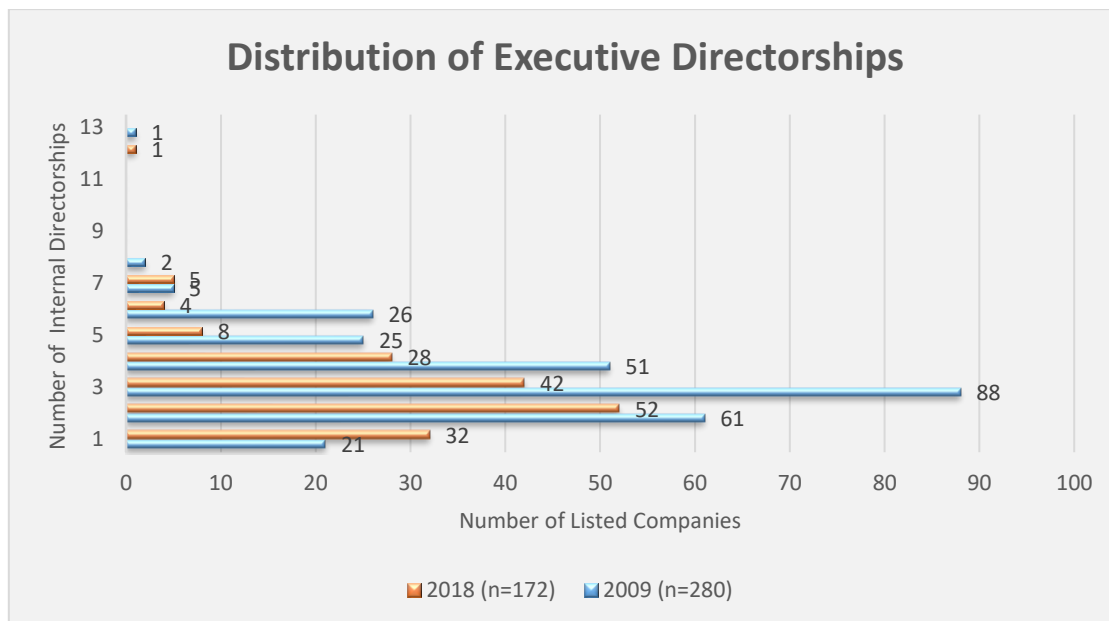
**Figure 3. Average number of directorships 2009-2018**



Source: Own representation

Figure 4 shows the distribution of executive directorships. As discussed earlier internal (executive) board seats are less compared to the external seats. While it is true that CG good practices promote the existence of a majority of non-executive members, it also holds that the existence of some executive directors is imperative for the smooth operation of a Board. The vast majority of firms in 2009 had 1-6 executive directors. More specifically 88 companies had 3 directors, while all in all 200 out of 280 firms had 2 to 4 internal directors in 2009 (69.4%). In 2018 the total number of firms holding 2 to 4 directors was slightly higher (70.9%), showing that the tendency is towards companies holding a smaller number of executive directors. Firms holding more than 4 internal directors shrunk from 21.1% in 2009 to just 10.5 in 2018 (12.8% in 2016) underlying further the previous finding and the gradual reduction of Boards being dominated by executive members.

