

The background features a dynamic, abstract composition of numerous thin, overlapping lines that flow and swirl across the frame. The color palette is dominated by vibrant reds and oranges in the foreground, transitioning into cooler blues and purples towards the background. The lines have a slight transparency, creating a sense of depth and movement.

SpencerStuart

2020 U.S.

Spencer Stuart Board Index

S&P 500 Boards: Trends Over One,
Five and 10 Years

S&P 500 Boards: Trends over One, Five and 10 Years

	2020 ^a	2019 ^b	2015 ^c	2010 ^d	5-year % change	10-year % change
Board composition						
Average board size	10.7	10.7	10.8	10.7	-1%	0%
Independent directors	85%	85%	84%	84%	1%	1%
Average director tenure in years	7.9	8.0	8.5	8.5	-7%	-7%
Average age of independent directors	63.0	62.7	63.1	62.1	0%	1%
New independent directors						
Total number	413	432	376	302	10%	37%
Women	47%	46%	31%	21%	52%	124%
Minorities	22%	23%	18%	12%	22%	83%
Average age	57.8	57.5	56.8	56.5	2%	2%
Active CEO/chair/president/COO	17%	18%	20%	26%	-15%	-35%
Retired CEO/chair/president/COO	19%	17%	18%	17%	6%	12%
Financial backgrounds	27%	27%	24%	21%	13%	29%
All other corporate executives	22%	23%	25%	18%	-12%	22%
First-time directors						
% of all new directors	28%	27%	26%*	21%*	N/A*	N/A*
Average age	54	54.2	54.2	55.3	0%	2%
# of first-time directors	114	118	99*	63*	N/A*	N/A*
Women directors						
Women as % of all directors	28%	26%	20%	16%	40%	75%
Boards with at least one woman director	100%	99%	97%	90%	3%	11%
CEO profile						
% of CEOs serving on one or more outside boards	42%	41%	43%	46%	-2%	-9%
# of women CEOs	30	25	22	18	36%	67%
Boards where CEO is the only non-independent	63%	62%	61%	53%	3%	19%
Average age	58.1	57.9	57.0	56.1	2%	4%
Average tenure with company	19.6	19.9	18.8	15.5	4%	26%
Chair independence						
CEO is also chair	45%	47%	52%	60%	-13%	-25%
Independent chair	34%	34%	29%	19%	17%	79%
Boards with lead or presiding director	73%	75%	98%	96%	-26%	-24%
Board meetings						
Average number of board meetings	7.9	7.9	8.1	8.6	-2%	-8%
Median number of board meetings	7	7	7	8	0%	-13%

	2020 ^a	2019 ^b	2015 ^c	2010 ^d	5-year % change	10-year % change
Retirement age						
Boards with mandatory retirement age	70%	71%	73%	74%	-4%	-5%
<i>Boards with mandatory retirement age of 75+</i>	48%	46%	34%	19%	41%	153%
<i>Boards with mandatory retirement age of 72+</i>	96%	96%	94%	79%	2%	22%
Committee meetings (average number)						
Audit committees	8.2	8.4	8.8	8.8	-7%	-7%
Compensation committees	5.9	6.0	6.1	6.7	-3%	-12%
Nominating committees	4.5	4.7	4.6	4.5	-2%	0%
Audit committee chair						
Active CEO/chair/president/COO	5%	5%	7%	13%	-29%	-62%
Financial exec/CFO/treas/public acct. exec	36%	43%	40%	30%	-10%	20%
Non-employee director compensation						
Total average compensation ^e	\$308,462	\$304,856	\$277,237	\$215,000	11%	43%
Average annual retainer ^f	\$129,428	\$126,200	\$112,144	\$79,888	15%	62%
Median annual retainer ^f	\$100,000	\$100,000	\$90,000	\$65,000	11%	54%
Boards paying retainer of at least \$100,000	60%	58%	44%	21%	36%	186%
Boards paying board meeting fee	7%	9%	21%	41%	-67%	-83%
Average board meeting fee	\$2,512	\$2,402	\$2,041	\$2,186	23%	15%
Boards offering stock option program	11%	11%	16%	33%	-31%	-67%
Boards paying equity in addition to retainer	78%	77%	77%	79%	1%	-1%
Committee compensation						
Boards paying committee chair retainer	98%	97%	95%	90%	3%	9%
Average committee chair retainer	\$22,768	\$22,132	\$18,659	\$15,058	22%	51%
Boards paying committee member retainer	48%	46%	41%	37%	17%	30%
Average committee member retainer	\$11,893	\$11,854	\$11,062	\$9,639	8%	23%
Boards paying committee meeting fees	9%	12%	26%	44%	-65%	-80%
Average committee meeting fees	\$1,818	\$1,755	\$1,678	\$1,620	8%	12%

