

An aerial photograph of a river system. A large dam is visible in the upper right, with a wide, light-colored reservoir extending towards the center. The river flows from the top right towards the bottom left. The surrounding landscape is rugged, with various shades of blue, brown, and green, indicating different geological and ecological features. The text 'SpencerStuart' is overlaid in the top left corner.

SpencerStuart

2023

# Mining Industry Board Snapshot



# 2023 Mining Industry Board Snapshot

Spencer Stuart is pleased to present the 2023 Mining Industry Board Snapshot, highlighting the latest data and trends in board composition and practices for the world's largest mining companies<sup>1</sup>.

- » Agnico Eagle Mines
- » Anglo American Platinum
- » Anglo American
- » Antofagasta
- » Barrick Gold Corporation
- » BHP Group
- » First Quantum Minerals
- » Fortescue Metals Group
- » Freeport-McMoRan
- » Ganfeng Lithium Group Co
- » Glencore
- » MMC Norilsk Nickel PJSC
- » The Mosaic Company
- » Newmont Corporation
- » Nutrien
- » Rio Tinto
- » Saudi Arabian Mining Company (Ma'aden)
- » Sociedad Quimica Y Minera de Chile SA (SQM)
- » Southern Copper Corporation
- » Teck Resources
- » Tianqi Lithium Corporation
- » Vale S.A.
- » Wheaton Precious Metals Corporation
- » Yankuang Energy Group
- » Zijin Mining Group

<sup>1</sup> We have used the Mining.com "Top 50 biggest mining companies in the world" list as the basis, published for Q2 2023, and focused on those organizations for which information was publicly available and updated. We did not include unlisted or state-owned entities.

# Board structure and composition



of board members  
are executive  
directors



Mining boards have  
an average of 10.7  
members



of boards have a vice  
chair, SID or lead  
director

Multiple challenges and trends are reshaping the global mining industry. As set out by McKinsey, automation and algorithms loom large, leading to an estimated [one in 16 mining workers](#) needing to find a different occupation by 2030. And [increased stakeholder scrutiny](#), particularly around ESG issues, has been cited as a key priority in a recent survey from EY.

Against this fast-shifting environment, mining boards have four main roles: selection of CEOs; capital allocation; constructively challenging and monitoring the delivery of strategy; and setting the levels of risk appetite.

We have found that the world's leading mining company boards have an average of 10.7 members, an average 7.3 of whom are independent. This is broadly the same as S&P 500 company boards in the US and TSX company boards in Canada, for example, both of which have an average of 11 members.

The UK is very similar, where FTSE 100 companies have an average of 10 board members, a figure that has remained stable for a decade. We also found that there are an average of 8.8 non-executive directors on each mining company board, making up 82% of the total number of board members.

Traditionally, these board members are likely to have worked in a variety of locations around the world, regularly moving between countries such as Chile, Australia and South Africa, and have spent the vast bulk of their career within the mining industry.

However, in recent years more executive directors have started to come in from areas such as investment banking or strategy consulting. While those focused on operations and project management have mostly always worked in mining, this is also starting to change. There is now greater openness towards leaders with external experience, particularly to those who have worked in other capital intensive industries and natural resources, including energy and renewables.

This shift can help inject fresh perspectives and drive innovation for an industry that has historically always been rooted in ultra long-term objectives and business value — the lifetime of a mine can often span decades.

# Board directors

## Years of experience

The average age of mining directors is 60.7, which is very similar to the average age of 60.1 for ASX 300 directors in Australia, for example, as well as the average age of UK directors, which is 61.

51.5

*the lowest average age for board members within a single company*

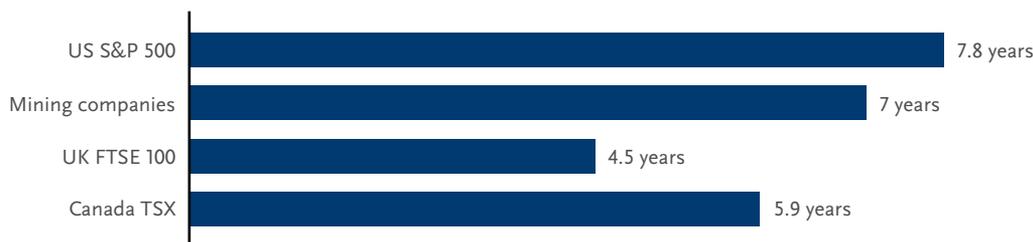
70

*the highest average age for board members within a single company*

The average age of board chairs is 63.6, one company (Southern Copper) has the oldest board member, aged 86, as well as the youngest male board member, aged 37. The youngest female board member is aged 36, at Tianqi Lithium.

Mining company chairs and non-executives spend an average of 5.9 years in their seat. By contrast, there is an average tenure of 7.8 years in companies in the US S&P 500. Directors in TSX company boards in Canada stay in post for an average 7 years, whereas their counterparts in the UK's FTSE 100 companies stay for an average 4.2 years.