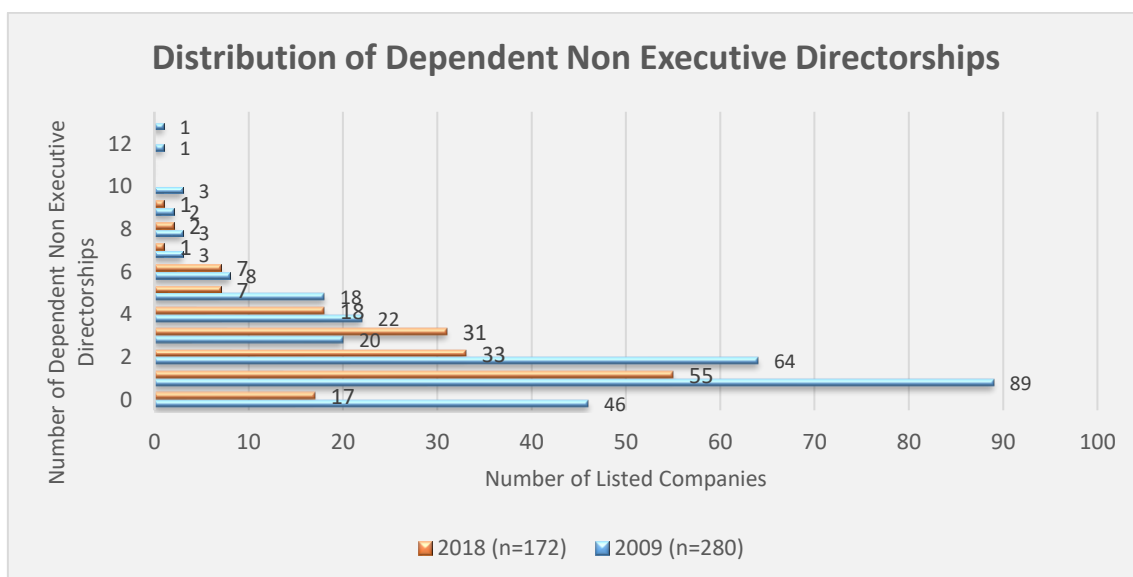
**Figure 4. Distribution of executive directorships in 2009 and 2018**



Source: Own representation

As mentioned earlier, non-executive (external) board seats outnumbered internal board seats throughout the aforementioned period. For the year 2009 we identified 1,287 non-executive board seats, which exceed the total number of internal directorships in 2009 by 331 seats. In 2018 with 865 non-executive board seats, the difference over executive directorships was even higher (380 seats). Figure 5 depicts the distribution of non-executive directors in 2009 and 2018 respectively where we can further examine the distribution of the 395 dependent non-executive directorships.