^aData based on proxy year May 24, 2019, through May 20, 2020.

^bData based on proxy year May 16, 2018, through May 15, 2019.

^cData based on proxy year May 15, 2014, through May 15, 2015.

^dData based on proxy year May 15, 2009, through May 15, 2010.

^eBased on non-employee director compensation tables included in 494 (2020), 491 (2019), 486 (2015), and 489 (2010) proxies.

^fNot including stock beyond retainer.

*Prior to 2018, first-time directors represented only directors with no prior outside board service.

ABOUT SPENCER STUART BOARD SERVICES

At Spencer Stuart, we know how much leadership matters. We are trusted by organizations around the world to help them make the senior-level leadership decisions that have a lasting impact on their enterprises. Through our executive search, board and leadership advisory services, we help build and enhance high-performing teams for select clients ranging from major multinationals to emerging companies to nonprofit institutions.

Privately held since 1956, we focus on delivering knowledge, insight and results through the collaborative efforts of a team of experts — now spanning more than 70 offices, over 30 countries and more than 50 practice specialties. Boards and leaders consistently turn to Spencer Stuart to help address their evolving leadership needs in areas such as senior-level executive search, board recruitment, board effectiveness, succession planning, in-depth senior management assessment, employee engagement and many other facets of organizational effectiveness.

For more than 30 years, our Board Practice has helped boards around the world identify and recruit independent directors and provided advice to board chairs, CEOs and nominating committees on important governance issues. We serve a range of organizations across geographies and scale, from leading multinationals to smaller organizations. In the past year alone, we conducted more than 1,100 director searches worldwide, and in North America almost two-thirds of those assignments were for companies with revenues under \$1 billion.

Our global team of board experts works together to ensure that our clients have unrivaled access to the best existing and potential director talent, and regularly assists boards in increasing the diversity of their composition. We have helped place women in more than 2,600 board director roles and recruited more than 900 minority executives around the world.

In addition to our work with clients, Spencer Stuart has long played an active role in corporate governance by exploring — both on our own and with other prestigious institutions — key concerns of boards and innovative solutions to the challenges facing them. Publishing the *U.S. Spencer Stuart Board Index (SSBI)*, now in its 35th edition, is just one of our many ongoing efforts. Each year, we sponsor and participate in several acclaimed director education programs, including:

- » Next-Gen Board Leaders (NGBL), an initiative designed to foster a community of current and aspiring directors to spark discussion around the challenges, opportunities and contributions of a younger generation in today's boardrooms
- » The Global Institutes, sponsored by the WomenCorporateDirectors (WCD) Foundation
- » The Corporate Governance Conference at Northwestern University's Kellogg School of Management
- » The New Directors Program, a unique two-year development program designed to provide first-time, non-executive directors with an exclusive forum for peer dialogue on key issues and "unwritten rules" of corporate boards, produced in partnership with the Boston Consulting Group, Frederic W. Cook & Co., Davis Polk, Lazard and PricewaterhouseCoopers

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