### COMPANY BOARD AVERAGE TENURE



The tenure of a mining director often hinges on the ownership structure of the company they are working for. The directors of family-owned mining businesses, for example, often stay on the board well past traditional retirement ages, whereas publicly listed mining companies typically avoid this scenario by having fixed terms for directors.

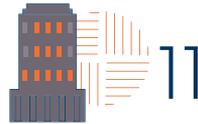
Regardless of the type of ownership structure, it is vital that mining companies strike an appropriate balance of experience on their board. While newer arrivals can provide a burst of energy and fresh thinking, boards also require the perspectives of those directors who have been in their roles during previous business cycles, both the good and the more challenging.



## New directors



of board members  
are women



first-time new  
board members



of first-time new  
board members  
are women

There were 58 new board members appointed between May 31, 2022 and May 31, 2023. Forty percent of these new board members were women and 43% had a different nationality to their company.

## Gender and nationality



of mining boards now  
have at least 30%  
female directors



of mining company  
board committees  
have female chairs



Mining companies  
have an average of 4.5  
board committees

There is no question that mining companies have, like those in many other industries, struggled to improve the gender balance across their workforce. Mining companies have been more successful in attracting women into non-executive roles than they have in increasing the number of women in the executive ranks.



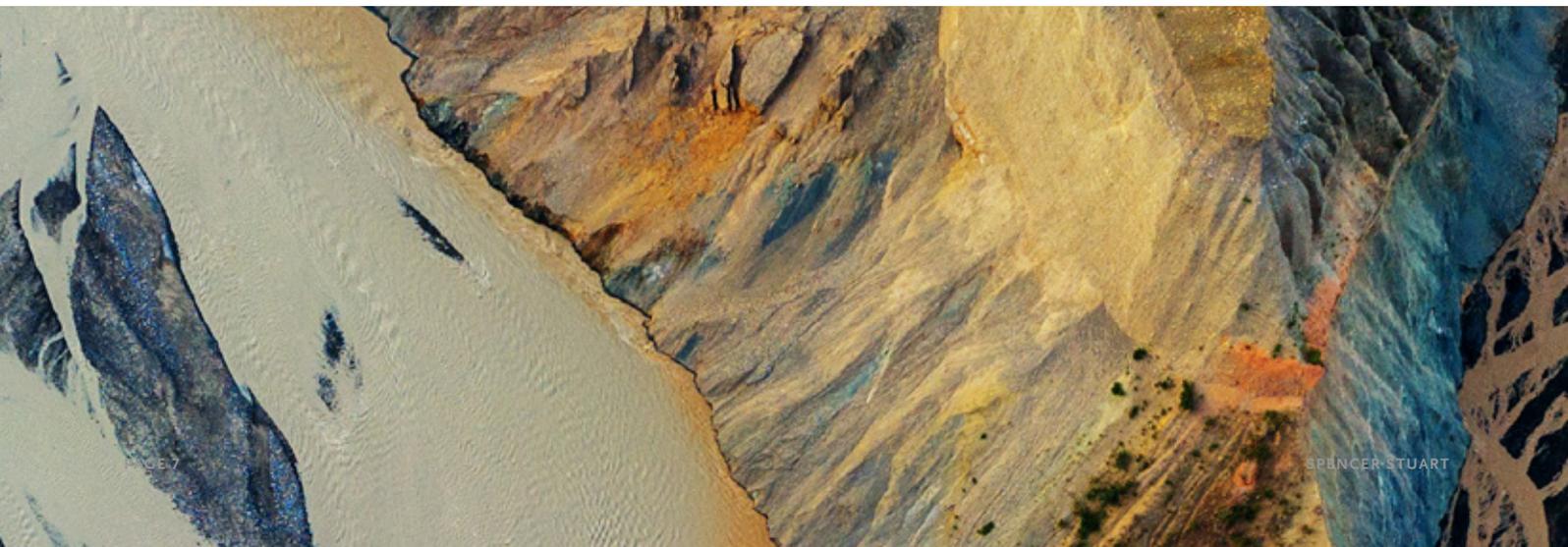
We found that there are now 84 female directors in the mining companies in our survey, representing 31.5% of all board members. This is a slightly lower percentage than in Australia, where female representation on ASX 300 boards has risen to 35% — an 80% increase since 2016. In Canada, women hold almost 30% of board seats among TSX-listed companies, and in the US, female directors now account for 33% of all S&P 500 directors. And in FTSE 100 companies in the UK, the proportion of board seats held by women is now 40%.

**THE PROPORTION OF WOMEN ON COMPANY BOARDS**



We also found that 38.6% of mining board members have a different nationality to their company, with 32 nationalities represented across the 50 companies in our sample.

Mining companies have long recognized the importance of greater gender equality at both board and operational level. This underlines the importance of effective long-term succession planning to improve diversity levels, setting intentional objectives and building early and diverse leadership pipelines. They also need to maintain the diversity of the candidate pool right up through selection, balance critical career experience with assessment for potential, mitigate bias and provide post-selection support for success.





## About Spencer Stuart

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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 culture and organizational effectiveness, particularly in the context of the changing stakeholder expectations of business today. For more information on Spencer Stuart, please visit [www.spencerstuart.com](http://www.spencerstuart.com).



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