**Figure 5. Distribution of non-executive directorships (both dependent and independent) in 2009 and 2018**



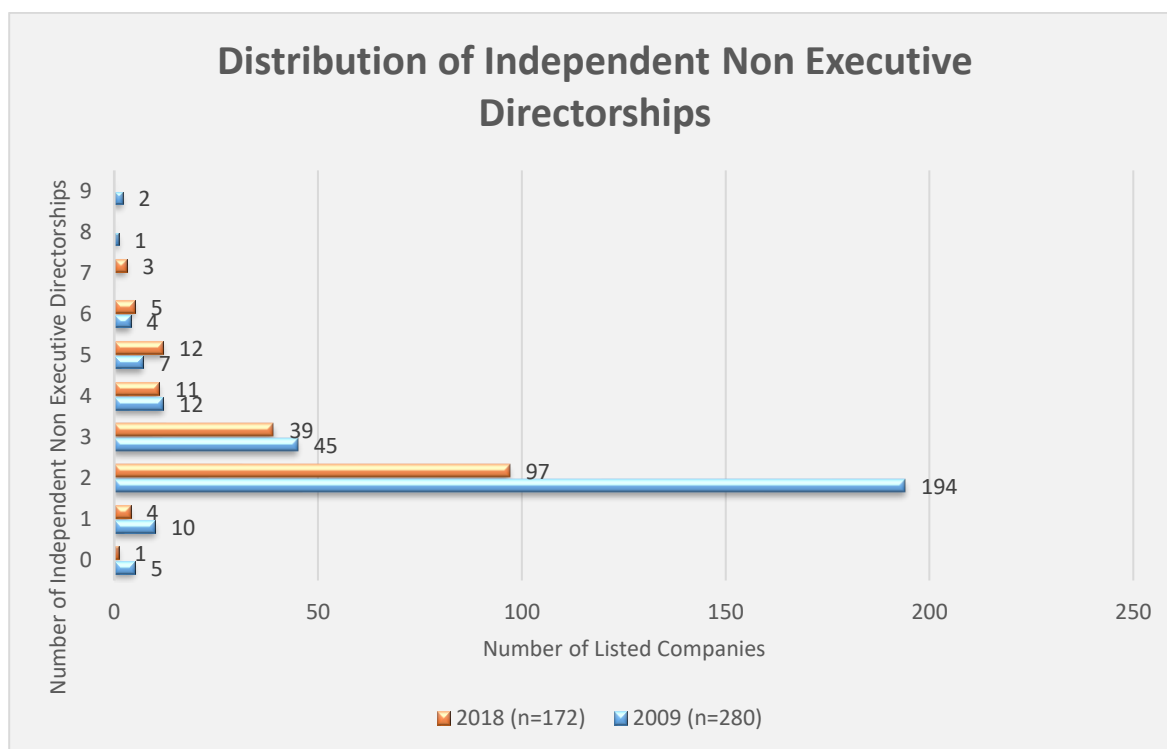
Source: Own representation



The majority of firms had 1 to 3 dependent non-executive Board members in 2009 (61.8%) and the same applied in 2018, 69.2%). As highlighted earlier the small shift that took place during this time is towards a slightly greater representation of independent non-executive directors over dependent external directors.

Figure 6 presents the distribution of independent non-executive directorships in 2009 and 2018 respectively. As mentioned earlier the average number of independent directors slightly increased during the examined period. 194 out of 280 companies (69.3%) held at least 2 independent directorships in 2009, whereas in 2016, 127 out of 203 firms (62.6%) and in 2018, 61%. Therefore, 2 independent members, with few exceptions in the case of minority shareholders being represented at the Board, has been the minimum number of independent directors Greek firms were obliged to follow throughout the examination period given also the existing legislation. It appears that through time, in line with the small increase in average independent directorships, Greek firms have opted for an even larger number of independent directors. More specifically, 39% of firms in 2018 had more than two independent directors. This represents a significant increase over 2009 when the relevant figure was 25.3%. However, the majority of firms were strictly in line with the absolute minimum requirements a condition that is though, in line with international standards, gradually changing.

**Figure 6. Distribution of independent non-executive directorships in 2009 and 2018**



Source: Own representation

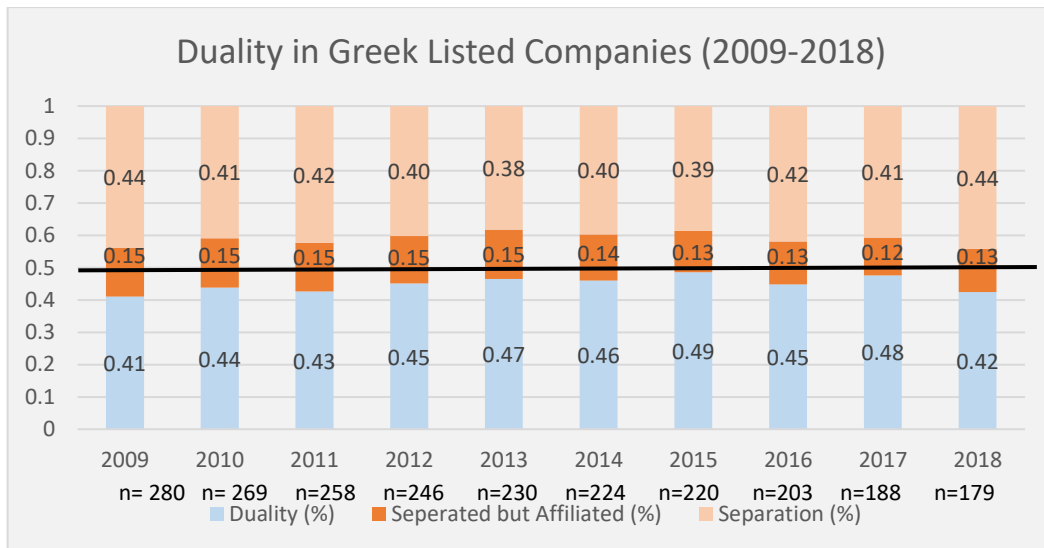
One of the prevalent good practices of CG is the separation of roles of the Chairperson of the Board and the CEO. While the good practices of the Greek CG code call for the separation of the two roles a large number of firms in Greece and abroad do not separate the two roles. Part of the examined firms separated the two roles, but appointed as the Chairperson of the Board a director affiliated with the CEO. Our criterion for affiliation in this study was the identical last name. This leads us to surmise that, although job separation existed, an indication of affiliated status was present. This criterion (namely the last name) is naturally neither absolute nor scientific. However, its employment offers further insight into Boards that partially fulfil suggested good CG practices.

