

## 2024 South Africa Spencer Stuart Board Index Highlights

Corporate governance continues to evolve and boards today navigate a governance landscape that is complex and nuanced, with continually expanding expectations of optimal oversight.

As the custodians of corporate governance, boards in South Africa are required to keep pace with shareholder expectations and global standards of governance in an evolving economic and socio-political landscape. They have a vital role to play in driving ethical leadership and holding executives to account.

Recent corporate governance transgressions have been a setback for the high standards of corporate governance that resulted from the first four iterations of the King Report on Corporate Governance (1994, 2002, 2009 and 2016). At the time of this publication, the period for public comment on King V, the new version of the code, had just closed. King V presents a simplified and streamlined update of King IV, with 12 principles that cover topics from ethics, strategy and sustainable value creation to board composition and the governance of risk, compliance and information (including AI).

In this edition of the *South Africa Board Index* we once again draw parallels over the last decade to present the critical shifts in governance practices across a range of key components including board composition, organisation and remuneration.

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of board members

# 32%

of directors are HDSA

# 37%

of all directors are women  
(40% of NEDs are women)

## Composition

- » Board size is stable at 12.2 members.
- » Independence levels among board members remains high at 83%.
- » The average tenure of board members has increased to 6.4 years. Men average 7.5 years compared with women at 4.6 years.
- » The average age of board members has increased slightly to just under 60 years.
- » Female non-executive directors (NEDs) are younger than their male counterparts (averaging 57.9 and 62.3 years respectively). Newly appointed directors have an average age of 55.7 years.
- » Board renewals have slowed over the past year to 9% of all directors from 21% in 2023.

## Board diversity

- » 32% of directors are HDSA.
- » HDSA directors average 57.8 years; their average tenure is 5.9 years (compared with 6.4 years for all directors).
- » HDSA women directors are on average, aged 55.4 years and have board tenures of 4.9 years, on average.
- » 37% of all directors are women and 40% of NEDs are women.
- » 60% of boards have at least one woman who is either the chair, chief executive officer, chief financial officer or another executive director.
- » 43% of new NEDs are women and 22% of these have no board experience.
- » One-third of directors are foreign.

## Board organisation

- » The number of board meetings per annum has dropped slightly to 7.7. Average attendance rates are very high at 98%.
- » Two-thirds of chairs and 68% of NEDs sit on more than one listed company board.
- » 44% of boards conducted an external evaluation in 2024 compared with 55% in 2023.
- » Boards have an average of 5.5 committees.
- » Audit committees have an average of 4.4 members and meet 4.5 times per year on average.
- » Nominations committees have 4.8 members and meet 4.5 times per year on average.
- » Remuneration committees have an average of 4 members and meet an average of 5.2 times per year.

## Remuneration

- » Retainers continue to be the most common means of remunerating chairs and NEDs.
- » Only 6% of companies paid a meeting fee on top of a retainer.
- » The average retainer paid to board chairs is R7,038,221; the highest retainers are paid in the industrial and financial services sectors.
- » The average retainer for NEDs is R1,132,180.
- » Audit committee chairs receive an average retainer of R626,569, higher than the chairs of other committees and 25% higher than the remuneration chair committee fee.



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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 60 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](https://www.spencerstuart.com).