123 companies or 43.9% of the sample, separated the leadership roles, having two individuals serving as Chairperson of the board and CEO respectively, in 2009. On the other hand, 115 companies (41.1%) had duality as they trusted these seats to one individual for that year. Respectively, 85 firms (41.9%) separated the leadership roles in 2016, while 91 firms (44.8%) had duality in their boards in the same year. Duality further decreased in 2018 (42%) and the full separation of the two roles further strengthened (44%). Notably, there was a critical 15% and 13% for 2009 and 2018 respectively, where the Chairperson is affiliated following the categorization provided earlier. Once again though figures are gradually moving further towards global good practices.

A closer examination allows us to infer that duality increased temporarily during the examination period approaching the 50% threshold of listed firms in 2013 and 2015 (46.5% and 48.6% respectively), but experienced a significant drop in 2016. The number of companies that separated the two roles during the examined period followed a steady downward trend in line with the decreasing number of listed firms. The highest percentage over the entire sample was observed in 2011 (109 out of 258 firms or 42.2%). As for the cases where the Chairperson is affiliated, with the exceptions of 2010 and 2013, when the percentage of affiliated Board Chairperson was observed above the 15% threshold (15.2%), the gradual long-term tendency is declining.

Lastly, when adding firms with duality and affiliated Chairperson over separated ones there appears to be, as previously documented in the case of the independent Board members, an extremely small, but gradual, trend towards more independent Boards. The corresponding figure was 58.9% in 2009, 58.1% in 2016 and 55% in 2018. These finding though is alarmingly weak considering that during the examined period the Greek CG Code was formed and the relevant directives towards the separation of roles in Greek firms were explicitly set out. The above information is reflected in Figure 7.

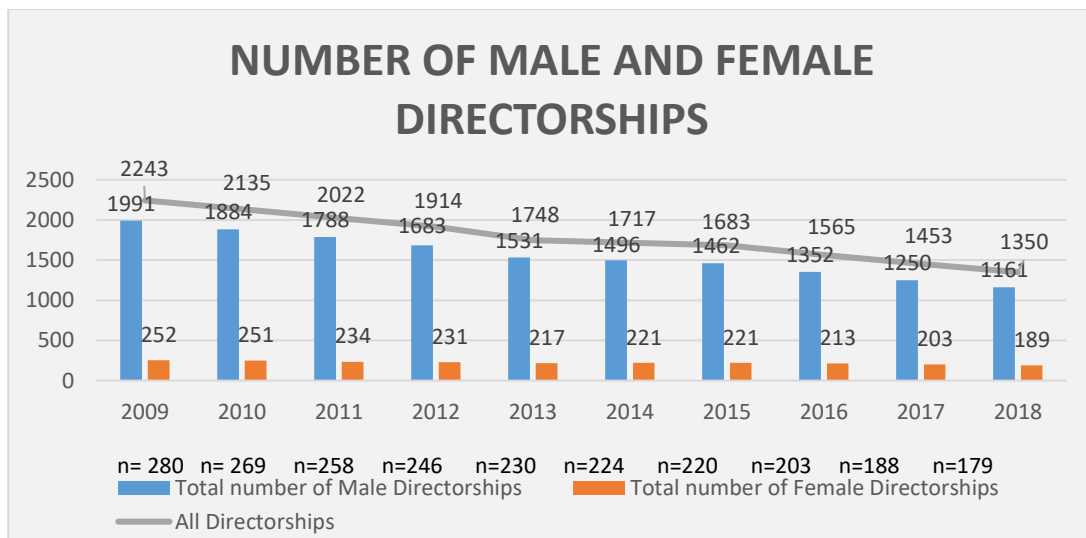
**Figure 7. Board leadership and CEOs 2009-2018**



Source: Own representation

In 2009 there were 1,991 male and 214 female directors. Respectively, in 2016 we identified 1,352 male and 213 female directors, while in 2018 the corresponding figures were 1161 and 189. Male directors were 88.8% in 2009 while in 2016 they were 86.4% and 86% in 2018 demonstrating a small increase in female representation. Therefore, female directors representing 13.6% of total directorships in 2016 (14% in 2018) experienced a 22% percent increase during the examined 10-year period (Figure 8). The above analysis reveals that women have been consistently a small minority in the Boards of the firms listed in ATHEX.

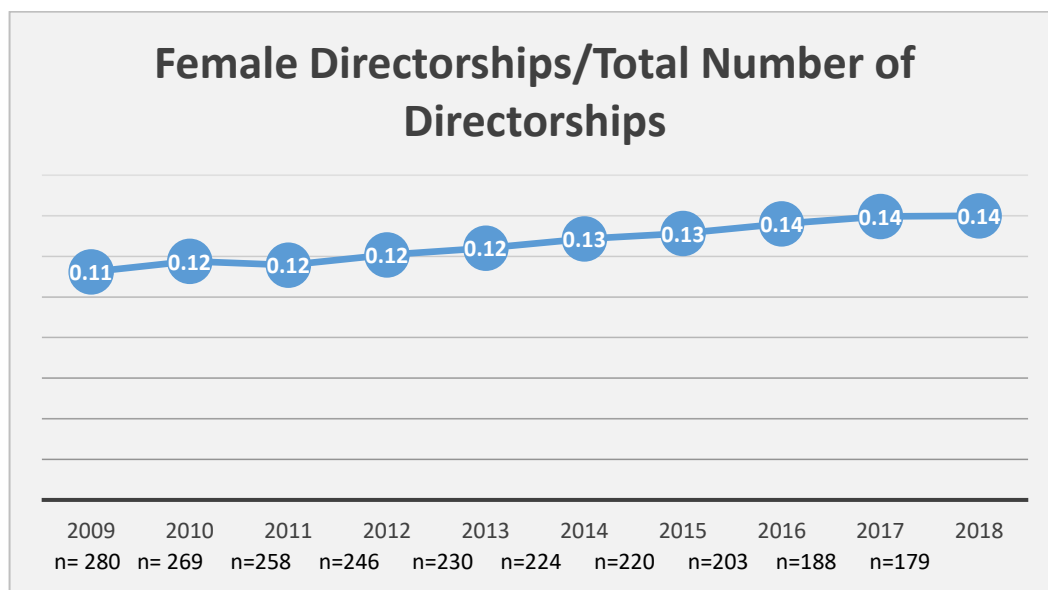
**Figure 8. Directorships' allocation by gender 2009-2018**



Source: Own representation

However, as shown in Figure 9 women participation in Greek Boards has consistently increased over the examined period, ranging from 11 to 14%. This small, but gradual, increase is consistent with international standards. However, it is still lagging over developed markets' averages. The recent L.4706/2020 regulatory changes will undoubtedly change this finding in the years ahead of us. Public firms are currently moving towards a minimum of 25% participation of women in the Boards as in July 2021 the provisions of the new Law towards this end are being enforced.

**Figure 9. Female representation in Boards 2009-2016**



Source: Own representation

## 2. Recent evolvments in board committees

Committees operating next to the Board have evolved following Sabranes-Oxley. L.3683/2008 in Greece set the foundations of the functioning of the AC. In 2010, following L.3873/2010 and the introduction of the CG code and the CG Statement, the Hellenic Federation of Enterprises, through its first CG Code, suggested as a good practice for public firms the formation of the Remuneration and Nomination Committee. The Hellenic CG Code of the Hellenic Corporate Governance Council kept the same reasoning in its renewed Corporate Governance Code in 2013. Other committees have operated following good practices adopted by some Greek public firms but only recently L.4706 has made compulsory the operation of a Remuneration and Nomination committee.

According to Chen and Wu (2016) all US public firms operate an Audit Committee (AC) while 98.1% and 84.8% respectively have a Compensation and a Nominating/Governance Committee. The size of these committees is a further aspect that academic literature has investigated. The average size

for committees in Europe is 4.2 members for ACs while it is respectively 3.9 and 3.4 members for Nomination and Compensation Committees (Green and Homroy, 2018). It appears that smaller committees are less likely to be influenced by insiders (Singh *et al.*, 2018). On the contrary, larger committees are more prone to manipulation. McKinsey (2018) claims that independent committees more efficiently introduce sound management practices. The frequency of committee meetings also directly influences monitoring quality and facilitates the proactive action process. This, in turn, enhances their supervisory role.

Since 2008 when ACs were introduced in Greece all public interest entities, including public firms, operate an AC. Largely, firms appear to fulfill the minimum requirement by operating on average, simply, the AC. This as explained is set to change following L.4706/2020 since henceforth companies will be obliged to operate a Remuneration and Nomination Committee.

Firms according to Greek CG laws are obliged to disclose detailed and timely information on Board Committees. The law that governs the formation of the AC is L.4449/2017. Previous legislation (L.3693) called for the need to have exclusively non-executive BoD members as members in the AC. Nine years after the initial implementation of L.3693 regulatory authorities relaxed the membership of the committee clause whereby AC members should also be serving BoD members. Today AC members should either be non-executive members of the BoD or non-BoD members elected directly from the General Assembly, the latter members fulfilling the prescribed characteristics for independent BoD members. The majority of the committee members have to be independent.

L.4706 has updated the list of characteristics that render an individual as independent. The numbers of independent members in the Boards has continuously been on the rise; thus, allowing for the greater representation needed in the increasing number of Board Committees. The average number of independent directors in the ASE almost equals executive members. The AC should have at least three members and they should be appointed under the provision that they have adequate knowledge of the firm's operations and specialist audit knowledge. The latter should apply for at least one member of the Committee.

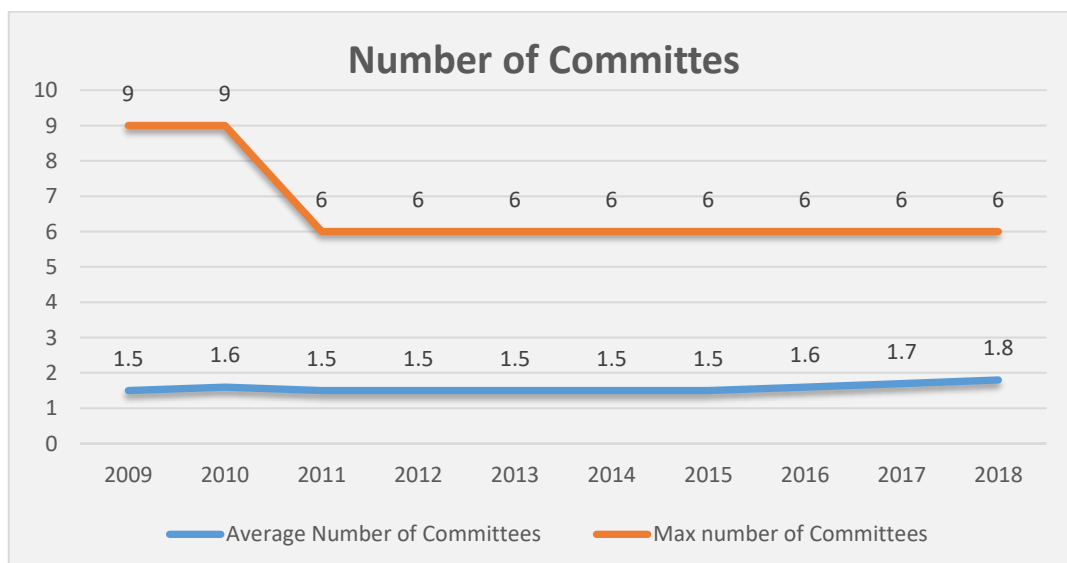
According to the HCGC the remuneration committee should be composed entirely by non-executive board members, the majority of whom should be independent. The remuneration committee is responsible for proposing to the board the remuneration of each individual executive board member, including bonuses, incentive payments and share options. Its responsibilities also include reviewing and making proposals to the board on the total annual package of variable compensation in the company, reviewing and making proposals to the board on the stock option and/or share award programmes, proposing targets for performance-related compensation amongst other remuneration

policies related issues. The Nomination Committee in turn focuses on issues relating to the nomination of independent Board members and the selection and retention of executives for key management positions.

Most firms are still reluctant towards disclosing detailed information on the internal audit practices through the CG Report or/and the CG Code. The same largely applies for the particular mechanism of communication underpinning the AC-Internal Audit department collaboration. It is reported that on average ACs assemble four times a year, presumably during the period coinciding with the 3-month interim financial results release. No further information is usually offered towards these meetings and the corrective action taken. In this respect it is often not clear to what extent the existing communication channels ensure that internal audit procedures commensurate with internationally accepted standards actually exist. The same largely applies for the involvement of the AC in the selection of external auditors and regulatory compliance.

Based on Figure 10 the average number of committees per listed firm in the Greek stock exchange gradually approaches the two-committee threshold. The average number of committees per firm has been surprisingly steady through the years with 1.5 on average in 2009 and 1.6 and 1.8 committees in 2016 and 2018 respectively. During the period 2011-2015 mean figure was 1.5 committees. Largely, firms appear to fulfil the minimum requirement by operating on average, simply, the Audit Committee. The maximum number of committees is found in 2009 and 2010 with individual firms operating 9 committees (Hellenic Post Bank). Maximum number of committees has been 6 during 2011-2018.

**Figure 10. Number of Committees 2009-2018**



Source: Own representation

### 3. Discussion

The above results underline the gradual adoption of CG good practices by Greek public firms with an emphasis on issues around the Board operation and the existence of Committees and most importantly the AC. This move towards stronger compliance and alignment with international practices has been notable but gradual and only recently has the Greek framework rendered necessary the adoption of practices that so far have only been suggested as ideal practices for public firms (e.g. separation of CEO-Chairperson role, existing of other Committees, gender minimum representation in Boards etc.).

Other practices though have correctly not been adopted yet by Greek legislation. Having reviewed though the main CG codes (see FRC 2020, Australian CG Code, German Code, Japanese Corporate Governance Code and US Common sense Principles of CG), we can conclude that rightly the regulators do not impose strict regulations on the number of directors that any organization is choosing to have on its board. The main guideline is that “The board and its committees should have a combination of skills, experience and knowledge”. Other important issues that must be taken into consideration are length of service and all aspects of diversity. As already mentioned the recent L.4706 aims at covering the gaps in the Greek legislation and keep apace international trends and good practices has been passed through Greek parliament covering all aspects of CG for the companies listed in the Athens Stock Exchange.

Nevertheless, our research on a number of issues pertaining to the function of Boards alongside guidelines for the separation of the leadership structure (Chairperson/CEO), the number of independent directors, the number of committees formed as well as issues relating to board diversity allow us to conclude that a required minimum should be reconsidered and prescribed and as such as stricter guidelines might be formed.

The AC has evolved through time as the predominant Committee within firms that comply with CG under mandatory laws and directives. In Greece, while the Law calls for the need to have a Committee comprising of non-executive BoD members, it permits the participation of non-BoD members that collectively fulfill the independence criteria as laid out by Law 4706. The Greek legislative framework has kept apace international evolvments and complies with good practices that govern the operation of the AC.

L.4449 introduced the current Audit Committee composition and operation framework and the accompanying tighter monitoring role on the part of the Hellenic Capital Market Commission

(HCMC) and the Hellenic Accounting and Auditing Oversight Board (HAASOB), has undoubtedly overhauled all the audit framework.

However, recent major accounting scandals and current cases of public firms under investigation for repeatedly misstating their official financial results, pose open questions towards whether the existing framework manages to successfully raise investors' concerns in a fragmented capital market. Regulatory authorities (namely HCMC and HAASOB) should further enforce their supervisory role towards ensuring the sound operation of ACs and the ensuing protection of firm and public interest.

## Conclusions

This paper investigated Board and Committee characteristics for the full set of Greek public firms over the period 2009-2018 using unique data and variables monitored and kept on the HOCG database. When examining the average Board size, it appears that after a steady decrease in average size initiated in 2009, when peak levels were reached (8.01 directors), average size appears to gradually stabilize at 7.8 directors. Directorships during this period tend to lean towards a more independent Board in line with international trends and good practices, as in 2018 we find only 2.8 internal directorships and 5.3 external ones (2.5 dependent non-executive directorships and 2.8 independent ones).

According to HOCG's most recent data the vast majority of firms have 2-4 executive directors in their Boards while more than 70% of Boards had up to 5 external directors and the total number of external directors outnumbered executive ones by 3 to 2. 90% of Greek Boards also have at least one dependent non-executive member in line with the notion that, in the Greek setting, the concept of non-executive directors is still not synonymous with independent ones.

The separation of the roles of the Board Chairperson and the CEO is one constantly revisited issue in the CG codes and the legislation. Despite the fact that good practices call for the separation of the roles, or at least the appointment of an independent Vice Chairman, it appears that only in 4 out of 10 firms the roles are clearly separated since, beyond the 42% of firms where the roles are filled by the same individual, in a further critical 13% of firms the CEO is affiliated with the Chairman. The Greek legislation has recently adopted the obligatory separation of the roles with the exception of firms that have an independent Vice Chairperson. Conclusively, the board leadership structure is still another dimension in which the ATHEX listed companies are, even slightly, continuously scoring better than the last time examined through our reports.



Women continue to be a minority in Greek Boards. With a mere 14% of Greek Boards represented by women, gender under-representation has therefore been one of the main focuses of the recent Greek regulatory changes. Under the arrangements, applying from July 2021, Greek public firms will by Law have a minimum 25% representation of women in their Boards. Therefore, following the regulatory adjustments their representation is expected to at least almost double in the years to come.

Lastly, ATHEX firms lag over their international peers towards the adoption of Committees beyond the Audit Committee. Greek firms operated 1.8 committees on average in 2018. This is set to change once again given the recent regulatory changes that necessitate the existence of a Remuneration and Nomination Committee for all public firms. However, once again the increasing number of committees operated by ATHEX firms is a sign that CG principles assume their fair share on Greek corporate agendas, and we expect this effort to be intensified in the coming years.

Conclusively, CG in Greece during the last decade has faced some critical regulatory changes that have paved the way for a brighter future. The implementation of the CG code, the inclusion of the CG report as an integral part of the annual financial statements, and, more recently, amendments to the CG system concerning the Board structure and committees all reflect significant turning points in the compliance of CG. Greek legislator framework has therefore successfully managed to bridge to a significant extent the gap between the Greek and the developed capital markets framework. However, the quest for stronger governance mechanisms in the Greek capital market is an ongoing endeavour. There is still a need to continuously follow international trends and keep apace commonly used practices with a long-term aim to attract funding and offer further developed opportunities to the struggling capital market. This in turn will fuel growth and increase in the future the number of listed firms. The role of the Hellenic Council of Corporate Governance in collaboration with the legislative authorities should be crucial in the years to come in the quest to rapidly adjust to international good practices of corporate governance. Ongoing research should track the adoption of these practices by listed firms and provide comparisons with the international experience.

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